

SHRIRAM CREDIT COMPANY LIMITED

FAIR PRACTICE CODE

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Document No	Policy / 003/2025
Issue Date	16 th May, 2025
Author of Policy	Operations Department
Vetted by	Chief Financial Officer
Approved by	Members of the Audit Committee and the Board of Directors
Date of Approval	16 th May, 2025
Applicability	The Company, its Directors, employees, borrowers.
Reference	Master Circular-Fair Practice Code read with Fair Practices Code for Lenders – Charging of Interest
In Compliance to	RBI/2011-12/26DNBS (PD) CC No. 232/03.10.042/2011-12 dated July 01, 2011 read with RBI/2024-25/30 DoS.CO.PPG.SEC.1/11.01.005/2024-25 dated April 29, 2024.

Table of Contents

Sr. No.	Particulars
1.	Introduction
2.	Object of the Code
3.	Scope
4.	Loan application and processing
5.	Loan appraisal and terms & conditions
6.	Disbursement of loans including changes in terms and conditions
7.	Interest Rates and charging mechanism
8.	Grievance Redressal Mechanism
9.	Registration of Complaints/Suggestions
10.	General
11.	Updates or Revisions of Policy by the Board of Directors

Introduction

Shriram Credit Company Limited (“the Company”), a Non-Banking Finance Deposit Taking Company registered with Reserve Bank of India (“RBI”)

The Company has put in place the Fair Practice Code (FPC) as per the RBI directives and it has been duly approved by the Board of Directors. The Fair Practice Code sets out the principles for fair practices/ standards while dealing with its customers.

The Company has adopted this Fair Practices Code (“the Code”) and have implemented it. The Code applies to all categories of products and services offered by the Company (currently offered and which may be introduced in future).

Object of the Code:-

- a. To promote ethical, fair, and responsible practices in all lending activities.
- b. To ensure complete transparency in business dealings with customers.
- c. To foster and maintain a cordial and trustworthy relationship with customers.
- d. To serve customers better by setting high standards and benchmarks in service delivery.

Scope:-

SCCL-FPC is applicable to all the Product-Services offered by the Company and has to be construed harmoniously with the other Policies of the Company framed from time to time.

Loan Application and Processing:-

- The Company will not entertain any loan application without fulfilling KYC Norms.
- Communications to the borrowers/customers will be in English language or a language as understood by the borrower.
- Loan Application will contain all the relevant and necessary information which will enable the borrowers/customers to make their own best judgments by comparing /contrasting with the terms and conditions of otherNBFCs.
- The Loan Application will caption the required documents to be annexed with the application form. The Company will follow the Single-Window Clearance Mechanism for loan processing.
- The Company will issue an acknowledgement for all the loan applicants. The Company will dispose the loan application preferably within a period of 30 days from the date of receipt of submission of loan application.

Loan Appraisal and Terms and Conditions:-

- The Company will issue a sanction letter in English language or a language as understood by the borrower to the borrowers/customers citing the terms and conditions in full viz.
 - a. Amount of Loan Sanctioned
 - b. Rate of Interest (including penal interest rate for delayed payment and the same will be cited in Bold Letters)
 - c. Method of Disbursement
 - d. Mode of Intimation of change on terms and conditions

Further, the Company will get the acceptance from the borrower/customer for the aforesaid terms and conditions and the same will be preserved for future reference.

- Copy of the Loan Agreement will be furnished to the borrowers/customers along with the sanction letter.

Disbursement of loans including changes in terms and conditions:-

- Any Change in terms and conditions particularly with reference to the schedule of disbursement, interest rates, service charges, prepayment charges etc will be promptly intimated to the borrower/customer.
- Any decision in respect of recall of loan/payment acceleration will be strictly as per terms of the loan agreement.
- On repayment of all dues or on settlement of outstanding amount standing in the loan account the securities offered by the borrower/customer will be freed. However, the Company has the right to retain the securities against the pending dues of the borrower by serving prior demand notice and providing an opportunity.

Interest Rates and charging mechanism:-

- The Company will not charge interest rates which are exorbitant and unreasonable.
- The Board while fixing/revising the interest rates shall consider the factors like Cost of Funds, Margin, Risk Premium, operating expenses, etc. Based on the risk factors the company can charge different rate of interest to different categories. The same will be disclosed to the borrower/customer in the application form and in the sanction letter as well.
- The rate of interest and methodology of gradation of risks shall be made available to the borrower (on request), uploaded in the website of the Company and if necessary shall be published in the in news paper in English where the registered office of the Company is situated. Any change in the afore- mentioned items will also be made available to the public in the same manner as detailed above.
- The rate of interest shall be annualized rates and the borrower will be informed about the actual rates which are charged in the interest.

Grievance Redressal Mechanism:-

- The following persons have been appointed specifically for the purpose of prompt resolution of any borrower grievance:

Name: **Mr. Satya Pravas Parida**
Email id: satyaparida@shriramcredit.in
Designation: **Vice-President**

Further, if the matter is not resolved it will be escalated to the Grievance Redressal Officer:

Name: **Ms. Trina Nandi**
Email id: cs_sccl@shriram.com
Designation: **Company Secretary**

- The Company shall make efforts to resolve the grievances of the borrower within minimum two working days and maximum thirty days from the time of receipt of grievance in writing. The Company will display the name, address, contact number and e-mail id of the designated person in the notice board of the company.

- The Board at periodic intervals will evaluate the Grievance Handling Mechanism and may give proper directions to discharge the functions effectively.
- Wherever, possible the Company shall try to sort out the disputes of borrowers through the process of mediation, conciliation and arbitration

Registration of Complaints/Suggestions:-

Any Complaint /Suggestion in respect of product services offered by the Company shall be intimated through thee-mail Id of the Principal Nodal Officer and Grievance Redressal Officer mentioned above and in addition written address of communication shall be the Grievance cell of the Company mentioned below:

1. Shriram Credit Company Ltd

Shriram House, No.-4,
Burkit Road, T.Nagar, Chennai- 600017

General:-

1. The Company will not interfere in the affairs of the borrower except for the reasons detailed in the loan agreement.
2. Any request for transfer of the loan from the borrower will be responded within 21 days from the date of the receipt of the transfer request. The transfer will be as per transparent contractual terms/law for the time being in force.
3. The Company will not employ unfair practices for recovering the loan.
4. This Code shall be displayed at all the place of business of the Company and will also be disseminated to the customers.

Updates or Revisions of Policy by the Board of Directors:-

This Code shall be reviewed by the Board at periodic intervals and the Board may suitably amend the Code in order to comply with the RBI Guidelines/Circulars notified from time to time and also to ensure that the best corporate practices are implemented.

(This policy has been reviewed and recommended by the Audit Committee and approved by the Board of Directors in their meeting held on 16th May, 2025)
