

Fair Practice Code

Section 1 : Bankers Fair Practice Code.

1. INTRODUCTION

1.1 This is a voluntary Code, which sets standards of fair banking practices based on Indian Banks' Association (IBA) Fair Practice Code and **Code of Bank's Commitment to Customers** to be followed by banks when they are dealing with customers. It provides valuable guidance to you for your day-to-day operations. The Code applies to:

- current, savings and all other deposit accounts
- collection and remittance services offered by the banks
- loans and overdrafts
- foreign-exchange services
- **card** products
- third party products offered through our network.
- Customers originated through business correspondents

1.2 About this Code

As a voluntary Code, it promotes and encourages market forces to achieve higher operating standards for the benefit of **customers**. In the Code, 'you' denotes the **customer** and 'we' the bank, the **customer** deals with.

The standards of the Code are covered by the key commitments mentioned in section 2.

All parts of this Code apply to all the products and services listed above, whether they are provided by branches across the counter, over the phone, by post, through interactive electronic devices, on the internet or by any other method.

Commitments outlined in this Code are applicable under normal operating environment. In the event of *force majeure*, Bank may not be able to fulfill the commitments under this Code.

Key words which are shown in **bold** print in the Code are defined in the Annexure at the end of the Code.

2. KEY COMMITMENTS

Our key commitments to you

We promise to:

- a. Act fairly and reasonably in all our dealings with you by:
 - meeting the commitments and standards in this Code, for the products and services we offer, and in the procedures and practices our staff follow
 - making sure our products and services meet relevant laws and regulations
 - our dealings with you will rest on ethical principles of integrity and transparency.
- b. Help you to understand how our financial products and services work by:
 - giving you information about them in plain Hindi and/or English and/or the vernacular language
 - explaining their financial implications and
 - helping you choose the suitable product that meets your requirements.
- c. Deal quickly and sympathetically with matters that go wrong by:
 - correcting measures quickly
 - handling your complaints quickly
 - guide you how to take your complaint forward if you are still not satisfied and
 - reversing any bank charges suitably, if required.
- d. Publicise this Code, put it on our website and have copies available for you on request.
- e. To adopt and practice a Non-Discrimination Policy
We will not discriminate on the basis of age, race, gender, marital status, religion or disability.

3. INFORMATION

Helping you to choose products and services, which meet your needs

3.1 Before you become a customer, we will:

- explain to you the key features of the services and products which you are interested in
- provide you information on any type of account facility which we offer and suit your needs

- provide you the details of information and documents we need from you to prove your identity and address and to comply with legal and regulatory requirements, and
- seek information for additional information about you and your family to build your profile. Such information can be furnished by you, alongwith your consent.

3.2 We will apprise you if we offer products and services in multiple ways [for example, through **ATMs**, on the internet, over the phone, in branches and so on] and guide you how to find out more details about it.

3.3 Once you have chosen an account or service, we will explain you how it functions.

3.4 When you open a single account or a joint account, we will provide you information on your rights and responsibilities.

3.5 We encourage you to avail nomination facility offered on all deposit accounts, articles in safe custody and safe deposit vaults.

3.6 We will guide you how we will deal with deposits and other assets held with us in the name of a deceased person in the absence of nomination.

4. INTEREST RATES

4.1 We will provide details of interest rates on deposits/ loans through below channels:

- at the notices in our branches
- phoning our branches or help-lines
- on our website; or
- asking our designated staff.

4.2 When you become a **customer**, we will provide you information about the interest rates applicable for your accounts.

4.3 We will explain how we apply interest to your account.

Display of change in interest rates

4.4 When we change the interest rates on our products, we will update the information on our website etc promptly.

Interest on savings accounts

4.5 At the time of opening of the account, we will inform you about the applicable rate at interest and if required the details of the calculation and its periodicity.

5. CHARGES

- 5.1 We will provide details of any charges applicable to the products chosen by you.
- 5.2 You can discover about our charges by:
- Inquiring at the branch where you maintain your account, or
 - calling our help-line or
 - on our website.
- 5.3 Any change in these charges or introduction of new charge, will be notified at least one month applicable date.
- 5.4 We will explain you the charge for any other service or product before we provide that service or product, and at any time you ask.
- 5.5 We will provide you details of any charges we levy for using **ATMs**.

