# FAIR PRACTICE CODE
# Keertana Finserv Limited

## A. PREAMBLE ⁄ INTRODUCTION

The Fair Practice Code (FPC) has been formulated by Keertana Finserv Limited (Formerly known as Keertana Finserv Private Limited) (the Company) in response to guidelines issued by Reserve Bank of India vide circular, Directions and amendments thereon.

The Reserve Bank of India (RBI) has issued Master Direction on Responsible Business Conduct (Fair Practice Code) thereby setting standards for fair business and corporate practices while dealing with their customers vide RBI/DOR/2025-26/362 DOR.MCS.REC. No.281/01-01-039/2025-26, Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025 dated November 28, 2025 (as modified, amended and updated from time to time, the "FPC"). The FPC also require incorporating various disclosure requirements prescribed by the Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Directions, November 28, 2025, as applicable to the Company's lending business

The FPC will be applicable to all the offices of the Company including the Registered Office located in Kolkata of West Bengal the Administrative Office located in Hyderabad, Regional Offices located in various places and the Branches located across India. The FPC shall be binding on all the employees and officers of the Company.

## B. OBJECTIVES

The objectives of the FPC are as under:

a) Adopt the best practices in dealings with customers
b) Set challenging benchmarks and strive to achieve high operating standards for ensuring customer satisfaction
c) Follow transparent, fair, ethical and legally tenable practices while conducting business.
d) Provide all necessary information and input to customers / prospective customers and promote a mutually beneficial long-term relationship.
e) Facilitate a continuously growing base of satisfied customers while scrupulously avoiding acquisition of customers having doubtful credentials or criminal background.

## C. DECLARATIONS & COMMITMENTS

a) The Company undertakes to abide by all applicable laws, regulations and guidelines passed / issued by the Regulators (Reserve Bank of India, SEBI, IRDA etc.) and other competent authorities such as Government, Local Authority etc.
b) The Company commits itself to full customer satisfaction through efficient, professional and courteous services across all its offices.
c) The Company shall consistently strive to meet with and improve upon the internally set benchmarks and practices and be ahead of the standards prevalent in the industry.
d) The Company undertakes not discriminate customers on grounds of religion, caste, gender or language.
e) The Company will provide clear and full information about its products and services to its customers / prospective customers and will not resort to any misleading or potentially misguiding advertisement or publicity.
f) The Company undertakes to desist from introducing any products / services having elements of 'hidden charges or lack of transparency.
g) The Company will communicate in the local language with the customer and in English at the request of the customer
h) The Company undertakes to take all possible and reasonable custody to secure the safe custody of the security pledged by the customer and to compensate the customer for any accidental, inadvertent or fraudulent loss of the security whilst in the custody of the Company.
i) The Company undertakes not to take advantage of any unintentional or clerical error made by the

customer while transacting business.

j) The Company is committed to put in place a system for promptly addressing complaints and suggestions from the customers supplemented with a structured Grievance Redressal Mechanism having an escalation matrix.

k) The Company shall display the FPC on its website and also make available to the Customer, on request, a copy of the FPC on demand.

**D. FAIR PRACTICES**

***i. Loans, Terms & Conditions, Interest Rate & Charges***

a) The Company shall make available loan application forms in local language or other language understood by the customer to all prospective customers free of cost at the concerned branches mentioning also the supporting documents to be submitted along with. An acknowledgement for receipt of duly completed loan application forms will be given to the customer in all cases. As a matter of policy and customer service, loan applications for gold loans are sanctioned / rejected immediately. Disbursement of the loan and acceptance of security will be carried out nearly simultaneously.

b) The Company shall disclose all relevant information relating to a loan / product such as eligible loan amount, interest rate, charges, penal/overdue interest, interest calculation methodology, rebate on interest etc. before sanction of the loan to enable the customer / prospective customer to take an informed decision. The Customer / prospective customer will also be provided, on request, the detailed terms and conditions of the loan before sanction.

c) The Company shall ensure that a loan sanction letter (pawn ticket in case of gold loan) is given to the customer containing all the terms and conditions governing the loan facility in the local language or other language understood by the customer. The loan sanction letter (pawn ticket in case of gold loan) will also mention the loan amount, loan account number, interest rate, charges, loan processing fees, all-in cost to the customer etc. The loan sanction letter (pawn ticket in case of gold loan) which will bear the signature of the authorized official of the company will also serve as a receipt for the security (gold) pledged at the branch by the customer.

d) The Company shall not in the normal course make any changes / modifications in the terms and conditions of the loan, including rate of interest, which could adversely affect the customer financially or otherwise. In abnormal circumstances when such changes / modifications are inevitable, keeping in view the new circumstances, adequate and proper notice shall be given to the customer about any such change/modification.

e) Loan applications up to Rs.2 lakhs will be disposed of within a maximum of 30 days from the date of application. If additional details / documents are required, borrowers shall be intimated within the above indicated time frame.

