POLICY ON FAIR PRACTICE CODE PREMIER FERRO ALLOYS & SECURITIES LIMITED



FAIR PRACTICES CODE PREMIER FERRO ALLOYS & SECURITIES LIMITED

This has reference to RBI Master Direction No. RBI/DNBR/2016-17/45_DNBS(PD).008/03.10.119/2016-17 dated or September, 2016, wherein the Reserve Bank of India (RBI) has issued guidelines on Fair Practices Code for NBFCs to implement the same.

The Fair Practices Code, as mentioned herein below, is in conformity with these Guidelines on Fair Practices Code for NBFCs as contained in the aforesaid RBI Master Direction. This sets minimum Fair Practice 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.

OBJECTIVE OF THE CODE

The code has been developed with an objective of:

- (a) Ensuring fair practices while dealing with customers
- (b) Greater transparency enabling customers in having a better understanding of the product and taking informed decisions
- (c) Building customer confidence in the company
- (d) Ensuring compliance with legal norms in matters relating to recovery of advances
- (e) Strengthening mechanisms for redressal of customer grievances

(i) APPLICATIONS FOR LOANS AND THEIR PROCESSING

- a. The Loan application forms will be in English for all corporate and business class borrowers and also for individuals.
- b. The Loan application form will be submitted in the vernacular language of the place where the office is situated if the individual borrower does not understand English.
- c. All communications to the borrower shall be in English or in vernacular language and/ or other language as understood by the borrower.
- d. Application form for loans should include necessary information which affects the Interest of the borrower; all the terms and conditions for loans to be advanced should be detailed in the application form itself.
- e. The loan application form will indicate the documents required to be submitted for processing the application.
- f. The Company will issue acknowledgment for receipt of all loan applications and such acknowledgement will also indicate the date within which the application will be disposed off which in normal case shall not exceed 30 working days from the date of receipt of the completed form.

(ii) LOAN APPRAISAL AND TERMS/CONDITIONS

a. The Company will inform in writing to the borrower, in English or in vernacular, language and/ or other language as understood by the borrower, by means of a sanction letter the amount of loan sanctioned and all the terms and conditions including annualized rate of interest and method of application thereof. The

- company will keep the acceptance of these terms and conditions by the borrower on its record. The loan shall be disbursed only on receipt of such acceptance.
- b. A copy of the loan agreement as understood by the borrower along with a copy of each of all enclosures quoted in the agreement shall be furnished to all the borrowers at the time of sanction/ disbursement of the loan.
- c. The company will charge a minimum interest of 12% p.a. from Borrowers on loans which shall not exceed 18% p.a. in any case. Interest rate will be revised in the event there is any upward revision in the rates by the regulator. Such changes and period will be communicated to the borrower by the lender.

(iii) DISBURSEMENT OF LOANS INCLUDING CHANGES IN TERMS AND CONDITIONS

- a. The Company will give notice to the borrower of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. Any change in interest rates and charges shall be effective only prospectively. An express condition in this regard will be incorporated in the loan agreement.
- b. Any decision to recall/accelerate payment or performance under the agreement will be in consonance with the loan agreement.
- c. The company will 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; the company 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 conditions under which the company is entitled to retain the securities till the relevant claim is settled/paid.

(iv) GENERAL

- a) The company will not interfere in the affairs of the borrower except for the purposes provided in the terms and conditions of the loan agreement (unless new information, not earlier disclosed by the borrower, has come to the notice of the lender).
- b) In case of receipt of request from the borrower for transfer of borrowal account, the consent or otherwise i.e. objection of the Company, 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.
- c) In the matter of recovery of loans, the company will not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans etc. The company will ensure that the staffs are adequately trained to deal with the customers in an appropriate manner.
- d) As a measure of customer protection and also in order to bring in uniformity with regard to prepayment of various loans by borrowers, the company will not charge foreclosure charges/ pre-payment penalties on all floating rate term loans sanctioned to individual borrowers.

(v) RESPONSIBILITY OF BOARD OF DIRECTORS

- a) The Board of Directors of the company will constitute a grievance redressal mechanism to resolve disputes arising in this regard. Such a mechanism should 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 should also 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.