6. TERMS AND CONDITIONS

- 6.1 After accepting a product for the first time, customer will be explained with the relevant terms and conditions for the service he opted.
- 6.2 All terms and conditions will be ensured and will set out your rights and responsibilities clearly.

Changes to Terms and Conditions

- 6.3 When you become a **customer**, we will notify about changes to terms and conditions, if any
- 6.4 Normally, changes [other than interest rates] will be made with prospective effect giving notice of at least one month. If the changes are to your disadvantage, you may close the account at any time up to two months from the date of the notice without paying any extra charges or interest for doing this.
- 6.5 Changes in the interest rates on our products [deposits and advances] from time to time will be notified as per the bank's policy.

7. ADVERTISING AND MARKETING

- 7.1 We will ensure that all advertising and promotional material is clear, fair, reasonable and not misleading.
- 7.2 We will seek your specific consent for sharing details of your name and address to any third party, including other entities in our group, for marketing purposes.
- 7.3 We will provide you with the entire range of financial services products, of our own or products of our group/associate/entities or companies with whom we have tie-up arrangements. We will provide you the details of our associate /

group entities or companies having business tie-up arrangements with us and if you so desire, direct their staff / agents for marketing their products.

- 7.4 Our telemarketing agent will not call the customers who have registered with us in the Do Not Call registry.

8. ACCOUNT OPERATIONS

Statements

- 8.1 To help you manage your account and check entries on it, we will provide you account statements / passbook basis the type of account you maintain with us.
- 8.2 We provide you a statement periodically as per our policy. You can also request for adhoc statements basis the type of account, provided there may be a charge for this service.
- 8.3 You will also be able to view your last few transactions on **ATM** or through your internet account.
- 8.4 We will also send you statement of accounts by e-mail, if availed for,

Clearing Cycle / Collection Services

- 8.5 We will provide you the details of clearing cycle, including when you can withdraw money after lodging collection instruments and when you will start to earn interest, if asked so
- 8.6 We will give immediate credit to your account for outstation cheques lodged by you and will allow you to draw against such instrument[s] under collection as per prevailing RBI guidelines. [Presently, instruments upto Rs.15,000/- tendered by **customers** operating accounts satisfactorily.]
- 8.7 We will pay interest on funds involved if collection is delayed beyond the normal period as stipulated by RBI.

Cash Transactions

- 8.8 You should count notes and ensure correctness before leaving the cash counter.
- 8.9 Avoid writing anything on the face of the notes and co-operate with us by remitting notes in unstapled / unstitched conditions as required under RBI's Clean Note Policy.

Direct debits and standing instructions

- 8.10 We will act upon mandates given by you for direct debits [for example NACH] and other standing instructions.

Cheques issued by you

- 8.11 We will keep on our records the original cheques paid from your account or copies, for such periods as required by law.

8.12 If, within a reasonable period after the entry has been made on your statement, there is a dispute about a cheque paid from your account, we will provide you relevant information.

Foreign exchange services offered through authorized offices

8.13 We will provide you details of the service, exchange rates and charges that are applicable to foreign exchange transactions.

8.14 If you want to transfer money abroad, we will provide you:

- a description of the services and how to use them
- details of when the money you have sent abroad should get there and the reasons for possible delays
- the exchange rate applied when converting to the foreign currency, and
- details of any commission or charges which you will have to pay.

8.15 If money is transferred to your bank account from abroad, we will intimate you the amount received and charges, if any. If the sender has paid all charges, we will not deduct charges from your account.

8.16 We will guide you about regulatory requirements or conditions relating to foreign exchange services offered by us as and when required by you.

Protecting your account

8.17 We will explain you what you can do to help protect your accounts. You can find out more about what you can do to help in section 11 of this Code.

8.18 In the event your cheque book or **ATM/Debit card** has been lost or stolen, or that someone else knows your **PIN** or **other security information**, we will, on your notifying us, take immediate steps to try to prevent these from being misused.

9. CARDS AND PINs

9.1 We will only send you a **card** if you ask for one or to replace a **card** you already have.

9.2 If you do not recognise a **card** transaction that appears on your statement, we will provide you with more details. In some cases, we will need you to give us confirmation or evidence that you have not authorised a transaction.

9.3 We will give you your **PIN** [personal identification number] separately from your **card** except in the case of accounts opened under the Tatkal Scheme(handover of instant Welcome Kit). We will not reveal your **PIN** to anyone else.

