

Goodwin Financial Holdings Private Limited

Fair Practice Code

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1. Introduction

Goodwin Financial Holdings Private Limited, ("**Company**" or "**Goodwin**") is a non-deposit taking non-systemically important NBFC providing loans to students for vocational, digital and higher education studies in India and Abroad, and also provides different types of loans which includes Personal Loans, Business Loans, Loan against Property, Loan against Shares etc., to its various customers. Such credit facilities are extended to different types of customers, which include Individuals, Partnership Firms, Companies, and other Legal entities.

The Company has formulated this Fair Practice Code ("**FPC**" or "**Code**") as per the Master Direction dated September 1, 2016 (as amended from time to time) issued by Reserve Bank of India ("RBI") for Non-Systemically Important Non-Deposit taking Company and Deposit taking Non-Banking Financial Companies. This code 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 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).

2. Key Commitments

The Company's key commitments to customers in its dealings are:

- i. Act fairly and reasonably in all their dealings with customers by:
 - Meeting the commitments and standards specified in the Code, for the products and services which the Company offers;
 - Ensure that Company's products and services meet relevant laws and regulations;
 - Company's dealings with its customers will rest on ethical principles of honesty, integrity and transparency
- ii. Help customers understand how company's product work by:
 - Providing information about them in a language and manner as understood by them
 - Explaining their financial implications
- iii. To ensure its customers have a trouble-free experience in dealing with it and in case of any errors of commission or omission, Company would Deal quickly and sympathetically with the same by:
 - Correcting mistakes;
 - Handling customer's complaints;
 - Telling customers' how to take their complaint forward if they are still not satisfied
- iv. Publicize the Code, put it on Company's website and have copies available for customer on request.

3. Applications for loans and their processing

- a) All Communications to the customer will be in English or a language as understood by the customer.
- b) The loan application form shall contain the list of documents required to be submitted with the application form. The Loan application forms of the Company will include necessary information which affects the interest of the customer, so that a meaningful comparison with the terms and conditions offered by other NBFCs can be made and informed decision can be taken by the borrower.
- c) Every loan application completed in all respects shall be duly acknowledged by the Company. The time frame within which loan applications will be disposed of will be indicated in the acknowledgement
- d) Foreclosure or Pre-payment charges will not be levied on floating rate term loans sanctioned for purposes other than business to individual borrowers.

4. Loan appraisal and terms/conditions

- a) The Company will collect all information required for processing the application at the time of loan application itself. In case any additional information is required for credit and risk assessment, the customer shall be again immediately contacted.
- b) The Company shall conduct a due diligence on the credit worthiness of the customer, which will be an important parameter for taking decision on the application. The assessment would be in line with the Company's credit policies, norms, and procedures in respect thereof.
- c) The Rate of Interest (**Roi**) and the approach for gradations of risk and the parameters for charging different Roi to different categories of customer shall be disclosed to customer at the loan application and sanction stage
- c) The Company will convey in writing to the customer in English or a language as understood by the customer by means of sanction letter, the amount of loan sanctioned along with the terms and conditions including annualised rate of interest and method of application thereof and keep the acceptance of these terms and conditions by the borrower on its record. The Company will mention the penal interest which will be charged for late repayment and / or any other default on the part of the customer, in bold in the loan agreement, to sensitize the Customers about consequences of delay in payment of periodic instalments and/or any breach of the terms of the loan agreement and sanction letter.
- d) The Company will furnish a copy of the loan agreement preferably in in English or a language as understood by the borrower along with a copy each of all enclosures quoted in the loan agreement to all the borrowers at the time of sanction / disbursement of loans.
- e) The exact due dates for repayment of a loan, frequency of repayment, breakup between principal and interest, etc. shall be communicated to the borrower at the time of loan sanction and also at the time of subsequent changes, if any, to the sanction terms/ loan agreement till full repayment of the loan. In cases of loan facilities with moratorium on payment of principal and / or

interest, the exact date of commencement of repayment shall also be communicated to the borrower.

5. Disbursement of loans including changes in terms and conditions

- a) Disbursement shall be made in accordance with the disbursement schedule and/or terms agreed with the customer as per the loan Agreement/ sanction Letter.
- b) The Company will give notice to the borrower in English, or a language as understood by the borrower of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. The Company will 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.
- c) Decision to recall / accelerate payment or performance under the agreement will be in accordance with the loan agreement.
- d) The Company will release all securities on repayment of all dues or on realisation 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 will 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.

6. General

- a) The Company will refrain from interference 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 Company).
- 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, will 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.
- d) The Company shall not charge foreclosure charges/ pre-payment penalties on floating rate term loans sanctioned for purposes other than business to individual borrowers, with or without co-obligant(s).

7. Grievance Redressal Mechanism

- a) The Company has setup a system for receiving, registering and disposing of complaints and grievances of customers.
- b) The customer has to send all the relevant details and the nature of complaint to the Grievance Redressal Officer.

