

# Fair Practices & Grievance Redressal Policy

Crescentis Capital Limited

(Formerly Known as Som Datt Finance Corporation Limited)

Date approval
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## **INTRODUCTION**

Crescentis Capital Limited (Formerly Known as Som Datt Finance Corporation Limited) (“the Company”) has formulated this **Fair Practices & Grievance Redressal Policy** (“Policy”) to ensure that its lending and customer-interfacing activities are conducted in a fair, transparent, and non-discriminatory manner. The Policy outlines (i) the principles and standards that the Company shall follow in the areas of loan application, appraisal, sanction, disbursement, conduct, recovery, and interest/charges disclosure, and (ii) the framework for receiving, escalating, and resolving customer grievances in a timely and efficient manner, including access to the Reserve Bank of India’s Integrated Ombudsman Scheme.

This Policy is framed pursuant to the guidelines on Fair Practices for NBFCs issued by the Reserve Bank of India (“RBI”) and the **Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023**, and shall apply to all products, processes, and customer interactions undertaken by the Company in the course of its operations.

## **OBJECTIVE**

The objective of this Policy is to ensure that all dealings with customers are conducted in a fair, transparent, and non-coercive manner, consistent with regulatory expectations;

2. Clearly define the standards to be followed by the Company during loan application, appraisal, sanction, disbursement, servicing, and recovery;
3. Provide a formal, accessible, and time-bound grievance redressal mechanism for its customers and guarantors;
4. Foster responsible lending practices by ensuring adequate disclosures regarding interest rates, charges, terms and conditions, and consequences of default;
5. Enable customers to approach higher authorities, including the Reserve Bank of India (RBI) Ombudsman / Consumer Education and Protection Cell (CEPC), if they are not satisfied with the Company’s response;
6. Ensure internal monitoring, reporting, and periodic review of the grievance redressal process and fair-practice compliance by the Management and the Board of Directors.

## **SCOPE AND APPLICABILITY**

This Policy applies to:

1. All customers and prospective customers of the Company;
2. The guarantors under any lending arrangement;
3. Applicants at any stage of the loan process, including those whose applications have been rejected;
4. Customer interactions across all channels, including physical, telephone, email, and digital platforms;
5. Complaints and grievances relating to:
  - o Loan applications, processing, sanction, disbursement, servicing, or recovery;
  - o Customer service issues or conduct of Company staff or authorised representatives;
  - o Credit information or credit reports furnished by the Company to any Credit Information Company (CIC), in accordance with applicable regulatory timelines and processes.

The provisions of this Policy are in addition to, and not in derogation of, any rights available to an aggrieved person under applicable laws, including the Reserve Bank of India’s Integrated Ombudsman Scheme, 2021 and any judicial or quasi-judicial forum having jurisdiction.

This Policy is applicable across all business units, operating locations, and authorised service partners engaged by the Company.

### **REGULATORY FRAMEWORK / BASIS**

This Policy has been formulated in accordance with the following regulatory requirements and guidance issued by the Reserve Bank of India (“RBI”):

1. **Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023**, as amended from time to time;
2. **RBI Guidelines on Grievance Redressal Mechanism for NBFCs**, issued vide circular no. **RBI/2012-13/416 DNBS.CC.PD.No.320/03.10.01/2012-13**, requiring NBFCs to establish an **appropriate and accessible internal grievance handling framework**;
3. **RBI’s Integrated Ombudsman Scheme, 2021**, providing customers the right to escalate unresolved grievances to the RBI Ombudsman;
4. Relevant regulatory instructions governing dispute resolution of complaints relating to **Credit Information Companies (CICs)**, including circular no. **RBI/2023-24/72 DoR.FIN.REC.48/20.16.003/2023-24**.

The Company shall comply with all subsequent circulars, notifications, guidelines, or clarifications issued by the RBI in relation to fair practices, grievance redressal, customer service, and credit information reporting. In the event of any inconsistency between this Policy and applicable regulatory provisions, the latter shall prevail.