9.4 We will explain you about our systems to allow you to choose or change your **PIN**. This should make it easier for you to remember the **PIN** of your choice.

10. PROTECTION

Confidentiality

- 10.1 We will treat all your personal information as private and confidential [even when you are no longer a **customer**]. We will not reveal transaction details of your accounts to a third party, including entities in our group, other than in the following four exceptional cases when we are allowed to do
- If we have to give the information by law
 - If there is a duty towards the public to reveal the information
 - If our interests require us to give the information [for example, to prevent fraud) but we will not use this as a reason for giving information about you or your accounts [including your name and address] to anyone else, including other companies in our group, for marketing purposes.
 - If you ask us to reveal the information, or if we have your permission to provide such information to our group/ associate /entities or companies when we have tie-up arrangements for providing other financial service products.
- 10.2 Wherever we have installed CCTV for close surveillance as part of **security** arrangements, the same will be indicated.

11. WHAT YOU SHOULD DO TO PROTECT YOUR ACCOUNTS

This section is all about what you should do to help prevent your accounts being misused.

Communication Link

- 11.1 Please make sure you let us know promptly when you change your:
- name
 - address
 - phone number or
 - e-mail address [if this is how we communicate with you].

Checking your account

- 11.2 We recommend that you check your statement or passbook or credit **card** statement regularly. You should inform us immediately if you observe any fraudulent transaction in your statement or passbook.
- 11.3 We solicit your co-operation in case of any query by us relating to any transaction.

Safe Custody

11.4 Safe custody care of your cheques, passbook, **cards, PINs and other security information** is essential to help prevent fraud and protect your accounts. Please make sure that you follow the advice given below:

- Do not keep your cheque book and **cards** together.
- Do not keep the blank cheque leaves signed.
- Do not allow anyone else to use your **card, PIN, password or other security information.**
- Change your **PIN** regularly and in case of suspicious about misuse. Choose your new **PIN** carefully.
- Always learn your **PIN, password and other security information**, and destroy the communication as soon as you receive it.
- Never write down or record your **PIN, password or other security information.**
- Always take reasonable steps to keep your **card** safe in your personal custody and your **PIN, password and other security information** secret at all times.
- Keep your **card** receipts safe and dispose them of carefully.
- Never share your **password or other security information** with anyone.

Precautions while using internet banking facilities

11.5 Visit our internet banking site by typing www.indusind.com. Avoid accessing the site through a link from another site and carefully verify the domain name displayed to avoid spoof websites.

11.6 Ignore any e-mail asking for your **password or PIN.**

11.7 We advise you not to use cyber cafés to access our internet banking site.

11.8 We advise you to update your PC with latest anti-virus software regularly. A suitable firewall installed in a computer to protect your PC and its contents from outsiders on the internet would be an added **security** measure.

What to do if you lose your chequebook, passbook, or card, or if someone else knows your PIN

11.9 It is essential that you inform us immediately through our helpline number (1860 267 7777 / 022 4220 7777 {Outside India}) or e-mail id (reachus@indusind.com) or visiting our nearest branch, if you suspect or discover that:

- your cheque book, passbook, **card** has been lost or stolen or
- someone else accessed your **PIN, password or other security information.**

Canceling payments

11.10 you can cancel a payment or series of payments you have authorised by taking following steps:

- To stop payment of a cheque before it is sent for clearing, you may visit our nearest branch and submit your instruction in writing. You may also place the request through Internet banking or call on our telephone help-line or write to us from your registered E-mail Id to stop payment of a cheque.
- Standing instruction may be cancelled by submitting request, in writing.

Liability for Losses

11.11 You will be responsible for the losses on your account. If you act without reasonable care, or share your password or OTP with anyone [This may apply if you do not follow section 11.4.]

11.12 Your liability for the misuse of your card will be limited as indicated by us while issuing the card.

12. MONITORING

12.1 We have a 'Principal Nodal Officer' of the Bank to ensure compliance of the Code. Our internal auditing procedures make sure we meet the Code. If you have any enquiries about this Code, you may contact the Principal Nodal Officer of the Bank.

The details of Principal Nodal Officer are given below:

Mr. Rakesh Ranjan

Executive Vice President & Principal Nodal Officer

IndusInd Bank Ltd.