- c) To ensure that all disputes arising out of the decisions of the Company’s functionaries are heard and disposed of at least at the next higher-level, clients may contact the client grievance cell through multiple channels as follows:

Designation	Grievance Redressal Officer / Principal Officer – Grievances
Contact Number	Tel: 040- 35171621
Email :	kamalini@goodwinfinance.com
Letter Desk:	# 8-2-293/82/A/153, Road No.10, Jubilee Hills, Hyderabad, Telangana-500033

- d) All the grievances shall be attended within 7 - 15 days from the date of receipt of the complaint.
- e) A consolidated report of periodical review of compliance of fair practice code and functioning of the grievance redressal mechanism at various levels of management may be submitted to the Board/Committee of Directors at regular intervals as may be prescribed by it.
- f) In case complaint / dispute is not redressed within a period of one month or if the borrower /customer is not satisfied with the decision of the Grievance Redressal Officer, the borrower /Customer can lodge a complaint on RBI CMS portal - <https://cms.rbi.org.in>
Or send complaint form to the below mentioned address:

Designation	Officer in Charge
Contact Address	Department of Non-Banking Supervision (DNBS), Secretariat Road, Saifabad, Hyderabad 500004
Contact Number:	Tel: 040-23241270 Fax: 040-23232648
Email ID:	dnbshyderabad@rbi.org.in

8. The Reserve Bank – Integrated Ombudsman Scheme 2021

In accordance with the Reserve Bank- Integrated Ombudsman Scheme 2021 dated November 12, 2021 (“Scheme), the Company is required to appoint a Principal Nodal Officer. In line with the requirements, the Company has designated Mrs. Kamalini Srinivas Kanneganti, Managing Director as the Grievance Redressal Officer cum Principal Nodal Officer (“PNO”) for all the locations of the Company for receiving and addressing complaints in a fair and expeditious manner. The Principal Nodal Officer shall be responsible for representing the Company and furnishing information on behalf of the Company in respect of complaints filed against the Company. The Company may appoint other Nodal Officers to assist the Principal Nodal Officer for operational efficiency.

The Company shall display prominently for the benefit of its customers at places where the business is transacted, the name and contact details (Telephone / mobile number and E-mail ID) of the Principal

Nodal Officer along with the details of the complaint lodging portal of the Ombudsman (<https://cms.rbi.org.in>). The Company shall ensure that a copy of the Scheme is available at the places where the business is transacted and to be provided to the customer for reference upon request.

The salient features of the Scheme along with the copy of the Scheme and the contact details of the Principal Nodal Officer shall be displayed and updated on the website of the Company.

Salient features of Integrated NBFC Ombudsman Scheme,2021 of below table

#	Particulars	Click on the Link
8.1	Integrated Ombudsman Scheme, 2021	https://www.goodwinfinance.com/docs/Annex1_Integrated_Ombudsman_Scheme_2021.pdf
8.2	Salient features of NBFC Ombudsman Scheme	https://www.goodwinfinance.com/docs/Salient%20Features%20of%20NBFC%20ombudsman%20Scheme_Annexure%202.pdf
8.3	Format of complaint to Ombudsman	https://www.goodwinfinance.com/docs/form-of-complaint.pdf
8.4	Contact details of Nodal Officer of Goodwin	https://www.goodwinfinance.com/docs/Details%20of%20Principal%20Nodal%20Officer%20of%20the%20Company%20as%20per%20RBI%20Integrated%20Ombudsman%20Scheme.pdf

If the customer is aggrieved by the Ombudsman Award or rejection of complaint by Ombudsman Office, customer can file an appeal within 30 days of receipt of Award or rejection of complaint to-

Executive Director
Consumer Education & Protection Department
Reserve Bank of India.

9. Regulation of rate of interest

To ensure that the customers/borrowers are not charged excessive interest rates and charges on loans and advances by the Company, the Board of the Company will adopt a policy for determining the interest rates, processing and other charges (“Interest Rate Policy”). The Board of the Company undertakes periodical review of the Interest Rate Policy, and any changes instituted will be uploaded on the Company’s website regularly.

10. Gradation of Risk

The decision to give a loan and the interest rate applicable to each loan account shall be assessed on a case to case basis, based on multiple parameters such as the type of asset being financed, borrower

profile and repayment capacity, borrower's other financial commitments, past repayment track record if any, the security for the loan as represented by the underlying assets, loan to value ratio, mode of payment, tenure of the loan, geography (location) of the borrower, end use of the asset etc.

The rates of interest are subject to change as the situation warrants and are subject to the discretion of the management on a case-to-case basis. The Company shall disclose the interest rates and gradation of risks on its website.

11. Review

The Company shall abide by this Fair Practice Code following the spirit of the Code and in the manner, it may be applicable to its business. The policy shall be reviewed by the Board on quarterly basis.