f) A copy of the loan agreement along with a copy each of all enclosures quoted in the loan agreement shall be furnished to the borrower at the time of sanction / disbursement of loans either in physical form or in electronic form

g) The loan agreement for lending against gold shall disclose details regarding auction procedure. The Company shall follow transparent auction procedure in case of nonrepayment with adequate prior notice to the borrower. The auction shall be announced to the public by issue of advertisements in at least two newspapers, one in vernacular language and another in national daily newspaper.

h) Penalty, if charged for non-compliance of terms and conditions of loan agreement by the borrower shall be treated as “penal charges” and shall not be levied in form of “penal interest that is added to the rate of interest charged on the advances. There shall be no capitalization of such charges i.e. no further interest computed on such charges.

i) As per the Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, November 28, 2025. Keertana has defined procedure for the Release of Movable / Immovable Property Documents to the legal heirs on Repayment/ Settlement of Personal Loans and the same is available on the website of the Company.

j) The borrower will be communicated the annualized rate percentage in the sanction document while communicating the approval of a loan.

k) The Company shall charge interest from the date of the actual disbursement of the funds to the customer and not from the date of the sanction of loan or date of execution of loan agreement and shall comply with the instructions provided under Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025 on Fair Practice Code.

l) The approved Interest Rate Policy is published on the website of the company and shall be updated whenever there is a change.

**ii. *Marketing & Promotion***

a) The Company shall not deliberately promote a product with any ulterior / selfish motives or contrary to the customer requirements or expectations as disclosed by the customer. The Company will ensure that its personnel engaged in marketing and operations are suitably trained and instructed so as to preclude selling of its products by misrepresentation to the customer / prospective customer.

b) Full and updated information regarding loan schemes, rate of interest, loan per gram, charges etc. available on the website of the Company and also displayed in the branches. Complete or select information will also be made available through various media

**Responsibility of Board of Directors**

Keertana has laid down an appropriate grievance redressal mechanism within the organization. The Board of Directors of Keertana also reviews the compliance of the Fair Practices Code and the functioning of the grievance's redressal mechanism. Report on such reviews shall be submitted to the Board of Directors on a quarterly basis.

**Reserve Bank – Integrated Ombudsman Scheme, 2026**

Keertana is covered under the Reserve Bank – Integrated Ombudsman Scheme, 2026 (RBIOS, 2026) shall comply with the directions provided under the said Scheme. The Ombudsman Scheme along with its salient features are available on the website of the Company. channels, posters, brochures, notices, displays etc. based on the decisions of the management of the Company from time to time.

**iii. Recovery of Dues, Exercise of Lien & Delivery of Security**

a) The Company will not, as a matter of fair dealing, normally recall the loan before the initially agreed tenure except in unanticipated or abnormal circumstances where the Company's interests are adversely affected e.g. when the security value diminishes substantially, when the quality of gold is not found to be acceptable, due to any regulatory / government directives etc. In all such cases proper and reasonable notice shall be given to the customer recalling the loan before expiry of the normal tenure.

b) The Company will make all possible soft or persuasive efforts to get the customer to repay the dues without resorting to disposal of security. The Company does not accept, nor will it encourage the use of any coercive or hard measures to recover its dues from the customer.

c) The Company will deliver the security (gold) to the customer immediately upon settlement of the loan in the same condition as was at the time of sanction of the loan. In case of any damage caused to the security (Gold) due to mishandling by its employees, the Company shall at its cost get the damage repaired or alternately pay reasonable compensation to the customer on a case-to-case basis. If the security (Gold) has signs of damage thereon, before being taken custody of by the Company at the time of sanction of loan, the fact will be briefly incorporated in the sanction letter (pawn ticket).

d) The Company will exercise only legitimate right of lien over the pledged security or such cash surplus as may arise upon settlement of existing loans at any time. Such right of lien shall arise only if the customer has any other dues, either directly or as guarantor, and will be subject to proper intimation of such right of lien being given to the customer by the Company.

e) The Company shall issue a signed and, normally, a system generated receipt for all cash payments made by the customer immediately. The Company shall also accept payments vide cheques, demand drafts, electronic transfers etc. subject to the condition that return of the security (gold) will be made only after confirmation of realization.

f) Even though the loan sanction letter (pawn ticket) contains all applicable terms and conditions of the loan, the Company shall, nevertheless, endeavour, on a best effort basis, to send advice, reminders etc. regarding due date for payment of interest, principal etc. by letter, courier service, telephone, SMS etc.

g) The Company shall, on demand, provide the customer or his duly authorized representative with a statement of the loan account at any time during the currency of the loan or immediately upon closure. However, the Company may, at its discretion, require payment of reasonable processing charges by the customer for providing statement of account if such demand is made 30 calendar days after closure of the account.

h) The Company will resort to disposal of security (gold) only as a last resort and that too after adequate and proper notice is served on the customer to repay the dues. Such notice will be as per the terms contained in the sanction letter (pawn ticket) and also in compliance with applicable laws and regulatory guidelines. The disposal of the security (gold) will be taken up through public auction when the customer does not positively respond to the communications sent by the Company to close the loan account along with interest and other charges.

