

SUPREME HOUSING FINANCE LIMITED

FAIR PRACTICES CODE

Version 1.2

w.e.f. 05th April, 2021

1. Introduction

This Fair Practice Code has been formulated by Supreme Housing Finance Limited (henceforth referred as “SHFL”) pursuant to the Guidelines issued by National Housing Bank on Fair Practices Code from time to time. The FPC Code is now subjected to review after coming into effect of the RBI Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 as amended from time to time.

This Code sets minimum standards for the Company to follow when dealing with customers. It provides information to customers and explains how the Company is expected to deal with them on a day to day basis.

2. Objectives of the Code

- To promote good and fair practices by setting minimum standards in dealing with customers;
- To increase transparency so that customers can have a better understanding of what they can reasonably expect of the services;
- To encourage market forces, through competition, to achieve higher operating standards;
- To promote a fair and cordial relationship between customers and SHFL;
- To foster confidence in housing finance system.

3. Application of Code

This Code applies to all the products and services offered by the Company whether over the phone, across the counter, including digital marketing channels of the SHFL or shared with other providers of such services on the internet or by any other means. It will apply to all the employees and representatives of the Company.

4. Commitments

- SHFL shall adhere to this code to act fairly and reasonably in all dealings, on the ethical principles of integrity and transparency, to meet the standard practices prevalent in the housing finance industry.
- SHFL shall ensure that its products and services meet relevant laws and regulations in letter and spirit.
- SHFL would provide clear information, without any ambiguity, to the customer in understanding products and services together with its terms and conditions including interest and service charges.

5. Benefits available to customer

- Fees/ charges payable for processing the loan application, the amount of fees refundable if loan amount is not sanctioned / disbursed,
- Pre-payment options and charges, if any;
- Penalty for delayed repayment if any;
- Conversion charges for switching loan from fixed to floating rates or vice-versa;

- Information interest reset clause, if any, and any other matter which affects the interest
- of the borrower;
- Disclosure of the list of all the documents required sanction process of the loan
- On receipt of request for loan transfer, the company shall respond within 21 days of its decision on acceptance /objection, if any, in the consideration of such request.

Thus, the Company will disclose 'all in cost' inclusive of all charges involved in processing sanction of loan application in a transparent manner. Further, the company shall perform all acts including the following to ensure compliance with provisions under Chapter XIII of the Master Directions of the RBI relating to FPC

- a. All communications to the borrower shall be in the vernacular language or a language as understood by the borrower.
 - b. SHFL shall devise a system of giving acknowledgement for receipt of all loan applications. Preferably, the time frame within which loan applications will be disposed should also be indicated in the acknowledgement.
 - c. SHFLs shall invariably furnish a copy of the loan agreement along with a copy of each of the enclosures quoted in the loan agreement to every borrower at the time of sanction/ disbursement of loans, against acknowledgement.;
- SHFL shall not discriminate between customers on the basis of age, race, caste, gender, marital status, religion or disability. Further, SHFL shall also not discriminate visually impaired or physically challenged applicants on the ground of disability in extending products, services, facilities, etc. However, this does not preclude SHFL from instituting or participating in schemes framed for different sections of the society. The restrictions if any, as mentioned in the loan products, shall continue to apply.
 - SHFL will ensure that all information about fees/charges that is payable for processing the loan application, the amount of fees refundable if loan amount is not sanctioned/disbursed, pre-payment options and charges, if any, penalty for delayed repayment, if any, conversion charges for switching loan from fixed to floating rates or vice-versa, existence of any interest reset clause and all such matters that affect the interest of the borrower are disclosed to him/her. Such fees/charges shall be non-discriminatory.

6. Advertising, Marketing and Sales

- SHFL will ensure that all advertising and promotional material is clear, and not misleading.
- In any advertising in any media and promotional literature that draws attention to service or product and includes a reference to the interest rate, SHFL would also indicate whether other fees and charges will apply and that full details of the relevant terms and conditions are available on request.
- SHFL would provide information on interest rates, common fees and charges through:
 1. putting up notices in branches
 2. through telephones or help lines
 3. through designated staff/help desk
 4. providing service guide/tariff schedule.
 5. its website
- SHFL shall ensure that third parties whose services may be availed for providing support services shall handle customer's personal information with the same degree of confidentiality and security as handled by us.
- SHFL from time to time will communicate to the customers various features of the products availed from us. Also, information about our other products offerings or promotional offers will be conveyed to the customer if they have given their consent to receive such information or service to SHFL.
- SHFL shall prescribe a code of conduct for Direct Selling Agencies (DSAs) whose services it may avail to market our products/ services which amongst other matters requires them to identify themselves when they approach the customer for selling our products personally, through phone or through any other electronic media.
- In the event of receipt of any complaint from customers that our representative/ courier or DSA

has engaged in any improper conduct or acted in violation of this Code, SHFL will take appropriate steps to investigate and for making good the loss incurred on the basis of the said investigation.