## **FAIR PRACTICE CODE**

### **1. Applications for Loans and Their Processing**

- All communications to the customer shall be in the vernacular language or a language as understood by the customer.
- The loan application form shall 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 an informed decision can be taken by the customer. The loan application form shall indicate the documents required to be submitted with the application form.
- The Company shall devise a system of giving acknowledgement for receipt of all loan applications. Preferably, the time frame within which loan applications will be disposed of shall also be indicated in the acknowledgement.

### **2. Loan Appraisal and Terms / Conditions**

- The Company shall convey in writing to the customer, in the vernacular language as understood by the customer, by means of a sanction letter or otherwise, the amount of loan sanctioned along with the terms and conditions including the annualised rate of interest and method of application thereof, and shall keep on record the acceptance of these terms and conditions by the customer.
- Any clause relating to penal interest charged for late repayment, default, or deviation from the agreed repayment schedule shall be specified in a prominent manner in the appropriate documentation.
- The Company shall furnish a copy of the loan agreement, preferably in the vernacular language as understood by the customer, along with a copy of all enclosures quoted in the loan agreement, to the customer at the time of sanction/disbursement of the loan.

### **3. Disbursement of Loans including Changes in Terms and Conditions**

- The Company shall provide a Key Fact Statement (KFS) to the customer, in vernacular language or a language understood by the customer, prior to execution of the loan agreement and before disbursement. The KFS shall contain all-inclusive cost information, including interest rate, APR, instalment details, and all charges/penalties, in the format prescribed by RBI. A copy of the KFS shall be annexed to the loan agreement.
- The Company shall give notice to the customer, in the vernacular language as understood by the customer, of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges, etc. The Company shall also ensure that changes in interest rates and charges are affected only prospectively. A suitable condition in this regard shall be incorporated in the loan agreement.
- The decision to recall or accelerate payment or performance under the agreement shall be in consonance with the terms of the loan agreement.
- In case the Company accepts any security against loans made, the same shall be released on repayment of all dues or on realization of the outstanding amount of the loan, subject to any legitimate right or lien for any other claim the Company may have against the customer. If such right of set-off is to be exercised, the customer 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 or paid.

#### 4. General

- The Company shall refrain from interference in the affairs of the customer except for the purposes provided in the terms and conditions of the loan agreement, or where new information, not earlier disclosed by the customer, comes to the notice of the Company.
- In case of receipt of a request from the customer for transfer of the customer's account, the consent or objection of the Company, if any, shall be conveyed within 21 calendar days from the date of receipt of such request. Such transfer shall be as per transparent contractual terms in consonance with law.
- In the matter of recovery of loans, the Company shall not resort to undue harassment, including persistently bothering the customers at odd hours or using muscle power for recovery of loans. The Company shall ensure that its staff is adequately trained to deal with customers in an appropriate manner.

#### 5. Responsibility of Board of Directors

- The Board of Directors of the Company shall lay down an appropriate grievance redressal mechanism within the organization to resolve disputes arising in this regard. Such mechanism shall 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.
- The Board of Directors shall also provide for periodical review of the compliance of the Fair Practices Code and the functioning of the grievance redressal mechanism at various levels of management.
- A consolidated report of such reviews shall be submitted to the Board at regular intervals, as may be prescribed by it.

#### 6. Grievance Redressal Officer

- At the operational level, the Company shall display the following information prominently, for the benefit of its customers, at its branches and places where business is transacted: **cgro@crescentis.in; 040-45267248 / +91-7032058922**

#### 7. Nodal Officer / Principal Nodal Officer

- Since the Company is covered under the RBI's Ombudsman Scheme for Non-Banking Financial Companies, 2021, the Company shall update its client grievance redressal mechanism to include guidelines specified under the RBI Ombudsman Scheme and appoint a Nodal Officer / Principal Nodal Officer in accordance with directions as provided under the Scheme. The same shall be approved by the Company's Board of Directors.

