

SNAPMINT FINANCIAL SERVICES PRIVATE LIMITED

FAIR PRACTICE CODE

Particulars	Details
Title	Fair Practice Code
Version	4
Review Date	May 6, 2024
Approved and Reviewed	By Board

This has reference to RBI Circular No 2012-13/416/DNBS. CC. PD No. 320/03.10.01/ 2012-13 dated 18th February, 2013 and recent RBI Circular RBI/2023-24/53 DoR.MCS.REC.28/01.01.001/2023-24 dated 18th August, 2023 wherein the Reserve Bank of India (RBI) has revised the guidelines on Fair Practices Code for NBFCs to implement the same.

The Fair Practices Code (FPC), as mentioned herein below, is in conformity with these Guidelines on Fair Practices Code for NBFCs as contained in the aforesaid RBI Circular. 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.

This policy applies to all customers including those with any complaints / enquiries as posted on social / any other media and we encourage all customers to reach out to the below platforms as required. The Company shall display the FPC prominently at all offices and customer service centers, as well as its website, for the benefit of all consumers, and shall follow it in letter and spirit.

Objective of the Code

The code has been developed with an objective of:

- Ensuring fair practices while dealing with customers
- Greater transparency enabling customers in having a better understanding of the product and taking informed decisions
- Building customer confidence in the company

Applications for Loans and their processing

- The Company offers various financial products including consumer durable loans, loan against securities, Bills/ Invoice discounting, Working capital loan, Term loan, Lease rental discounting, purchase among others. The below clause however will only apply with respect to retail loan viz. personal loan, consumer durable loan etc., wherein the borrower is an individual and who would require assistance as compared to mid-large corporate clients who are well versed and equipped with financial market business.
- The 'Application Form / appropriate documents' of Snapmint Financial Services Private Limited for each of these products will include all necessary information that will affect the interest of the borrower, as well as details of all documents that are required to be submitted by the Borrower.
- Snapmint Financial Services Private Limited will provide the necessary information to facilitate the borrower in making a meaningful comparison with similar terms and conditions offered by other Non-Banking Finance Companies (NBFCs) and taking an informed decision.
- Snapmint Financial Services Private Limited has a mechanism of giving an acknowledgement for receipt of Application form to its borrowers. Snapmint Financial Services Private Limited will inform the borrower about its decision within reasonable period of time from the date of receipt of all the required information in full.

Loan appraisal and terms/ conditions

Snapmint Financial Services Private Limited shall convey in writing to the borrower by way of a sanction letter or otherwise, the amount of credit limit sanctioned along with all the terms and conditions including rate of interest, any penal charges due to late repayment or any other charges.

The borrower's acceptance of these terms and conditions will be kept on record by Snapmint Financial Services Private Limited.

Snapmint Financial Services Private Limited will furnish a copy of loan agreement to the borrower at the time of sanction / disbursements of loans.

Penal Charges in Loan Accounts

- a) Penalty, if charged, for non-compliance of material terms and conditions of loan contract by the borrower shall be treated as 'penal charges' and shall not be levied in the form of 'penal interest' that is added to the rate of interest charged on the advances. There shall be no capitalisation of penal charges i.e., no further interest computed on such charges. However, this will not affect the normal procedures for compounding of interest in the loan account.
- b) The Company shall not introduce any additional component to the rate of interest and ensure compliance in both letter and spirit.
- c) The Company shall formulate a Board approved policy on penal charges or similar charges on loans, by whatever name called.
- d) The quantum of penal charges shall be reasonable and commensurate with the non-compliance of material terms and conditions of loan contract without being discriminatory within a particular loan / product category.
- e) The quantum and reason for penal charges shall be clearly disclosed by Company to the customers in the loan agreement and most important terms & conditions in addition to being displayed on Company's website under Interest rates and Service Charges.
- f) Whenever reminders for non-compliance of material terms and conditions of loan are sent to borrowers, the applicable penal charges shall be communicated. Further, any instance of levy of penal charges and the reason therefor shall also be communicated.

Disbursement of loans including changes in terms and conditions

- Snapmint Financial Services Private Limited will give notice to its borrower(s), of any change in the terms and conditions of the loan, including changes in interest rate, service charges etc.. Snapmint Financial Services Private Limited will also ensure that changes in interest rates and charges are effected only prospectively.
- Decision to recall/ accelerate payment or performance under the loan agreement will be in consonance with the respective loan agreement.
- Snapmint Financial Services Private Limited will release all securities of its borrower only on repayment of all dues by such borrower, or only on realization of the outstanding amount of the borrower's availed limit, subject to any legitimate right or lien for any other claim which Snapmint Financial Services Private Limited may have against its borrower. If such right of set off is to be exercised, the borrower will be given notice about the same with full particulars about the remaining claims and conditions under which Snapmint

Financial Services Private Limited will be entitled to retain the securities till the relevant claim is settled or paid by the borrower. Due No objection certificate will be issued to the customer on fulfillment of said terms within 15 workings days of completion of formalities.

