

DEUTSCHE INVESTMENTS INDIA PRIVATE LIMITED

FAIR PRACTICES CODE

BACKGROUND

The Reserve Bank of India, vide circular no DNBS.CC.PD.No.266/03.10.01/2011-12 dated March 26, 2012, revised vide circular no DNBS.CCPD.No.320/03.10.01/2012-13 dated February 18, 2013, further revised vide Master Direction for NBFC-ND-SI Circular No. DNBR.PD.008/03.10.119/2016-17 dated September 01, 2016 has prescribed the broad guidelines on fair practices that are to be framed and approved by the Board of Directors of Non- Banking Financial Companies (NBFCs). Deutsche Investments India Private Limited (the “**Company**”) is a Company incorporated under the Companies Act, 1956. The Company is engaged in the activity of a Lending and Portfolio Management Services, dealing with corporate ,institutions, and High Networth individuals (HNIs).

Our policy is to treat all the clients consistently and fairly. Our employees will offer assistance, encouragement and service in a fair, equitable and consistent manner. The Company is committed to providing service of the highest quality to its clients.

OBJECT

The code signifies the following:

- To promote fair practices by setting standards in dealing with clients.
- To have transparency in dealing with the clients and be user friendly to promote their confidence in the Company.
- To redress client disputes/complaints.
- To promote a fair and cordial relationship between the clients and the company

APPLICABILITY

The Fair Practice Code will apply to Lending Business of the Company.

KEY COMMITMENTS

The key commitments which we follow in dealing with our clients:

1. To Act fairly and reasonably in all our dealings with our clients by ensuring:

- Our products, services, procedures and practices will meet the commitments and standards.
- Our products and services are in compliance with relevant laws, rules and regulations.
- Our dealings with clients will rest on ethical principles of integrity and transparency.
- Client disputes/complaints are handled promptly.

2. To assist clients in understanding Company’s financial products and services by

- Providing information about products and services and their financial implications.
- Keeping client informed about changes in the interest rates, charges, terms and conditions.
- Communicating in vernacular language or a language preferred by the client.

INFORMATION-TRANSPARENCY

We will guide our clients in choosing products and services which meets their requirements.

1. BEFORE THE CLIENT RELATIONSHIP IS ESTABLISHED, WE WILL:

- Provide information about the key features of the services and products offered by the Company including the applicable interest rate, terms and condition and other charges.
- Provide clearly the information/documents we require to collect from the clients to fulfill our KYC norms and to comply with legal, regulatory and internal policy requirements.
- Obtain additional information about the client and his / her family to build a database; but providing the information is voluntary

2. LOANS AND ADVANCES:

- Before offering any kind of fund based or non fund based facility, the Company will assess the ability of the client (prospective borrower) to repay.
- The primary focus of the company is to offer loans to Corporate and High Net worth Individual (HNI) clients. Company does not intend to offer retail loans and hence no loan application forms are deemed necessary.
- As loans will be bilaterally negotiated, the Company shall convey the sanction in writing to the prospective borrower by means of a sanction letter/facility offer letter or otherwise. In the case of sanction of loan, the sanction/facility offer letter shall contain the terms and conditions including annualised rate of interest, fees /service charges and method of application thereof. Penal interest charged for late payment will be highlighted in bold in the sanction/facility offer letter. Acceptance of the terms and conditions communicated by borrower shall be preserved by the Company in its records.
- For all corporate clients, the language of communication will be English. For HNI clients, communication will be in English or vernacular language as may be preferred by the client. Company shall inform clients about any changes made in the terms and conditions like disbursement schedule, interest rates, service charges, prepayment charges etc applicable to the loan. Such changes shall be effected prospectively. Suitable condition in this regard will be incorporated accordingly in the Loan Agreement.
- As a measure of customer protection and also in order to bring in uniformity with regard to prepayment of various loans by borrowers of banks and NBFCs, Company will not charge foreclosure charges/ pre-payment penalties on all floating rate term loans sanctioned to individual borrowers.
- Decision to recall / accelerate payment or performance under the agreement will be in consonance with the loan agreement.
- The Company shall release securities on repayment of all dues or on realization of outstanding amount of loan subject to any pending unsettled claims of the Company. The securities would be withheld after informing client full particulars about the pending claims and the conditions under which the Company is entitled to retain the securities till the relevant claim is settled.
- The Company shall not interfere in the affairs of the borrower except for the purposes provided for in the terms and conditions of sanction of the loan.
- In case of receipt of request for transfer of borrower account, either from the borrower or from a lender which proposes to takes over the account, the consent or otherwise would be conveyed within 21 days from the date of receipt of request. Such transfer would be as per transparent contractual terms in consonance with law.

- As the lending business of the company is relationship based, the loan recovery process is driven by Client relationship. The company shall follow legal means available for recovery of loans.
- The Company shall adopt an interest rate model taking into account relevant factors such as, cost of funds, margin and risk premium, etc and determine the rate of interest to be charged for loans and advances and other processing charges.
- The rate of interest would be annualised rates so that the borrower is aware of the exact rates that would be charged to the account.

PRIVACY & CONFIDENTIALITY

1. The Company shall treat client information as private and confidential.
2. We will not reveal transaction details to any other entity including within the Group except for the following exceptional cases:
 - If the information is required by any statutory or regulatory authorities and,
 - If there is any duty to the public to reveal the said information.
 - If our interest requires us to provide this information (e.g. fraud prevention). We will not use this reason for giving information about clients to anyone else (including group companies) for marketing purposes.
 - If we have taken the clients permission (for instance at the time of loan sanctioning) to provide such information to our group / associate / entities or companies for providing other products or services.
 - If the client asks us to reveal such information to our group/associate entities or companies for providing other services or products provided we will have client's written permission

FURTHER ASSISTANCE

COMPLAINTS / GRIEVANCES – INTERNAL PROCEDURES

1. It is DB Group policy to take seriously all client expressions of dissatisfaction or grievance, whether oral or in writing, and regardless of whether justified or not. The process for handling client complaints will be in line with DB Group Client Complaint Handling Policy.
2. All client complaints will be entered in complaints register and referred to Compliance.
3. The company will display the following information prominently for the benefit of its customers at all branches:
 - Name and contact details (Telephone / Mobile nos. as also email address) of the Grievance Redressal Officer who can be approached by the public for resolution of complaints against the Company.
 - 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.

MONITORING

The Board of Directors will annually review the compliance of Fair Practices Code and the functioning of the grievances redressal mechanism at various levels of management.