

*Supra*  
*Industrial*  
*Resources*  
*Limited*  
**(Fair Practice Code)**

(Revised Guidelines as per Reserve Bank of India Master Circular 1st July, 2015 i.e. DNBR (PD) CC.No.054/03.10.119/2015-16-'Fair Practice Code)

## Supra Industrial Resources Limited (Fair Practices Code)

*(Pursuant to cancellation of Certificate of registration and as per the instruction issued by RBI dated 02nd August 2018 the company shall dispose off the Financial assets and bring it below 50% of the total assets with in 3 years from the date of cancellation of certificate of registration.)*

### **INTRODUCTION**

Supra Industrial Resources Limited (SIRL referred as Company) is a company incorporated under the Companies Act, 1956 having Corporate Identification Number (CIN) L65999DL1985PLC019987. The company has been incorporated on 31.01.1985. SIRL is a Company listed on Metropolitan Stock Exchange of India Ltd (MSEI) . SIRL is a non-deposit taking systematically importance non-banking financial company registered and regulated by the Reserve Bank of India (RBI) as a Non Banking Finance Company (NBFC), **bearing Registration No. 14.00608 issued on 31<sup>st</sup> March, 1998.** The registered office of the company is located at E-805 International Trade Tower , Nehru Place New Delhi -110019.

The Company is a Non-Banking Finance Company registered with Reserve Bank of India ("RBI") is presently in the business of providing different types of loans which includes, Personal Loans, Corporate loans, Loan against Property, Loan against Shares etc., to its various customers. Such credit facilities are extended to different types of customers, which include Individuals, Partnership Firms, Companies and other Legal entities.

Supra Industrial Resources Limited ("the Company") has framed and adopted a voluntary code, this sets out the principles for fair practice standards when dealing with customers. As per the RBI directions, we have adopted and will implement this Code in our organization which has been duly approved by Board of Directors of the Company. This Fair Practices Code applies to the all categories of products and services offered by the Company (currently offered or which may be introduced at a future date).

SIRL will ensure that the implementation of the FPC is the responsibility of the entire organization. SIRL's fair lending practices shall apply across all aspects of its operations including loan origination, processing, servicing and collection activities. Its commitment to FPC will be demonstrated in terms of accountability, training,

counseling, monitoring, auditing programs and internal controls and optimal use of technology.

Additional guidelines on fair practices mandated by RBI vide notification dated **RBI latest Circular DNBR (PD) CC.No.054/03.10.119/2015-16 dated July 1, 2015** and for NBFCs engaged in lending against collateral of gold jewellery are not applicable to SIRL, since it does not engage in such kind of lending activities till date.

## **1. GUIDELINES ON FAIR PRACTISE CODE FOR NBFCs**

### **A. (i) APPLICATION FOR LOAN AND THEIR PROCESSING**

- a. To ensure that communication to the borrower is in a vernacular language or a language as understood by the borrower.
- b. To include in loan application forms, the necessary information that affect the interest of the client, so that a meaningful comparison with the terms and condition offered by other NBFCs can be made and an informed decision can be taken by them. To indicate in the loan application forms, the documents required to be submitted with the form.
- c. To provide acknowledgement for receipt of all loan applications. The time frame within which the application will be processed will also be indicated in the acknowledgement.
- d. SIRL will make its best effort to convey its decision to the applicant within five working days, after the loan application form is completed. (A form is considered complete once all information has been duly received and filled in, and required documents have been submitted and found acceptable).
- e. To take adequate steps to ensure that the procedure for application of loan is not cumbersome.

### **(ii) LOAN APPRAISAL AND TERMS/CONDITIONS**

- a. *To convey in writing to the borrower in the vernacular language as understood by them, by means of sanction letter or otherwise, the amount of loan sanction along with the terms and conditions including the annualized rate of interest and method of application thereof all products/ services offered; and to keep the acceptance of these terms and conditions by the borrower on record.*

- b. ***To mention the high/penal interest charged for late repayment in bold in the loan agreement*** and furnish the borrower with a copy of the loan agreement or enclosure quoted in the loan agreement.
- c. To conduct proper due diligence as per the internal credit policy, to assess the need and repayment capacity of the borrower before making a loan and amounts commensurate with their ability to repay.
- d. To obtain copies of relevant documents from client, as per standard KYC norms. Additional documents, if any, will be reasonable and necessary for completing the transaction.
- e. To train field staff to make necessary enquiries with regard to existing debt of the borrowers.
- f. To comply with the KYC guideline of RBI and carry out due diligence to ensure the repayment capacity of borrowers.
- g. To disclose all terms and condition to the client for all service offered. Disclosure will be made prior to disbursements.
- h. To ensure that its decision to recall/accelerate payments based on the performance is in consonance with the loan agreements.

**(iii) DISBURSEMENTS OF LOAN INCLUDING CHANGES IN TERMS AND CONDITIONS**

- a. ***To provide the copy of loan agreement and all enclosures to borrowers in vernacular language at the time of disbursements, and ensure that the borrower has adequate time to study the same.***
- b. To take adequate steps to ensure that loan disbursements are done as per a predetermine time structure, and all clients have adequate time to study documents and ask question, if any.
- c. To give notice to the borrower in the vernacular language as understood by the borrower of any change in the terms and conditions (including disbursements schedule, interest rates, service charge, prepayments charge etc.). SIRL will also ensure that changes in the interest rate and charges are affected only prospectively. A suitable condition in this regard will be incorporated in the loan agreement.

- d. To ensure that any decision to recall/ accelerate payments or performance under the agreement will be in consonance with the loan agreement.
- e. To release all securities on payments of all dues or on realization of the outstanding amount of the loan subject to any legitimate right or lien for any other claim it may have against 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 condition under which SIRL is entitled to retain the securities till the relevant claim is settled.
- f. To sanction and disburse loan only at a central location with more than one individual involved in this function and to closely supervise the disbursements function.

