

Fair Practice Codes of Saija Finance Pvt. Ltd.

Saija's Commitment through core values:

Saija will act in line with their core values excellence, discipline, transparent and socially responsible manner to conduct its microfinance activities.

#	Core Value's	Values
1	Transparency	Fair-Practices, Trust, Non-Discrimination and Honesty
2	Excellence	Innovation, creativity and Learning
3	Discipline	Accountability, Professionalism and Responsibility
4	Social Responsibility	Sensitivity, Commitment and Awareness

Saija will display fair practice code in vernacular language in their branch offices and put system to practice and monitoring of codes.

Loan applications, appraisal & verifications and avoidance of over indebtedness

- Each client will be appraised with all necessary information's of process, loan features and term & condition in language (local language) understood by clients at the time of submitting application for loan. Client shall be provided with contact no. of the field staff or branch manager to enquire about the status of loan applications.
- Saija shall conduct appraisals and verifications with client at the place of business and residence and also make inquiries with family, friends and neighbours. These visits will only take place at a time that is convenient to the person being visited.
- Saija shall take all steps to avoid client over-indebtedness, including but not limited
 - Conducting appropriate appraisal and verification of clients to assess the repayment capacity based on personal, business, financial information's of client and its family members.
 - Verifying information with relevant credit bureaus (currently High Mark and Equifax)
 - Restricting maximum loan sizes as required by the Reserve Bank of India and other regulations.
 - Shall also be provided loan well within repayment capacity of borrowers and guideline of RBI for microfinance lending.
- Saija will be responsible lender and to follow other practices that prevent over indebtedness in clients.

- There will not be discrimination of its clients based on caste, creed, religion, language and regions.

Transparency

- Saija shall explain in details of loans and its features. It will include followings, but not limited to
 - Interest rate (APR), processing fee and insurance premium
 - Tenure of loan, frequency of repayments and instalment.
 - Terms and Conditions includes group guarantee of each borrower for each other to pay jointly or severally.
- Saija shall furnish the acknowledgement of loan application and copy of sanction letter and loan agreement along with repayment schedule to the borrowers for better knowledge of borrowed amount.
- Saija will inform clients through correspondence about any change in interest rate (APR), instalment amount, repayment frequency, tenure of the loan and any other change in terms and condition, process & procedures of loan repayment.
- Several times prior to and at the time of disbursement Saija will communicate in the local language that is understood by the clients the loan terms and conditions including but not limited to:
 - The concept of joint liability for group loans where applicable
 - The benefits of timely repayment and consequences of default.

Repayment and Delinquency Management Practices

- Saija will look into the reasons caused its borrower to default loan repayment, would also show considerations to genuine difficulties faced if and in consonance of loan agreement toward settlement of loan with default borrowers.
- Saija field staffs providing services to microfinance client will comply with high ethical standards in their interaction with clients and to ensure that adequate mechanism are in place to detect and correct corruption or maltreatment of clients.
- Saija will adhere to appropriate mechanism for default loans and will not resort to any coercive, unethical and inappropriate practice to collect repayment.
- On request of client and at the end of repayments of loan, Saija would provide No Due Certificate (NDC).

Complain and Grievance handling mechanism:

- Client will be providing tools of grievances handling system to register complain and grievance during business hour 9:30 am to 6 pm through Toll Free no.1800 345 6279. Also, by posting emails and letter to branch office or Head office, in person visit to branches.

- Saija commits to resolving all complaints in transparent, fair and timely manner.
- Reviewing authority will look into grievances as per below matrix.

Grievance against	Reviewing authority
Decision and behaviour of person	
Field Executive	Branch Manager
Branch Manager	Area Manager
Area Manager	Area Manager
Any other person	CMD office
Process and practice followed	
Over lending	CMD office
Coercive collections	CMD office
Dubious transactions	CMD office

Confidentiality of client information's:

- Saija will maintain the privacy and confidentiality of client's personal and financial information's. Only required information would be shared with credit bureaus as mandated.

Internal audit and control

- Saija shall maintain appropriate system of internal control through audit, inspections and verification of practice of code of conduct. Periodically, Audit committee and Board of Directors will be updated with compliance on fair practice code and also of non-compliance if any along with reasons.

This Fair Practice Code was adopted by the Board of Directors of Saija Finance Pvt. Ltd. on 25th April 2012 and will be reviewed by the Board on an annual basis. This code is RBI guideline on fair practice code for Non-Bank Finance Companies vide its circular no. RBI/2011-12/470, DNBS.CC.PD.No.266 /03.10.01/2011-12 dated March 26, 2012. Saija is a member of Sadhan and MFIN and has adopted code of conduct for member MFIs which further insists on adopting a fair practice codes in its microfinance activities.

This fair practice code and subsequent updates will be available on our website at saija.in.