#### 8. Regulation of Excessive Interest Charged by NBFCs

- The Company shall levy only penal *charges* and not penal *interest*. Penal charges shall not be capitalised and shall not be added to the principal outstanding; however, normal interest shall continue to apply to the outstanding amount as per agreed terms.
- The Board of the Company shall adopt an interest rate model taking into account relevant factors such as cost of funds, margin, and risk premium, and determine the rate of interest to be charged for loans and advances. The rate of interest and the approach for gradations of risk and rationale for charging different rates of interest to different categories of customers shall be disclosed to the customer in the application form and communicated explicitly in the sanction letter.
- The rate of interest and other applicable charges shall be made available on the website of the Company or published in the relevant newspaper. As the Company offers only fixed-rate loans, no

gradation of risk-based interest rates applies. The information so published shall be updated whenever there is a change in the rates of interest.

- The rate of interest shall be annualised so that the customer is aware of the exact rates that would be charged to the account.

#### **9. Complaints about Excessive Interest Charged by NBFCs**

- The Company shall not charge excessive rates, and the rates charged by the Company from its customers shall be as per prevailing market conditions, cost of funds, operating costs, and subject to regulations and conditions from the regulator. The Board of the Company shall lay out appropriate internal principles and procedures in determining interest rates and processing fees, and other charges. In this regard, the guidelines indicated in the Fair Practices Code about transparency in respect of terms and conditions of the loans are to be kept in view.

#### **10. Review**

- The Board of Directors of the Company shall review the Fair Practices Code and functioning of the grievance redressal mechanism **annually**.

## GRIEVANCE REDRESSAL POLICY

### GRIEVANCE REDRESSAL PROCESS

**1. Lodging of Complaints:** Complaints may be lodged in the following manner:

- By recording the grievance in the Complaint Register maintained at the registered office of the Company; OR
- By submitting the grievance in writing or through email.

All complaints shall be acknowledged within 3 (three) calendar days of receipt and shall be recorded and attended to directly or escalated to the designated authority, as required.

**2. Internal Resolution – Escalation Matrix**

The complaint shall be addressed through the following levels, in the order given below:

- **Level 1 – Grievance Redressal Officer (GRO):** Complaints shall first be addressed to the Grievance Redressal Officer at the registered office. The Company shall endeavour to resolve the grievance within the prescribed timeline. The complaint can be escalated to the GRO at:
  - [cgro@somdatffin.com](mailto:cgro@somdatffin.com); 040-45267248 / +91-7032058922
- **Level 2 – Principal Nodal Officer (PNO):** If the grievance is not resolved within the aforementioned timeframe or the complainant is dissatisfied with the response, they may escalate the matter to the Principal Nodal Officer. The PNO shall take necessary steps to resolve the grievance within the overall 30 calendar day period from the date of first receipt by the Company. The complaint can be escalated to the PNO at:
  - [cgro\\_nodal@somdatffin.com](mailto:cgro_nodal@somdatffin.com)

**3. Escalation Beyond the Company – RBI Ombudsman**

If the complaint remains unresolved within 30 calendar days from the date of initial receipt, or the complainant is dissatisfied with the Company's response, they may approach the Reserve Bank of India under the Integrated Ombudsman Scheme, 2021.

1. **Online:** <https://cms.rbi.org.in>
2. **Physical Submission:**  
The Officer In-Charge,  
Consumer Education and Protection Cell,  
Reserve Bank of India,  
6-1-56, Secretariat Road, Saifabad,  
Hyderabad-500 004

**Note:** Before approaching the RBI Ombudsman, the complainant must first exhaust the grievance redressal mechanism of the Company, as detailed in this Policy.

## **CREDIT INFORMATION COMPANY (CIC) - RELATED COMPLAINTS**

This mechanism applies to complaints relating to errors, inconsistencies, or mismatches in the Credit Information Report (CIR) maintained by any Credit Information Company (CIC), including TransUnion CIBIL, Equifax, Experian, and CRIF Highmark, where the underlying data has been furnished by the Company.