i) Where the Company proposes to dispose of the security even before the normal tenure of the loan based on the rights conferred on the Company vide loan application and loan sanction letter (pawn ticket) adequate and proper notice will be served on the customer before such action is initiated for recovery of dues.

j) The Company prefers and encourages customers to take back delivery of the security immediately upon full settlement of all dues. However, should there be exceptional instance of the Customer being unable to take delivery of the security (gold), not attributable to the inability of the Company, after closure of the loan account reasonable safe custody charges may be payable which will be duly advised to the customer or displayed in the branch premises and the Company's website.

k) The Company will not interfere in the affairs of the customers except for the purposes mentioned in the terms & conditions of the loan or when constrained to do so due to inadequate or false disclosures made by the borrower at the time of putting through the transactions.

l) In the matter of recovery of loans, Company representatives shall not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans, etc. Company shall ensure there is no rude behavior from its staff towards customers for which staff will be adequately trained to deal with the customers in an appropriate manner.

m) There shall be no discrimination in extending products and facilities including loan facilities to the physically/ visually challenged applicants on the grounds of disability.

**iv. Customer Service & Grievance Redressal**

a) The Company will implement all possible steps to prevent and minimize customer complaints / grievances.

b) The Company will facilitate the customer to pay the whole or part of the dues at any of the branches of the Company subject to the condition that delivery of the pledged security shall be made only at the branch where loan was originally disbursed.

c) The Company will put in place an effective Customer Grievance Redressal mechanism with details of which will be displayed on the website and in all the branches. The mechanism will specify interalia the names & designations of the officials with whom complaints can be registered, their postal address / telephone numbers/ email address, escalation matrix, time limit for acknowledging receipt of complaint, time limit for dealing with the complaint etc.

d) 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 (with complete contact details), Kolkata, West Bengal, under whose jurisdiction the registered office of the Keertana Finserv Limited falls

e) As per RBI Circular, Keertana Finserv Limited's existing Customer Grievance Redressal Mechanism will also deal with the complaints relating to services.

f) The Company will put in place an effective training system to ensure that employees of the

Company are customer friendly and do not resort to rude, inappropriate or unethical behavior.

g) The Company will endeavour to work out and display the time norms for putting through and completing the various transactions.

**E. The Company will have a sympathetic approach to the problems faced by the customer, especially the poor and underprivileged sections. Miscellaneous**

a) The Company shall display the normal business hours at the respective branches, the list of holidays and notify the changes, if any, by way of a notice displayed on the premises of the branch or through press notification.
b) Personal information of the customer will not be shared with unauthorized persons or agencies or third parties by the Company. However, the Company will be bound to honour and comply with legal or regulatory requirements, if any, in this matter, obligating it to part with such information even without giving notice to the customer.
c) Wherever locker facility is extended by the Company through its branches, it shall be ensured that appropriate disclosures are in place to communicate to the customers that the activity is not regulated by the Reserve Bank.

**CONFIDENTIALITY**

Company shall treat all the personal information of its customers as private and confidential. The Company has its duty to provide information by statutory or regulatory laws including information to statutory bodies, law enforcement agencies, Credit Information Companies like CIBIL etc., RBI and/or other banks/financial institutions any other state, central or any other regulatory body, including courts and tribunals having jurisdiction.

**F. FPC STANDARDS SPECIFICALLY FOR GOLD LOAN NBFCS -RBI CIRCULAR.**

Keertana Finserv Limited being a majority Gold focused NBFC, adheres to all the stipulations mentioned below vide the above circular. There shall be a Board approved policy for lending against gold that shall, inter alia, cover the following:

a) Adequate steps to ensure that the KYC guidelines stipulated by RBI are complied with and to ensure that adequate due diligence is carried out on the customer before extending any loan,
b) Proper assaying procedure for the jewellery received,
c) Internal systems to satisfy ownership of gold jewellery,
d) Adequate systems for storing the jewellery in safe custody, reviewing the systems on an on-going basis, training the staff concerned and periodic inspection by internal auditors to ensure that the procedures are strictly adhered to. Normally, such loans should not be extended by branches that do not have appropriate facilities for storage of jewellery,
e) The jewellery accepted as collateral should be appropriately insured,
f) Transparent auction procedure in case of non-repayment with adequate prior notice to the borrower. There should be no conflict of interest, and the auction process must ensure that there is arm’s length relationship in all transactions during the auction including with group companies and related entities,
g) The auction should be announced to the public by issue of advertisements in at least two newspapers, one in vernacular language and another in national daily newspaper,
h) As a policy, the NBFCs themselves should not participate in the auctions held,
i) Gold pledged will be auctioned only through auctioneers approved by the Board,
j) The policy shall also cover systems and procedures to be put in place for dealing with fraud including separation of duties of mobilization, execution and approval
k) The loan agreement shall also disclose details regarding auction procedure.

**REVIEW OF POLICY**

This Policy shall review annually or on a need-basis i.e., in the event of change in regulatory framework or for business or operational need.

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