701/801 Solitaire Corporate Park,

167, Guru Hargovindji Marg,

Andheri-Ghatkopar Link Road,

ChakalaAndheri (East), Mumbai - 400 093

E-mail: nodal.officer@indusind.com

Tel. No.: (022) 6641 2200, 6641 2478

Fax: (022) 6641 2318

12.2 We will have notices in all our branches and on websites explaining that copies of the Code are available and how you can get one and we will make copy available to you on request

12.3 You can get a copy of this Code from our website.

Section 2 : Fair Practice Code for Credit Card Operations

1. KEYCOMMITMENTS

Our key commitments to you

We promise to:

1.1 Act fairly and reasonably in all our dealings with you by:

- Meeting the commitments and standards in this Code, for the products and services we offer, and in the procedures and practices our staff/ **agents** follow.
- Making sure our products and services meet relevant laws and regulations.
- Ensuring that our dealings with you will rest on ethical principles of integrity and transparency.
- Not engaging in any unlawful or unethical consumer practice.

1.2 Help you to understand how our credit card products and services work by giving you the following information in a simple language:

- What are the benefits to you
- How you can avail of the benefits
- What are the financial implications
- Whom should contact to address your queries and the procedure for the same

1.3 Deal quickly and effectively with your queries and complaints by:

- Offering channels for you to route your queries
- Listening to you patiently
- Accepting our mistakes, if any
- Correcting mistakes quickly/Implementing changes to address your queries
- Handling your complaints quickly
- Communicating our response promptly
- Explaining you how to take your complaint forward if you are still not satisfied

1.4 Publicize this Code, put it on our website and have copies available for you on request.

1.5 To adopt and practice a Non-Discrimination Policy

We will not discriminate on the basis of age, race, gender, marital status, religion or disability.

2 INFORMATION

Helping you to choose products and services, which meet your needs

2.1 Before you become a credit card customer, we will:

- Give you clear information explaining the key features of our products including the applicable fees and charges.
- Advise you of the information/documentation we need from you to enable us to issue a credit card to you. We will also advise you what documentation we need from you with respect to your identity, address, employment, etc. and any other document (e.g. PAN details) that may be stipulated by statutory authorities, in order to comply with legal and regulatory requirements.
- If we deem necessary, verify the details indicated by you in your credit-card application by contacting you at your residence and/or business telephone numbers and/or physically visiting your residence and/or business addresses through agencies appointed by us for the purpose.
- When you apply for a credit card, we will explain the relevant terms and conditions such as fees and interest charges, billing and payment, renewal and termination procedures and any other information that you may require to use the credit card.
- We will advise you of our targeted turnaround time when you avail of/apply for a product /service
- We will give you a copy of the Most Important Terms and Conditions (MITC) at the time of application.
- We will send you along with your first credit card, a service guide / member booklet giving detailed terms and conditions, interest and charges applicable and other relevant information with respect to usage of your credit card.
- We will advise you our contact details such as contact telephone numbers, postal address and website/e-mail address to enable you to contact us whenever you need to.
- If you do not recognize a transaction that appears on your credit-card statement, we will give you the required details. In some cases, we may need you to give us confirmation or evidence that you have not authorized the transaction.
- We will inform you, through the service guide / member booklet of the losses on your card account that you may be liable for if your card is lost/stolen/misused.

GENERAL INFORMATION

- We will enhance the credit limit on your credit card only with your documented / confirmed consent.
- If the credit limit on your credit card is reduced, we will inform you immediately by sending a SMS on your mobile number updated in bank's records.

3 TARIFF (Fees/Interest/ Charges)

3.1 You will get our schedule of fees and charges (including rates of interest):

- In our application form
- By referring to the service guide/member booklet
- By calling our customer service numbers
- By visiting our website
- By asking our designated staff.

3.2 When you become a customer, we will provide you information on the rates of interest applicable on your credit card and we will levy it to your credit card account, if applicable.

3.3 If you have a query, we will explain how we apply interest to your credit card account.

3.4 When we change our tariff (rate of interest, other fees/charges) on our credit-card products, we will update the information on our web site, and we will inform you of the revision in your monthly credit card statement

4 MARKETING ETHICS

4.1 MARKETING

- Our sales representatives will identify themselves when they approach you for selling credit card products.
- In the event of receipt of any complaint from you that our representative has engaged in any improper conduct, we shall take appropriate steps to resolve the complaint.
- If we use Direct Selling Agents to make our credit-card products available to our customers, they shall be guided by a prescribed Code of Conduct for Direct Selling Agents (DSAs).