7. Loans

A) Application for loans and their processing

- a) At the time of sourcing a loan proposal, the Company shall provide information about the applicable interest rates, fees/ charges etc. and any other important information which affects the interest of a borrower, so that a meaningful comparison and informed decision can be taken by the borrower.
- b) The Company will issue an acknowledgement receipt for all loan applications. Loan applications shall be disposed of within 15 days or such extended time as may be mutually agreed between the borrower and the Company, from the date of receipt of the application form complete in all respects.

B) Loan appraisal and terms and conditions

- a) Normally all details/ documents required for processing the loan application will be collected by the Company at the time of application. If any additional detail/ document is required, the Company will contact the customer again at the earliest possible instance.
- b) As per extant RBI Master Directions for HFCs; an Interest Rate Model needs to be adopted by SHFL. Since, this is a recent requirement and would have multiple implications, the organization is working on formulating a policy basis the guidance received from auditor, market feedback, etc. and we endeavor to get this policy approved by the board soon.
- c) The Interest Rate Model shall:
 - i. Consider relevant factors such as cost of funds, margin and risk premium and determine the rate of interest to be charged for loans and advances.
 - ii. Determine approach for gradation of risk and penal interest and rationale for charging different rate of interest to different categories of borrowers
 - iii. Penal interest/ charges shall be part of Schedule of Charges which will be approved and modified from time to time by the relevant authorities in line with the Interest Rate Model policy as approved by Board of SHFL. These schedule of charges will be communicated to customer along with or as a part of the sanction letter.
- d) The Interest Rate Model comprising of the the approach for gradation of risk and rationale for charging different rate of interest to different categories of borrowers shall be disclosed to the borrower at the time of application and as a part of sanction letter.
- e) The Interest Rate Model shall also be shared on the website of SHFL and shall be available for any borrower and/ or customer.

C) Communication of rejection of loan application

SHFL shall communicate in writing to the customer whose application has been rejected containing the reasons for rejection.

D) Disbursement of loans including changes in terms and conditions

- SHFL shall make disbursement in accordance with the disbursement request made by customers as per their requirements subject to terms and conditions mentioned in the Sanction Letter / Loan Agreement.

- We would give our customers the notice of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges, other applicable fee/ charges etc. We would also ensure that changes in interest rates and charges are effected only prospectively. A suitable condition in this regard will be incorporated in the Loan Agreement.
- If such change is to the disadvantage of the customers, they may within 60 days and without notice close their account or switch it without having to pay any extra charges or interest.
- Decision to recall / accelerate payment or performance under the loan agreement or seeking additional securities, would be in consonance with the loan agreement.
- SHFL shall release all securities on repayment of all due or on realisation of the outstanding amount of loan subject to any legitimate right or lien for any other claim SHFL may have against customers. If such right of set off is to be exercised, the customers/borrowers will be given notice about the same with full particulars about the remaining claims and the conditions under which SHFL is entitled to retain the securities till the relevant claim is settled / paid.

8. Guarantors

When one is considering being a guarantor to a loan, SHFL will inform them about:

- liability as guarantor;
- the amount of liability that one will be committing to SHFL;
- circumstances in which SHFL will call on guarantors to pay up their liabilities;
- whether SHFL has recourse to their other monies in the company if they fail to pay up as a guarantor;
- whether their liabilities as a guarantor are limited to a specific quantum or are they unlimited;
- time and circumstances in which their liabilities as guarantors will be discharged and the manner in which SHFL will inform them about the same; and
- In case the guarantor refuses to comply with the demand made by the creditor /lender, despite having sufficient means to make payment of the dues, such guarantor would also be treated as a wilful defaulter.
- SHFL will keep them informed of any material adverse change in the known financial position of the borrower to whom they stand as a guarantor.

