

## **Fair Practices Code and Customer Grievance Redressal Mechanism Adopted By BSS Microfinance Private Limited As Per RBI Guidelines.**

(English version updated on 6<sup>th</sup> November 2015)

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Corporate Identity Number (CIN): U74899KA1994PTC049746

### **NOTE:**

This Fair Practices Code and Customer Grievance Redressal Mechanism adopted by BSS Microfinance Private Limited as per RBI Guidelines is to be approved by the Board, and reapproved by the Board at least once a year. Changes may be made to this document by Managing Director (MD) in consultation with Executive Directors (EDs) and others as appropriate, in case of urgent business necessity in-between Board Meetings, without changing the basic character of the Fair Practices Code and Customer Grievance Redressal Mechanism adopted by BSS Microfinance Private Limited as per RBI Guidelines on Fair Practices Code for NBFC- MFIs, subject to the changes being promptly reported at the next Board Meeting.

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## **Fair Practices Code and Customer Grievance Redressal Mechanism Adopted By BSS Microfinance Private Limited As Per RBI Guidelines.**

<b>TABLE OF CONTENTS</b>	<b>PAGE NO.</b>
1. Important points to be considered at the time of admitting a woman to BSS Micro Loan Project:.....	3
2. ‘Know Your Customer’ – KYC Policy: .....	3
3. Training with regard to rules of organization & details of loan facility.....	4
4. Loan Application and Approval: .....	4
5. Loan Disbursement: .....	6
6. Loan Disbursement and Repayment Promissory Note:.....	7
7. Loan Repayment Pass Book Card: .....	7
8. Loan Repayment and Loan Prepayment: .....	8
9. Non-Coercive Methods Of Recovery: .....	8
10. Client Insurance Facility: .....	8
11. Temporary Benefit Arrangement: .....	9
12. Customer Grievance Redressal Mechanism: .....	9
13. Staff Code of Conduct: .....	10
14. Loan Products: .....	11
Loan Products Details Chart: .....	12
15. Compliance With Fair Practices Code and Consolidated Reports of Customer Grievances Reviewed by the Board:.....	13
16. A separate policy for field staff recruitment methods, training, supervision, etc.....	13

## **Fair Practices Code and Customer Grievance Redressal Mechanism Adopted By BSS Microfinance Private Limited As Per RBI Guidelines:**

(Fair Practices Code and customer grievance redressal procedures should be compulsorily displayed in Field Offices for members' and outsiders' information).

Reserve Bank of India has given directives about fair practices code to be adopted by NBFC-MFIs in their operations. As per the directives, BSS Microfinance Private Limited (BSS NBFC / BSS / Organization) is adopting them in its operations. The details are as follows.

### **1. Important points to be considered at the time of admitting a woman to BSS Micro Loan Project:**

- 1.1 A woman, who wants to join the BSS Micro Loan Project, should have completed 18 years of age, but not above 53 years.
- 1.2 Before admitting a woman to the project, it has to be ascertained that whether the woman is residing in rural area or in urban/ semi-urban area? In case, a woman who wants to join the project is residing in rural area, then her family annual income should not exceed Rs. 1,00,000/- or if she is residing in urban or semi-urban area, then her family annual income should not exceed Rs. 1,60,000/-.
- 1.3 As per RBI guideline, total outstanding of all existing loans (excluding the loans obtained by member for education and medical expenses) of a woman who joins the project, including the new loan amount that will be obtained from the organization should not exceed Rs.1,00,000/-. However, MFIN, (Microfinance Institution Network), being a SRO (Self Regulated Organization), has issued directives to all its members to ensure that total indebtedness (loan outstanding balance) of the borrower under Joint Liability Group (JLG) lending does not exceed Rs. 60,000/-.
- 1.4 A woman, who wants to join the project, should not be a defaulter in any NBFC-MFI / banks / financial institutions. In case she is a defaulter, then she cannot be admitted to the project.
- 1.5 In order to get BSS loan facility, member/borrower should not have membership in more than one SHG (Self Help Group) or JLG (Joint Liability Group) that provides loan facility.
- 1.6 Member can get loans by having membership in SHG (Self Help Group) / JLG (Joint Liability Group) or can get loans individually without joining any group.
- 1.7 If a woman is having loan in two or more than two NBFC-MFIs, (Non Banking Finance Company – Microfinance Institutions), such a woman cannot be admitted to BSS project. In case, the woman has loan in two or more than two NBFC-MFIs and is already a BSS project member, then another loan cannot be given by the organization.
- 1.8 A woman who is eligible and agrees to abide by the rules and regulations of BSS organization can be admitted to BSS Micro Loan Project.

