

## **JINDAL CAPITAL LIMITED**



### **FAIR PRACTICE CODE**

#### **Head Office:**

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**Jindal Capital Ltd.**  
**Fair Practice Code**

Our company **Jindal Capital Limited** is a NBFC, Category B, Non Public Deposit Company, registered with Reserve Bank of India, Delhi & operating mainly in NCT. Of Delhi & NCR for providing financial support to needy beneficiaries particular to MSME, Startup, entrepreneurs, shopkeepers, etc. in Delhi & NCR for their business development, to alleviate poverty and to develop their Socio Economic Status.

**Fair Practices Code (FPC) of the company i.e. Jindal Capital Limited in terms of latest guidelines of RBI vide circular No RBI/2015-16/16 DNBR (PD) CC. No.054/103.10.119 / 2015-16 dated July 26, 2015**

**1. Applications for loans and their processing**

- a) **Jindal Capital Limited.** Comply and maintain application form is a two sided sheets document which includes essential information of the applicant as per KYC norms, which also includes an annexure indicating the document required. The application form also indicated the purpose of loan and the proposed amount of loan, rate of interest on reducing balance and repayment period including details of assets and liabilities of the applicant enabling **Jindal Capital Limited** to take a decision promptly on the proposal for the sanction.
- b) **Jindal Capital Limited** comply and maintained all the application received and disposal in the branch giving proper acknowledgement for receipt of all loan application within time frame for the disposal of within a month from the date of receipt.

**2. Loan appraisal and terms / conditions**

- a) **Jindal Capital Limited** comply and maintained the convey of sanction by sending letter in the vernacular language as understood by the borrower with mentioning the amount of loan sanction along with all the terms and conditions of the sanction i.e. rate of interest, amount, repayment period etc. including annualized rate of interest and method of applicant and keep the acceptance of this terms and conditions from the borrowers for our records.
- b) **Jindal Capital Limited** also complies and provides with the loan document to the loaner for his/her execution in vernacular language. The loaner executes the loan document which is kept on records with the concern branch of **Jindal Capital Limited**
- c) **Jindal Capital Limited** also comply for the fully awareness about the terms & condition of the loan for the borrower, a set of loan agreement and document shall be given to the loanee at the time of sanction/disbursement of loan in vernacular language as understood by the borrower.



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

- a) **Jindal Capital Limited** ensure and comply about the any changes in terms of condition of the loan regards to disbursement schedule, interest rate, service charges etc, if happened then immediately it is to be informed in vernacular language understood by the borrowers for the purpose of notice in advance. However **Jindal Capital Limited** ensures not to make any changes in general for the existing borrower till the repayment of the loan.
- b) **Jindal Capital Limited** ensures the decision to recall / accelerate payment is in consonance with the loan agreement.
- c) **Jindal Capital Limited** ensures that all the securities, if there be any, are released to the borrower on realization of entire loan with interest. The borrowers/ loaners are constantly informed in regards to their outstanding dues for their regularization of payment. So, **Jindal Capital Limited** maintained full transparency in this regard.

### **4. General**

- a) Our company i.e. **Jindal Capital Limited** does not interfere into affairs of the borrowers. However, from time to time interaction to the borrowers is being made to ensure proper end use of loan amount and also to know in case of there is any problem confronting the borrower in running this business.
- b) **Jindal Capital Limited** does not usually adopt take compliance for the transfer of borrowers account and amount but however if it happens it will be properly conveyed and complied to the borrower within the prescribed time of 21 days on date of receipt of request in terms of RBI guidelines.
- c) **Jindal Capital Limited** does not exercise any unethical means of recovery of its loans. Officials of **Jindal Capital Limited** meets the borrowers personally, ascertain the default and whenever, applicable on reasonable grounds reschedule its repayment structure, so that borrowers feels comfortable to repay their dues. As a matter of policy, company adopted no undue harassment with the borrowers at odd hours, use of muscle power while recovering of loans from the borrowers. Company believes in and adopts full compliance with proper training to all the staff members that there should not be any rude behavior from the side of the staff with the customers and it also undertake that if anything comes in the notice, proper steps to satisfy the customer as well as action against staff to be taken.