9. Privacy and Confidentiality

SHFL will treat all personal information of the customers as private and confidential [even when the customer is no longer a customer of SHFL], and will be guided by the following principles and policies. SHFL will not reveal information or data relating to customer's accounts, whether provided by customer or otherwise, to anyone, including other companies/ entities in our group, other than in the following exceptional cases:

- If we have to give the information by law;
- If there is a duty towards the public to reveal the information;
- If our interests require us to give the information (for example, to prevent fraud) but we will not use this as a reason for giving information about customer or customer accounts (including name and address) to anyone else, including other companies in our group for marketing purposes;
- If customer asks us to reveal the information, or with the customer's permission;
- If we are asked to give a reference about customer, we will need customer's consent before we give it;
- Customer will be informed about the extent of the rights under the existing legal framework for accessing the personal records that SHFL holds about the customer
- We will not use customer's personal information for marketing purposes unless customer provides consent for the same.

10. Credit Reference Agencies

- When customer opens an account, we will tell when we may pass the account details to credit reference agencies and the checks we may make with them.

- We will give information to credit reference agencies about the personal debts customers owe us if:
 1. The customer has fallen behind with the payments;
 2. The amount owed is not in dispute; and
 3. Customers have not made satisfactory proposal for repaying the debt, following SHFL's formal demand.
- We will give credit reference agencies other information about the day-to-day running of customer's account if customer has given us permission to do so.
- In these cases, we may intimate customer in writing that we plan to give information about the debts customers owe to us to credit reference agencies. At that time we will explain to customers, the role of credit reference agencies and the effect of the information we provide can have on customer's ability to get credit.
- We will provide customers a copy of the information that we have given to the credit reference agencies, or provide their leaflets that explain how credit referencing works, if so demanded.

11. Collection of Dues

Whenever we give loans, we will explain to customer the repayment process by way of amount, tenure and periodicity of repayment. However if 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 customer by sending notices or by making personal visits and/ or repossession of security, if any.

Our collection policy is built on courtesy, fair treatment and persuasion. We believe in fostering customer confidence and long-term relationship. Our staff or any person authorized to represent us in collection of dues or / and security repossession will identify himself / herself and display the authority letter issued by us and upon request display to customer his/ her identity card issued by us or under our authority. We will provide customer with all the information regarding dues and will endeavor to give sufficient notice for payment of dues.

All the members of the staff or any person authorized to represent us in collection or/ and security repossession would follow the guidelines set out below:

- a) Customers would be contacted ordinarily at the place of their choice and in the absence of any specified place, at the place of their residence and if unavailable, at the place of business/occupation.
- b) Identity and authority to represent would be made known to customers at the first instance.
- c) Customer's privacy would be respected.
- d) Professional and formal language will be used in all interactions with the customers.
- e) Decency and decorum to be maintained during visits to customers' place.
- f) Normally, our representatives will contact customers between 0700 hours and 1900 hours, unless the special circumstances of your business or occupation demands otherwise.
- g) Requests to avoid calls at a particular time or at a particular place would be honoured as far as possible.
- h) We will document the efforts made for recovery of dues and the copies of communications sent to you would be kept on record.
- i) All assistance would be given to resolve disputes or differences regarding dues in a mutually acceptable and in an orderly manner.
- j) During visits to customer's place for dues collection, decency and decorum would be maintained
- k) Inappropriate occasions such as bereavement in the family or such other calamitous occasions would be avoided for making calls/visits to collect dues.

12. Grievance Redressal Mechanism

In the present competitive scenario, excellent customer service is an important tool for sustained business growth. Customer complaints are part of the business life in any corporate entity.

At SHFL, customer service and satisfaction are our prime focus. We believe that providing prompt and efficient service is essential not only to attract new customers, but also to retain existing ones.

SHFL provides customers with easy access to information, products and services, as well as the means to get their grievances redressed.

Any customer having a grievance/ complaint/ feedback with respect to the product and services offered by Supreme Housing Finance Limited (hereinafter referred to as 'the Company') may write to the Company's Customer Service Department through any of the following channels:

Call at 180012077778

Email- customercare@supremehomeloans.com

You may write a letter at the address- 2nd Floor, Harsha Bhawan, 13/29, E- Block, Middle Circle, Connaught Place, New Delhi- 110001

Website- www.supremehomeloans.com

How a complaint should be made:

In order to resolve queries and complaints/ grievances, the Company laid down the following Grievance Redressal Mechanism.