(vi) GRIEVANCE REDRESSAL OFFICER

The company will display the following information prominently, for the benefit of their customers, at their branches / places where business is transacted:

(a) The name and contact details (Telephone / Mobile nos. as also email address) of the Grievance Redressal Officer as stated below who can be approached by the public for resolution of complaints against the Company:

Name: Mr. Santinath Paul Tel. No.: 033-6613 6264

Email ld: panemamics@emamigroup.com

(b) If the complaint / dispute is not redressed within a period of one month, the customer may appeal to the Officer-in-Charge of the Regional Office of DNBS of RBI (complete contact details), under whose jurisdiction the registered office of the company falls. The details of DNBS are as given below:

Dy. General Manager, Department of Non-Banking Supervision Reserve Bank of India, Kolkata Regional Office

15, Netaji Subhas Road,

Kolkata-700 001

Tel. No.: Tel: +91 33 22312121 Email ID: dnbskol@rbi.org.in

(vii) REGULATION OF EXCESSIVE INTEREST CHARGED

(a) The Board of the company will adopt 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. The rate of interest and the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers will be disclosed to the borrower or customer in the application form and communicated explicitly in the sanction letter.

(b) The rates of interest and the approach for gradation of risks will be published in the relevant newspapers. The information published should be updated whenever

there is a change in the rates of interest.

(c) The rate of interest will be annualized rate so that the borrower is aware of the exact rates that would be charged to the account.

PERIODIC REVIEW

The Code shall be reviewed and amended by the Board of Directors of the Company from time to time, as may be deemed necessary.



{SPECIMEN}

LOAN APPLICATION FORM

(FOR CORPORATES)

To,	Place:
The Director,	Date:
M/s. PREMIER FERRO ALLOYS & SECURITIE	S LIMITED
Dear Sir,	
We hereby apply for a loan of Rs	
Purpose of Loan	(2.1)
Name of the Company	
Address	•••
Date of Registration	
Registration No	
PAN No	
Name of Directors	
	14
Address of Directors	
	
PAN no of Directors	STD.*PREEL
	H Kolkal
Nature of Business of Company	- 81/J.J.

<u></u>		
Wo	rking Results	
	ure of Securities to be provided	
	ails of Other loan availed	
	ker of the Company	
	ils of Bank Accounts	
Aud	itorsether Company has defaulted in repaying any borrowings	
	rils of other group concerns	
 I,	Director of	
	be and is hereby declare that the information provided above are true and corre	ct.
Sign	ature with Rubber stamp	
Doc	uments required duly certified :	
1)	Request Letter by the Company for Loan stating the purpose	
2)	Memorandum and Articles of Association	
3)	Audited Balance sheet for last three years	

Board Resolution for authority to avail Loan and authorization to Sign documents

Current up to date proforma Balance Sheet

5)

- 6) Form 32 for Directors with filing receipts
- 7) Form 18 and trade licence of Company
- 8) PAN cards of Directors & Company
- 9) Detail report on projects
- 10) Photo of Directors
- II) Initially Xerox copy of title deed if security is immovable property like land
- 12) Residential proof of Directors
- 13) Signature proof of directors from bank.
- 14) Other documents if any after processing above application.



Acknowledgement

We acknowledge the receip	ot of loan application from
this acknowledgement.	which would be processed by us within 30 days of the date of



{SPECIMEN}

LOAN APPLICATION FORM

(FOR INDIVIDUALS)

To,	Place:
The Director,	Date:
M/s. PREMIER FERRO ALLOYS & SECURITIES LIMIT	TED
Dear Sir,	
We hereby apply for a loan of Rs	
Purpose of Loan	
Name of the Borrower	
Address	
Nationality	
Residential Status	
Religion	
Date of Birth	
PAN No	
VOTER I CARD NO	
Occupation of the borrower	
INCOME OF THE BORROWER AS PER FORM - 16 / I'	T RETURN
Nature of Securities to be provided	
	SALLOYS & SELLOYS & SELLOY
Details of Other loan availed	(kg/kata) 5

Details of Bank Accou	nts	
8	<u></u>	
I,	SON of	
do hereby	declare that the information provided above are true and co	orrect
Signature		

Documents required duly certified:

- 1. Request Letter for Loan stating the purpose
- 2. Xerox Copy of Pass Book for last Six Months
- 3. It return Copies for last 3 Years
- 4. Copy of Form 16 in case of salaried person
- 5. Audited Balance sheet for last three years for small traders
- 6. Current up to date proforma Balance Sheet
- 7. PAN card
- 8. Voter I card
- 9. Photograph of the borrower
- 10. Initially Xerox copy of title deed if security is immovable property like land
- 11. Residential proof
- 12. Signature proof from bank.
- 13. Other documents if any after processing above application.