4.2 TELEMARKETING

- If our tele-marketing staff/agents contact you on the phone for selling any of our credit-card products or with any cross-sell offer, the caller will identify himself/herself and advise you that he/she is calling on our behalf.

5 ISSUANCE OF CREDIT CARD/PIN

5.1 We will dispatch your credit card through courier / post, to the mailing/alternate address indicated by you. Alternatively, we will deliver your credit card in inactive

status to our branch that maintains your relationship under intimation to you. You may collect it from our Branch by showing proper proof of your identity.

- 5.2 We may also issue deactivated credit card if we consider your profile appropriate for issuing credit card and each deactivated credit card will be activated only after your acceptance of the card by calling our helpline number.

Your Credit Card PIN (Personal Identification Number) will be sent to you separately through courier/post.

6 ACCOUNTS OPERATION

Credit Card statements

- 6.1 To help you manage your credit-card account and check details of purchases / cash withdrawals using your credit card, we will offer you a facility to receive credit-card transaction details via monthly statement by post and / or through e-mail. You may also register with us for receiving the monthly statements via email in an encrypted and secured format assigned with a unique password that will be notified to you. The credit card statement will be dispatched on a pre-determined date every month that will be notified to you

- 6.2 In the event of non-receipt of this statement, we request you to get in touch with us so that we can arrange to re-send the statement to enable you to make the payment and highlight discrepancy, if any, in a timely manner.

- 6.3 We will notify you of changes in fees and charges and terms and conditions. Normally, changes (other than in rates of interest and as a result of regulatory requirements) will be made only with prospective effect, giving notice of at least one month.

Processing activities at our end

- 6.4 We may allow processing of credit cards related activities including operations and cross selling to third party agencies that we consider appropriate for these purposes.

INSURANCE

- 6.5 We will inform you if we, as agents of any insurance company, offer any type of insurance on deposits and credit cards.

- 6.6 We will ensure that we have your written consent to avail these insurance products.

6.7 The Bank has provided insurance cover to safeguard customers against fraudulent transactions arising out of loss / theft of credit card and fraudulent usage due to counterfeit cards

PROTECTING YOUR ACCOUNT

We will advise you what you can do to prevent your credit card from being misused. In the event your credit card has been lost or stolen or that someone else has come to know your PIN or other security information, we will, on your notifying us take immediate steps to prevent any misuse, subject to the operating regulations and law in force.

CONFIDENTIALITY OF ACCOUNT DETAILS

We will treat all your information as private and confidential (even when you are no longer a customer). We will not reveal transaction details of your accounts to a third party, including entities or groups, other than in the following four exceptional cases when we are allowed to do so:

- If we have to give the information by law or regulation
- If there is a duty toward the public to reveal the information
- If our interests require us to give the information (e.g, to prevent fraud) but we will not use this as a reason for giving information about you or your accounts (including your name and address) to anyone else, including the other companies of our group, for the purpose of marketing.
- If you ask us to reveal the information, or if we have your permission to provide such information to our group entities, associate entities or companies with whom we may have tie-up arrangements for providing other financial services / products.

7 CREDIT REFERENCE AGENCIES.

7.1 We will obtain information from the credit reference agencies and may use the information to decide if we can extend credit to you.

7.2 When you apply for our credit card, we will on request, and on payment of prescribed fee, furnish you a copy of the credit information obtained by us from CRA.

7.3 Our monthly reporting to the CRA will include:

- The current status of your credit card
- If you have defaulted in making the payment for any month, the same will be reported.
- If you have defaulted and regularized your credit card account, the regularization status will be reported in the next monthly reporting, however past delinquencies will remain.

COLLECTION OF DUES

Our bank's policy on collection of dues is based on courtesy, fair treatment and persuasion. We believe in fostering customer confidence and long-term relationships. Our staff or any person authorized to represent us in collection of dues and/or repossession of a security will identify himself/herself and interact with you in a civil manner. We will provide you with all the information regarding dues and will give you sufficient notice for their payment. Our staff/agents are governed by the Model Code for Collection of Dues and Repossession of Security of the Indian Banks' Association.

