CONSOLIDATED FINVEST & HOLDINGS LIMITED

FAIR PRACTICES CODE

Consolidated Finvest & Holdings Limited (referred to as the "Company") an Investment Company which mainly do investments in securities and occasionally provides loan mainly to group Companies. Pursuant to the Notification issued by the Reserve Bank of India by its Circular No.RBI/2006-07/138 DNBS (PD) CC No.80/03.10.042/2005-06 dated 28th September 2006, Circular No.RBI/2011-12/470 DNBS. CC.PD. No.266/03.10.01/2011-12 dated 26th March 2012 , modified in view of Circular No.RBI/2012-13/416 DNBS. CC.PD. No. 320/03.10.01/2012-13 dated 18th February 2013 and further modified in view of circular No. DNBS.CC.PD.No. 388/03.10.042/2014-15 dated 01.07.2014. Company has formulated this Fair Practices Code duly adopted by Board of Directors, which was modified from time to time, lastly vide their resolution passed on 1st April 2022 and to lay down the following procedures/practices in dealing with the business transactions.

(i) Applications for loans and their processing

(a) All communication to the borrower shall in the language as understood by the borrower.

(b) A Loan Application Form shall be provided to borrowers. Loan Application Forms shall include necessary information regarding all supporting documents required for processing of the application.

(c) The Company would give acknowledgement for receipt of all loan applications. The time frame within which loan applications shall be disposed of is also indicated in the acknowledgement.

(ii) Loan appraisal and terms/conditions

(a) The Company shall convey in writing to the borrower 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 (viz monthly or quarterly). The Company shall keep the acceptance of these terms and conditions by the borrower on its record. The Company shall also communicate to the borrower if the loan is rejected.

(b) Company shall furnish a copy of the loan agreement, if any entered, to the borrower.

© All the terms and conditions of the Loan, including rate of interest shall be informed to the borrower at the time of sanction of the loan.

(iii) Disbursement of loans including changes in terms and conditions

(a) The Company shall give notice to the borrower of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. The Loan Agreement contains necessary provisions to this effect.

(b) Decision to recall / accelerate payment or performance under the agreement shall be in consonance with the loan agreement.

(c) The Company shall 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 the borrower. If such right of set off is to be exercised, the borrower shall 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.

(iv) General

(a) The Company shall 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 borrower's account, the consent or otherwise i.e. the Company's objection, if any, shall 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, consistent with its policy over the years, the company shall not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans, etc.

(v) Grievances, if any, in connection with this Code shall be addressed to Company Secretary, Consolidated Finvest & Holdings Ltd or by email to cs_cfhl @jindalgoup.com.

(vi) Interest rate being charged from the borrower, will be as per the Loan and Investment policy of the company, duly approved by the Board of Directors.

(vii) No penal interest will be charged on delayed payments.

(viii) Grievance Redressal Mechanism

(a) In the event of any dispute or differences arising with the organization the aggrieved party may address his complaint to the following:

Anil Kaushal
Company Secretary/Grievance Redressal Officer
Consolidated Finvest & Holdings Limited
Plot No. 12, Sector B-1, Local Shopping Complex,
Vasant Kunj, New Delhi – 110 070
Tel No.: 011-40322100, Mobile : 9811146634
E-mail: cs_cfhl@jindalgroup.com

(b) If the complaint/dispute is not redressed within a period of one month from the date of complaint made as above, the aggrieved party may appeal to the following:

General Manager
Department of Non-Banking Supervision
Mahatma Gandhi Marg,
Kanpur- 208 001
Tel No: 0512- 2303277, 2332938
Fax No: 0512 - 2306246
E-mail: dnbskanpur@rbi.org.in

CONSOLIDATED FINVEST & HOLDINGS LIMITED

(c) The Board shall periodically review the compliance of Fair Practices Code and the functioning of the Grievances Redressal Mechanism in the Company.

(vi) Regulation of excessive interest charged by the Company

(a) Board of Directors shall adopt an interest rate model taking in to account relevant factors such as cost of funds, margin and risk premium and determine the rate of interest to be charged on the loan being given by the Company.

(b) The rate of interest and the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers shall be disclosed in the application form and also inform clearly to the borrower by other means.

(c) The rate of interest being charged will be annualized rate and there will be no other charges.

(vii) Principle in determining the rate of interest

Board of Directors shall not charge excessive rate of interest. Board of Directors in their board meeting only can decide any change in the rate of interest taking into account cost of funds and other factors. Company will not charge any other charges apart from interest i.e. processing charges on the loans being given.

(viii) Miscellaneous

Clarification regarding repossession of vehicles, in Fair Practice Code as mentioned in the RBI circular dated 01.07.2014 is not applicable to our Company, as our Company is not financing loans for vehicles.

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