General

- Snapmint Financial Services Private Limited will refrain from interference in the affairs of its borrowers except for the purposes provided in the terms and conditions of the respective loan agreement (unless new information, not earlier disclosed by the borrower, which may come to the notice of Snapmint Financial Services Private Limited).
- In case of receipt of request from the borrower for transfer of borrowal account, the consent or otherwise i.e. objection of Snapmint Financial Services Private Limited, if any, will be conveyed to the borrower within 21 days from the date of receipt of the borrower's request. Such transfer will be as per transparent contractual terms in consonance with all the applicable laws.
- In the matter of recovery of outstanding dues of its borrower, Snapmint Financial Services Private Limited shall not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans/dues, etc. Training will be imparted to ensure that staff is adequately trained to deal with customers in an appropriate manner.

Grievance Redressal Mechanism

In the present competitive scenario, excellent customer service is an important tool for sustained business growth. At Snapmint Financial Services Private Limited, 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. Snapmint Financial Services Private Limited has come up with a lot of initiatives that are oriented towards providing a better customer experience and an efficient complaints redressal mechanism with a view to providing enhanced experience to our customers.

In order to make Snapmint Financial Services Private Limited redressal mechanism more meaningful and effective, a structured system has been built. This system would ensure that the redressal sought is just and fair and is within the given framework of rules and regulation. The Board of Directors will periodically review the compliance of the Fair Practices Code and the effectiveness of the grievance redressal system.

a. Machinery to handle customer complaints/ grievances

Customers who wish to provide feedback or send in their complaint may use the following channels between 10:00 am and 7:00 pm, from Monday to Saturday (except on national holidays).

- Call on +91-22-48931351
- Email us at support@snapmintfin.com
- Write to us at the below mentioned address:

Snapmint Financial Services Private Limited, B-904, Kanakia Wall Street, Andheri Kurla Road, Andheri (E), Mumbai 400093, Maharashtra.

In case the complaint is not resolved within the given time or if he/she is not satisfied with the
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solution provided by Snapmint Financial Services Private Limited, the customer can approach the Grievance Redressal Officer. The name and contact of the Grievance Redressal Officer is as follows:

Mr. Rohit Tekchandani

Tel. No.: +91-22-48931351

Email Id: grievance@snapmintfin.com

In case the response received through the above channels are not satisfactory, they can write to Mr. Vivek Gala, the Head of our Grievance Redressal Cell at: vivek@snapmintfin.com

We assure a response to letters / emails received through this channel within 5 working days.

If the complaint/dispute is not redressed within a period of one month, the customer may appeal to Officer-in-Charge of the Regional Office of Department of Non-Banking Supervision of RBI under whose jurisdiction the Registered Office of the Snapmint Financial Services Private Limited falls. The details of DNBS is as given below:

Dy. General Manager, Department of Non-Banking Supervision Centre I, World Trade Centre, Mumbai-400005

b. Mandatory display requirements

Snapmint Financial Services Private Limited will have the following in all our offices and customer service centers:

- Appropriate arrangement for receiving complaints and suggestions.
- Display of the name, address and contact number of the Grievance Redressal Officer. The process of the complaints redressal unit will ensure closure of all complaints to the customers' satisfaction.

They will ensure that the complaint is escalated to the appropriate levels in case it is not possible to resolve at his/her level. Whilst the ultimate endeavour is to ensure we reach a situation where our customers don't have to complain to senior management to get an effective redressal, we have put in a robust mechanism to handle these complaints, review them from a point of view of understanding reasons for the complaint and prevention of recurrence.

c. Time frame

To register complaints, the customers may use any of the channels mentioned above (refer point (a) on Internal Machinery to handle the customer complaints). If the complaint has been received in writing, Snapmint Financial Services Private Limited will endeavor to send an acknowledgement / response within a week. Once the matter is examined, Snapmint Financial Services Private Limited endeavours to either send a final response to the customer or an intimation seeking more time within one month upon receipt of complaint.

Complaints that are received at our end will be seen in the right perspective and would be analyzed from all possible angles.

The communication of Snapmint Financial Services Private Limited stand on any issue will be provided to the customers. Complaints that require some time for examination of issues involved

will be acknowledged promptly.

The aforesaid policy will be reviewed periodically /revised as and when there are any new changes incorporated by Snapmint Financial Services Private Limited in handling complaints / grievances of the customer which includes introduction of new grievance channels

Regulation of Excessive Interest charged

To ensure that customers are not charged excessive interests and fees on loans, Snapmint's Board has adopted a Policy for determining the Interest rates. Processing and other charges (Rate of Interest Policy). This policy is available on the Company's website snapmintfin.com. The Board also conducts periodic review of the ROI policy.

The policy includes appropriate internal principles and procedures for determining interest rates, processing and other charges. The Company uses an interest rate model that considers the cost of funds, margin and risk premium for determining rate of interest to be charged for loans and advances. The rate of interest to be charged depends much upon the risk profile of the borrower. The rate of interest will be annualised so that the borrower is aware of the exact rates that would be charged to the account. Any excessive interest charged beyond the defined disbursement date will be refunded to the customer. The Company will undertake to carry out due diligence on the borrower's repayment capacity, and comply with RBI's KYC guidelines.

Force Majeure

The Various commitments outlined and made by Snapmint Financial Services Private Limited are applicable under the normal operating environment. In the event of Force Majeure, Snapmint Financial Services Private Limited will not be able to fulfil the commitments under the Fair Practice Code to the entire satisfaction of the customer/s and the public in general.

Review of Fair Practice Code

The Fair practice code shall be reviewed annually by the Board of Directors of the Company and also, as and when required in accordance with time to time amendment in RBI regulations, laws and prevalent market practices.