### **5. Appropriate grievance redressal mechanism within the organization**

- a) **Jindal Capital Limited** ensures and comply all the complaints and grievances including disputes, if there be, any are being heard which must be disposed of at the different functionary levels on utmost priority in time.



- b) The Board of Directors reviews all the grievances and redressal on the quarterly basis for the compliance of Fair Practice Code including of all the disposal of grievances, disputes and compliant received.

#### **6. Fair Practice Code**

This Fair Practice Code in terms of RBI guidelines issued on 1<sup>st</sup> July, 2015 for all NBFC including NBFC MFI duly approved by the Board of Directors must ensure for the compliance by the company in the area of operation through branch. Company ensures to comply accordingly.

#### **7. Complaints about excessive interest charged by NBFCs (issued vide CC No. 95 dated May 24, 2007 & CC No. 133 dated January 2, 2009)**

(DNBS.PD/CC.No.95/03.05.002/2006-07 dated May 24, 2007 and  
DNBS.(PD).C.C.No.133/03.10.001/2008-09 dated January 2, 2009)

- a) **Jindal Capital Limited** ensures transparent deal with the customers/ borrowers and rate of interest charged by the company is clearly indicated as per terms of sanction order communicated to the individuals /group borrowers.
- b) If any complaints received by the company either in the branches or at regional level / corporate level regards to any excessive interest rate charged, company ensure immediate compliance and matter be taken with the customer as well as branch to redressal the same. This also being put up before the Board of Directors on quarterly basis
- c) The capping on interest in terms of Malegam committee as per RBI guidelines on reducing balance is being compiled by the company.
- #### **8. Regulation about excessive interest charged by NBFCs (Notificatioi1 No. DNBS. 204/ CGM (ASR)- 2009 dated January 2, 2009)**
- a) **Jindal Capital Limited** adopt an interest rate model taking into account such as cost of funds, margin, and risk premium to determine the rate of interest to be charged for loans from the borrower / loanee and ensure compliance accordingly. The rate of interest is being fixed for every product on reducing balance within the cap of 26% in terms of RBI guidelines on the basis of Malegam committee recommendation. **Jindal Capital Limited** also ensures that rate of interest is disclosed in loan application form, loan agreement as well as communicate to the loanee through their sanction letter.
- b) **Jindal Capital Limited** ensures to publish the rate of interest for every product for available information of the loanee/borrower through its website.
- c) **Jindal Capital Limited** also ensure that rate of interest should be annualized rate so that for the awareness of the borrowers that what exact rate are being charged to the loan account.
- #### **9. Clarification regarding repossession of vehicles financed by NBFCs (issued vide CC No.139 dated April 24, 2009)**



Our company **Jindal Capital Limited** deals with on lending business and also adopted the policy to provide the credit facilities for purchase of Commercial Vehicles & construction equipment to develop the housing / infrastructure sector and was also guided by the Directors' ideology to develop more products for the financial & Physical growth of the company.

The company ensures to incorporate the re-possession clause in the contract/loan agreement with the borrower which would be legally enforceable and ensure transparency regarding the terms and conditions of the contract/loan agreement which consists of contain provisions as follows:

- Notice period before taking possession;
- Circumstances under which the notice period can be waived;
- The procedure for taking possession of the security;
- A provision regarding final chance to be given to the borrower for repayment of loan before the sale / auction of the property;
- The procedure for giving repossession to the borrower and
- The procedure for sale / auction of the property.

**Jindal Capital Limited** ensures that the said clauses are disclosed in loan agreement and Jindal Capital Ltd will follow the **Fair Practice Code (FPC)** as per guidelines of RBI as well as communicate to the loanee through correspondence.

For Jindal Capital Limited

For Jindal Capital Limited



Director / Auth. Signatory

(Sadhu Ram Aggarwal)

Director