Level 1:

Modes of Raising Complaint: A customer may raise complaint in writing, orally, electronically or over telephone:

Complaint in Person	A complaint book is available at the branches. A customer can obtain it from the branch and record his /her grievances therein.
Call us	Complaints can also be logged at Call Centre on toll free number 180012077778
Email	customercare@supremehomeloans.com
Website	www.supremehomeloans.com
Write to us	2nd Floor, Harsha Bhawan, 13/29, E- Block, Middle Circle, Connaught Place, New Delhi- 110001

The customer is requested to necessarily provide Loan Account Number, Reference no. provided by the Company, details of Feedback/ Suggestion/ Complaint and valid phone no. & e-mail ID while communicating with the Company.

If a complaint is received from customer in writing, the Company shall send an acknowledgement/ response within a week. If more time is required, the Company will inform the customer expected timeline. The acknowledgement shall contain the name & designation of the official who will deal with the grievance.

If the complaint is relayed over phone at the Company's designated telephone helpdesk or customer service number, the Company shall provide to the customer a complaint reference number and keep him/her informed of the progress within a week's time. If more time is required, the Company will inform the customer expected timeline.

After examining the matter, the Company will send final response or explain why the company needs more time to respond and shall endeavor to do so within 6 weeks of receipt of complaint and shall inform the customer mechanism to take the complaint further if he/ she is still not satisfied.

Level 2:

If the resolution of complaint provided at level 1 does not meet expectation or response is not received within the defined timescales; the customer can escalate complaint to customercare@supremehomeloans.com

Level 3:

If the resolution of complaint provided at level 2 does not meet expectation or response is not received within the defined timescales, such complaints may be escalated to the Grievance Redressal Officer of the Company whose details are as given below:

Compliance Department
Supreme Housing Finance Ltd.
2nd Floor, Harsha Bhawan, 13/29, E- Block, Middle Circle,
Connaught Place, New Delhi- 110001
Email Id: compliance@supremehomeloans.com
Phone No. 8447735102

At this level, a complaint is expected to be responded within 7 working days of receipt of complaint.

Level 4: In case, a complaint is not redressed or the customer is dissatisfied with the response received, the customer may approach the Complaint Redressal Cell of the National Housing Bank by lodging its complaint in online mode at the link <https://grids.nhbonline.org.in>

OR in offline/ physical mode by post, in prescribed format available at link <http://www.nhb.org.in/%20Grievance-RedressalSystem/Lodging-Complaint-Against-HFCs-NHB%E2%80%25%2093Physical-Mode.pdf>

to the following address:

The Complaint Redressal Cell,
Department of Regulation and Supervision,
National Housing Bank,
4th Floor, Core- 5A, India Habitat Centre,
Lodhi Road, New Delhi-110003

The above Grievance Redressal Mechanism will be displayed clearly in all of the Company's offices/ branches and on the website. The Board will be provided with periodical review of the compliance of the Fair Practices Code and the functioning of the grievances redressal mechanism at various level.

13. General

- SHFL shall verify the details stated by the customer in his/her loan application form by telephonic verification or through field investigation at his/her residence, and/or business address and/ or physically visiting his/her residence and or business address through its staff or agencies appointed for this purpose, if deemed necessary.
- The customers shall be informed to co-operate, if SHFL needs to investigate a transaction, on customers account and with the police/other investigative agencies, if SHFL needs to involve them.
- SHFL shall advise the customer that if the customer acts fraudulently, he/she will be responsible for all losses on his/her account and that if the customer acts without reasonable care and this causes losses, the customer may be responsible for the same.
- SHFL shall give information of its products and services in any one or more of the following languages: English/Hindi or the appropriate local language.

- SHFL shall not discriminate on grounds of gender, caste and religion in the matter of lending. However, this does not preclude SHFL from instituting or participating in schemes framed for different sections of the society.
- SHFL shall process the request for transfer of loan account, either from the borrower or from a bank/ financial institution, in the normal course.
- The Board of Directors of SHFL should provide for periodical review of the compliance of the Fair Practices Code and the functioning of the grievances redressal mechanism at various levels of management. A consolidated report of such reviews may be submitted to the Board at regular intervals, as may be prescribed by it.

To publicize the code, SHFL shall

- Provide the existing and new customers with a copy of the code.
- Make available this code on request either over the counter or by electronic communication or mail.
- Make available this code at every branch and on the website.
- Ensure that its staff is trained to provide relevant information about the code and to put the code into practice.