



Fair Practice Code-MFI Customers

Fair Practices Code for MFI customers

1. Bank shall ensure that borrowers are not unfairly discriminated against on grounds such as religion, caste, marital status, sexual orientation, etc.
2. Bank shall ensure that all employees and persons acting on its behalf:
 - a. Shall Undergo training on how to inculcate appropriate behavior towards the borrowers.
 - b. Shall Use respectful language, maintain decorum, and are respectful of social and cultural sensitivities
 - c. Will not use coercion of any sort to make recovery of loans and take recovery only at a central designated place. Bank's employee can take recovery at the place of residence or work of the borrower only if the borrower fails to appear at the central designated place on two or more successive occasions.
 - d. Bank will not resort to intimidate or humiliate borrowers either verbally or physically.
 - e. Bank's employees will not contact borrowers at odd hours or at inappropriate times.
 - f. Bank's employees will not harass relatives, friends, neighbours, or co-workers of the borrower.
 - g. Training for Borrowers if imparted will be at free of cost.
 - h. Bank will not engage in any harsh methods towards recovery. Bank will not resort to the following harsh methods of recovery:
 - i. Use of threatening or abusive language
 - j. Publishing the name of borrowers
 - k. Misleading the borrower about the extent of the debt or the consequences of non-repayment.
3. A Fair Practices Code approved by the Board of the RE shall be displayed in a language understood by the borrower in all its offices and the website of the bank.
4. Bank will ensure that the engagement of the recovery agents and their interaction with the borrowers will be as per the guidelines mentioned in RBIs Harmonized Regulations.
5. Bank shall issue acknowledgements for all the repayments including instalments received and the final discharge of the loan.
6. Contact details of the nodal officers for grievance redressal of MFI customers.