8 TERMINATION OF CREDIT CARD

8.1 You may terminate your credit card by giving notice to us and by following the procedure laid down by us in our service guide / member booklet after clearing the outstanding dues, if any.

8.2 We may terminate your credit card, if in our understanding you are in breach of the cardholders' agreement

9 FEEDBACK AND SUGGESTIONS

Your suggestions will help us to improve our services if any, may be shared with us through various channels such as Branch, Phone Banking etc.

Section 3: Fair Practice Code of IBL for customers originated through Business Correspondents (BC)

INTRODUCTION

IndusInd Bank Ltd. ("IBL" or "We" or "Our") believes that access to basic financial services can significantly augment economic opportunities for families in economically weaker section of the society and in turn help the said section to improve their lives. IBL provides financial services to the said families and use its network to give them access to goods and services that they need and generate income to improve standard of living. IBL pursues its business objective by adhering its following core values:

- ✓ **Right Focus - Customer first:** Our products, processes and people are all focused on creating the highest value for the Customer. This includes being respectful to Customers, understanding the needs of Customers and being transparent with Customers.

- ✓ **Right Means - Ethics always:** We will always follow ethical practices in all our relationships, including following the law both in letter and spirit. This includes not offering bribes, not paying or taking commissions, or any other short-cuts
- ✓ **Right Way – Consistent quality:** We will have standardized processes as this will enable us to reach out to the most Customers cost effectively. We will foster innovation but in a way that ensures consistent quality.

Adherence to the highest standards of integrity, transparency, fair practice, and ethical behavior are fundamental to our business model.

Our Bank's commits as under:

- Treat all its Customer with all fairness and respect.
- All communications (Verbal or Written) with the Customers are in vernacular language or in a language as understood by the Customer.
- Will not discriminate its Customers based on caste, language, creed, religion, and gender.
- Will sanction Microfinance Loan which is defined as collateral free loan given to a household having annual household income up to Rs 3,00,000/-. For this purpose, household shall means an individual family unit, i.e. Husband, wife and their unmarried children.)
- Will limit Microfinance Loans on the outflows on account of repayment of monthly loan obligations of a household as a percentage of the monthly household income will be a maximum 50 percent of the monthly household income.

Loan Application, Appraisal /Sanction, Disbursement and Terms & Conditions:

- Provides training free of cost and makes the Customers fully aware of the procedure and systems related to loan / other products, prior to disbursement of loans.
- Will ensure non cumbersome procedure for loan application, for the convenience of Customer.
- Includes all necessary information in the loan application form in clear and transparent manner so that it can be understood by the Customer.
- IBL provides an acknowledgement for receipt of all loan applications and will furnish a copy of the Loan Terms & Conditions understood by the Customer.
- Will ensure that all transactions are done in transparent manner including sanction and disbursement of loans

- Will ensure that disbursements are done as far as possible in the defined center location.
- Will not take any type of collateral including lien on deposit account in Micro Finance Loans however for non-microfinance loans same can be taken as per sanction.

Disclosures in Loan Terms & Conditions / Loan card/Key Factsheet:

IBL provides every Customer, copy of Loan Terms & Conditions and a passbook/loan card containing repayment schedule, simplified factsheet on pricing and Terms & Conditions for the loans disbursed.

- IBL charges an interest rate as per the prescribed regulatory guidelines and as per the Board approved pricing policy on diminishing balance method for Microfinance loans and for other loans as per policy/Sanction.
- IBL charges non-refundable processing fee, as per the prescribed regulatory guidelines on the loan amount disbursed.
- Discloses the rate of interest, processing fee, insurance premium in the simplified factsheet and all other terms and conditions in the loan application form, loan card etc.
- Acknowledgement of all repayments including instalments received and the final discharge;
- IBL gives notice to the Customer of any change in the terms and conditions including disbursement schedule, interest rates, service charges, etc., if any.
- IBL will have a standard form of Loan Terms & Conditions for microfinance loans in a language understood by the borrower and for other products separate set of standard form of loan document
- IBL gives option to opt for insurance to its customer and only collects non-refundable applicable term insurance premium for customers who opted, as charged by the insurer for the insurance cover of the customer and her spouse as applicable for the loan tenure;
- Instalment frequency for Microfinance loan is Daily, Weekly, Fortnightly/Bi-weekly or Monthly/ 4 weekly repayment as per the option of the borrower.
- Moratorium shall not be less than the frequency of repayment selected by the borrower

