



Fair Practices Code- Arman Financial Services Ltd

A. General Guidelines:

(i) Applications for loans and their processing

- a) All communications to the borrower shall be in the vernacular language or a language as understood by the borrower.
- b) Loan application forms will include necessary information required from the borrower
- c) The company will give an acknowledgement for receipt of all loan applications.
- d) The Company shall dispose of all the loan applications within a reasonable period.

(ii) Loan appraisal and terms/conditions

- a. The company will convey in writing to the borrower by means of sanction letter.
- b. A copy of the loan agreement, sanction letter, or similar document with all the terms and conditions of the agreement will be given to the client within a reasonable amount of time after disbursement of the loan.

III) Income Assessment

- a) Income of the applicant and the co-applicant will be considered for Loan eligibility
- b) No two female members can be Applicant & Co Applicant
- c) Instalment Income Ratio shall be 65%

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.
- b. In the matter of recovery of loans, the company will not resort to undue harassment.
- c. The company has setup A Principal Nodal officer / Chief Grievance Officer to redress the complaints received by the borrowers.



B. Specific Fair Practices

The company shall also adopt the following fair practices:

- a. The Company commits to transparency and fair lending practices
- b. Field staff is trained to make necessary enquiries with the borrower
- c. The company will be accountable for inappropriate staff behavior and company has setup appropriate systems for grievances.
- d. All sanctioning and disbursement of loans shall be done only at the office/branch premises and credit to respective bank accounts.
- e. The company shall ensure that application of loan is not cumbersome and loan disbursements are done as early as possible.
- f. Company shall have a standard form of loan agreement.
- g. In the loan agreement sanction letter, Terms & conditions, Pricing of Loan, Moratorium granted till first instalment and Privacy assurance to borrower shall be provided.
- h. Recovery can be either doorstep or customers visiting office and also Cash Less (NACH and QR).
- J. Receipts shall be issued for the collections made
- K. In case of Two-wheeler finance, company can enforce repossession of vehicle on default by the customer with due notice.
- L. The Company has a Grievance Redressal Mechanism to redress the complaints of the customers.