#### (IV) GENERAL

- a. To ensure that it will not interfere in the affairs of the borrowers except for the purpose of providing terms & conditions of the loan agreements, unless information, not earlier disclosed by the borrower, has been noticed.)
- b. To ensure that in case the borrowers request for transfer of Borrowal account, consent or otherwise, objection of the company (SIRL), if any should be conveyed within 21 days from the date of receipt of request.
- c. To ensure the company should not resort to undue harassment for recovery of loans and ***The Complaint from customers will also include the rude behaviors from staff of the Company and the Company will ensure that the staff are adequately trained to deal with the customers in an appropriate manner.***
- d. To ensure that the company will not charge foreclosure charges/ prepayment charges/penalties on all floating rates terms loans sanctioned to individual borrowers, with immediate effect.

#### (V) RESPONSIBILITY OF BOARD OF DIRECTORS

- a. The Board of Directors of SIRL will lay down the appropriate Grievance Redressal mechanism within the organization to resolve disputes arising in this regard. Such a mechanism will ensure that all disputes arising out of the decisions of lending institutions' functionaries are heard and disposed of at least at the next higher level.
- b. The Board of Directors will also provide for a periodical review of the functioning of the grievances Redressal mechanism at various levels of

management. A consolidated report of such reviews will be submitted to the Board every quarter.

**(VI) GRIEVANCES REDRESSAL OFFICER**

- a. The customer shall be informed of the customer complaint process / GRM followed by SIRL. The customer shall be entitled to approach to **Mr. Rajat Agarwal, Reg Office- E-805 INTERNATIONAL TRADE TOWER, NEHRU PLACE NEW DELHI South Delhi DL 110019 Contact No, 011-26423911. The Grievance Redressal Officer** of the company, who shall ensure to take up the grievance promptly and try to resolve the matter expeditiously.
- b. The matter is not resolved within a period of one month or is not capable of being resolved then the customer may appeal to the Officer-in-Charge of the Regional Office of DNBS of RBI (Contact Details of Officer-in-Charge:- General Manager, Department of Non-Banking Supervision, Reserve Bank of India, 6, Parliament Street, New Delhi-110001, Ph. No. 011-23714456, Email:- dnbsnewdelhi@rbi.org.in. All communication in relation to the GRM shall be in writing.
- c. In this regard, the company has also set up a dedicated platform for communication via email and website. The email address of the company is **supraexchange.com@gmail.com, supra1985@gmail.com & the website of the company is www.supraindustrialresources.in**. The customers and other stakeholders can submit their grievances, complaints and any kind of suggestions. All complaints received by SIRL shall be tabled at the meeting of the Board of Directors every quarter. SIRL will display prominently at its branches (if any).

**(VII) LANGUAGE & MODE OF COMMUNICATING FAIR PRACTICE CODE**

- To provide the copy of loan agreement and all enclosures to borrowers in vernacular language at the time of disbursements, and ensure that the borrower has adequate time to study the same.

**(VIII) REGULATION OF EXCESSIVE INTEREST RATE CHARGES**

- a. To ensure that the company shall adopt an interest rate model taking into account relevant factors such as cost of funds, margin, risk premium and determined the rate of interest to be charged for loans & advances.

- b. The management understands that the higher cost of borrowing and the risk profile of the customer and so it is decided to fund the loans & advances upto **30%** p.a. for the entire tenure.
- c. The rate of interest and the approach for gradations of risks shall be made available on the website of the Company and the same has been explicitly communicated to the borrower of the Company.

**(IX) COMPLAINTS ABOUT EXCESSIVE INTEREST CHARGES**

- To ensure that SIRL will lay out appropriate internal principles and procedures in determining interest rates and processing and other charges. The company showed transparency in respect of terms & conditions of the loan.

**(X) REPOSSESSION OF VEHICLES FINANCED**

The Company "Supra Industrial Resources Limited" has not in the business of Vehicle assets finance since its incorporation thus the lending against Assets (vehicles) is not applicable to the company.

**(XI) FEEDBACK AND GRIEVANCE REDRESSAL MECHANISM**

- To establish dedicated feedback and grievance redressal mechanisms to correct any error and handle/receive complaints speedy and efficiently. The Complaint from customers will also include the rude behaviors from staff of the Company and the Company will ensure that the staff are adequately trained to deal with the customers in an appropriate manner.
- To inform clients about the existence and purpose of these mechanisms and how to access them.
- Clients will be given the contact number of the concerned officer from whom they can enquire about developments in the loan process.
- To designate at least one grievance redressal official to handle complaints and/ or note any suggestions from the clients and make his/ her contact numbers easily accessible to clients.
- Where complainants are not satisfied with the outcome of the investigation conducted by SIRL into their complaint, they shall be notified of their right

to refer the matter to the grievance redressal mechanism established by the Industry Associations.

- To display the grievance redressal system prominently in all branches (if any), and in vernacular language in the literature issued.
- SIRL will be accountable for preventing inappropriate staff behavior and a reference to timely grievance redressal will be made in the loan agreement and also in the FPC displayed in its office/branch premises.

## **(XII) PRIVACY OF CLIENT INFORMATION**

Supra Industrial Resources Limited keep personal client information strictly confidential. Client information may be disclosed to a third party subject to the following conditions.

- Client has been informed about such disclosure and permission has been obtained in writing.
- The party in question has been authorized by the client to obtain client information from SIRL.
- It is legally required to do so.
- This practice is customary amongst financial institutions and available for a close group on reciprocal basis (such as a credit bureau).

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