Non-Coercive Methods of Recovery:

- Shall not tolerate inappropriate behavior of BC staff in their interaction with the Customers and takes appropriate disciplinary action.
- IBL or Its BC Staff/Agent will not engage in any harsh methods towards recovery, following practices shall be deemed as harsh.
 - IBL does not indulge in coercive practices during the collections or resort to harassment of Customers under any circumstances viz.; persistently bothering the Customers at odd hours (after 6 p.m. before 9 a.m.), use of abusive language, use muscle power for recovery of loans etc.
 - Harassing relatives, friends, or co-workers of the borrowers
 - Use or threat of use of violence or other similar means to harm the borrower or borrower's family/assets/reputation
 - Misleading the borrowers about the extent of the debt or the consequences of non-repayment.
 - Publishing the name of borrowers
- IBL may use outsourced recovery agents for recovery of the loans as per the board approved policy on outsourcing in line with RBI circular. Bank shall be accountable for inappropriate behavioral by its employee or employees of outsourced agency or employees of BC and shall provide timely grievance redressal through a mechanism for redressal of recovery related grievances.
- BC/Agents field staff will be allowed to make recovery at the place of residence or work of the Customer only if borrower fails to appear at central designated place on two or more successive occasions.

General:

- IBL does not interfere in the affairs of the Customers except for the purposes provided in the terms and conditions of the Loan Terms & Conditions.
- IBL seeks mutual guarantee of the group members; In case of group lending, members of the group/centre shall stand guarantee to each other.
- IBL will not charge foreclosure charges / pre-payment penalties on Microfinance loans sanctioned. Penalty can be charged for delayed payment on the overdue amount and not on the entire loan amount to the Customer. A disclosure to that effect may be made in the simplified fact sheet.
- IBL will keep the Customer information confidential and the same will not be shared with anybody except agencies approved by regulators/Government authorities as per the policy of the Bank and in cases of legal compliance.

- IBL has a multi-level grievance redressal mechanism, including name & contact number of the Nodal officer of the bank.
- IBL or BC will provide the details of field staff to the borrower
- FPC is displayed by bank in all its' offices & website and issued in a language understood by customer
- BC Staff is duly trained and equipped to handle the customer, product and process related to all loans including Microfinance (enquiries regarding the income and existing debt of the household). Training to employee includes program to inculcate appropriate behavior towards customers.
- IBL will ensure that Issuance of non-credit products will be with full consent of the borrowers and fee structure for such products will be explicitly communicated to the borrower in the loan card itself.
- IBL will disclose pricing related information and the fees charges to the prospective borrower in factsheet and no charges will be levied which is not explicitly mentioned in Fact sheet.

Section 4 : Complaints / Grievances and Feedback / Suggestions

For detailed information, you may refer the Grievance Redressal Policy available on our website.

ANNEXURE

These definitions explain the meaning of words and terms used in the Code. They are not precise legal or technical definitions.

ATM

An automated teller machine [**ATM**] or freestanding machine, which a **customer** can use their **card** in to get cash, information and other services.

Card

A general term for any plastic **card** which a **customer** may use to pay for goods and services or to withdraw cash. In this Code, it includes debit, credit, or **ATM cards**.

Customer

A person who has an account [including a joint account with another person or an account held as an executor or trustee, but not including the accounts of sole traders, partnerships, companies, clubs and societies] or who receives other services from a financial institution.

Originator

A company [either a retail or service organization] which collects payments from a **customer's** account in line with the **customer's** instructions.

Other security information

A selection of personal facts and information [in an order which only the **customer** knows], which is used for identification when using accounts.

Out-of-date [stale] cheque

A cheque, which has not been paid because the date written on the cheque is too old [normally older than three months].

Password

A word or an access Code which the customer has chosen, to allow them to use a phone or internet banking service. It is also used for identification.

PIN [personal identification number]

A confidential number, which allows **customers** to buy things, withdraw cash and use other electronic services offered by the bank.

Security

A word used to describe valuable items such as title deeds to houses, share certificates, life policies and so on, which represent assets used as support for a loan or other liability.

Unpaid Cheque

This is a cheque which, after being paid into the account of the person it is written out to, is returned 'unpaid' [bounced] by the financial institution whose **customer** issued the cheque.