### **1. Modes of Receipt**

CIC-related complaints may be submitted through:

- Email/letter to the Grievance Redressal Officer (GRO);
- Physical submission at the registered office; or
- CIC's dispute resolution portal/email.

Disputes notified by the CIC to the Company shall also be treated as complaints under this Policy.

The date on which the Company receives the complaint/dispute (whether from the customer or CIC) shall be considered the Complaint Receipt Date.

### **2. Registration & Verification**

Upon receipt:

- The complaint shall be registered on the same day, and a Service Request (SR) number shall be generated;
- Legitimacy/KYC of the complainant shall be verified; and
- Internal loan/account records shall be examined for accuracy of the reported data.

### **3. Processing Timelines**

The Company shall respond to the CIC within **21 calendar days** from the Complaint Receipt Date.

The response may consist of:

- Confirmation that the reported data is correct; OR
- Submission of corrected/updated information.

The CIC shall complete consequential action and update the CIR within an overall turnaround time of **30 calendar days** from the Complaint Receipt Date.

### **4. Closure of Complaint**

A CIC-related complaint shall be treated as closed when:

- The rectified Credit Information Report (CIR) has been issued by the CIC; OR
- A final response has been communicated to the complainant stating that the information reported earlier was correct.

The Company shall notify the complainant of the status of the complaint once closed.

### **5. Compensation for Delays**

- If a CIC-related complaint remains unresolved beyond 30 (thirty) calendar days from the Complaint Receipt Date, the complainant shall be entitled to compensation of ₹100 (Rupees One Hundred only) per day of delay.
- Responsibility for compensation shall be apportioned between the Company and the CIC proportionate to the period of delay attributable to each.
- Compensation shall be credited to the complainant within 5 (five) working days of resolution, subject to correct account/UPI details being provided.

## 6. Escalation Framework

- CIC-related complaints shall follow the same 3-level internal escalation framework prescribed under this Policy, culminating in the:
  - Level 1 — Grievance Redressal Officer;
  - Level 2 — Principal Nodal Officer.
  - Reserve Bank of India – Integrated Ombudsman Scheme, if unresolved within 30 calendar days.
- Customers may lodge a complaint with RBI through the CMS portal at
  - <https://cms.rbi.org.in>
  - or via CEPC at the regional office indicated in this Policy.

## 7. Governance / Reporting

- **CIC-related grievance statistics (open/closed complaints, TAT adherence, compensation paid, and corrective actions) shall be presented to the Board at least annually.**
- The Company shall conduct periodic root-cause analysis to minimize recurring issues and strengthen data-quality controls in bureau reporting.

## **CLOSURE OF COMPLAINTS**

A complaint shall be considered as closed in any of the following circumstances:

- The grievance has been resolved to the satisfaction of the complainant;
- The complainant has provided written confirmation of acceptance of the resolution;
- The complainant has withdrawn the complaint in writing; or
- The complainant has not responded within 30 calendar days from the date of the Company's final response.

## **MANDATORY DISPLAY**

- The Company shall prominently display at its registered office and on its website the following information for the benefit of customers and other stakeholders:
  1. The name, designation, contact details (telephone/mobile number and email address) of the Grievance Redressal Officer who may be approached for resolution of complaints.
  2. A statement that if a complaint is not resolved within thirty (30) calendar days, the complainant may approach the Reserve Bank of India – Integrated Ombudsman Scheme, along with the CMS portal web address (<https://cms.rbi.org.in>)

## **STAFF SENSITISATION**

The Company shall conduct training programmes for staff to ensure courteous and prompt handling of complaints from customers, employees, investors, and third-party service providers.

Sensitisation shall include:

- Handling grievance matters professionally
- Timely response management
- Soft skills training

## **REVIEW**

A summary of complaints received and their resolution status shall be placed before the Board of Directors at least **annually** for review.