### **2. 'Know Your Customer' – KYC Policy:**

- 2.1 At the time of admitting a woman to the project and also at the time of getting loan application from existing members', staff should collect two KYC documents for the confirmation of their latest address and identity.
- 2.2 As per MFIN's directive, collecting photocopy of Aadhaar Card is also compulsory in upcoming months, along with Voter ID card. Accordingly staff should inform to the members and start to collect photocopies of Voter ID card & Aadhaar card from members.

- 2.3 In case a woman/member has given photocopies of both 'Voter ID card' and 'AADHAAR Card' as primary KYC documents, then there is no need to collect any other KYC document as Secondary KYC documents from such woman/member.
- 2.4 If either Voter ID or Aadhaar card is not available, should collect photocopy of 'Ration card/MNREGA (Mahathma Gandhi National Rural Employment Guarantee Act) Job Card as secondary KYC document along with any one of the Primary KYC document (Voter ID Card or Aadhaar Card) from a woman/member, which is valid and such documents should have woman/member's name and a woman/member should be advised to obtain both Voter ID card and Aadhaar card as soon as possible and submit the photocopies of the same to the Organization.
- 2.5 If members do not have either Voter ID Card or Aadhaar Card, then staff should encourage and motivate them to obtain the same as soon as possible.
- 2.6 Staff must write member's FO-C-S-M No. & Kredits ID no., and also need to take members signature / thumb impression compulsorily on photocopy of the KYC documents which are collected from members. Later, write as 'Received on' and mention the KYC document received date on the photocopy, along with staff signature, name and date.
- 2.7 The information in the photocopies of the KYC documents received from members should be clearly readable. Staff should verify the details with original KYC documents of a woman/member, and should return the original documents to the respective member immediately on the spot itself (Staff should not keep the original KYC documents with them or bring it to the field office for any reason).
- 2.8 At the time of admitting woman to the project, should see their spouse/guardians KYC documents to ensure that their name and age are properly mentioned in '**BSS Micro Loan Project Membership Application Form**' as per KYC documents.

### **3. Training with regard to rules of organization & details of loan facility:**

- 3.1 Prior to admitting a woman to the project, training will be given to her on rules & regulations, details of loan facilities, and other details which are related to the Organization. Such training will be given at free of cost.
- 3.2 Initially, organization will give training to its staff, so as to provide appropriate training for members to join the project.
- 3.3 Center meeting will be conducted only at a predetermined central location that is decided by all members of the center.

### **4 Loan Application and Approval :**

- 4.1 If a member has completed 58 years she is not eligible for a loan. If she is already a member and had been given a loan before completing the age of 58, such loans should be repayable as per terms of the sanction and thereafter will not be eligible for any fresh loan.

- 4.2 Before getting loan application from members, the terms & conditions, rate of interest, loan tenure, repayment frequency, installment amount, other charges, if any, to be paid with regard to loan and all other points which are mentioned in loan application, have to be conveyed by staff in detail in vernacular language. And also the information given / to be given in the loan application shall be in vernacular language.
- 4.3 Adequate time will be given to member to have discussion with her spouse/guardian on terms & conditions of the loan. If member has fully understood and agrees for all the terms & conditions, then staff has to get loan application from such member. Before taking loan application from member, information on existing loan details of the member will be collected from member as well as from all other available sources, such as Credit Bureau, etc.
- 4.4 Member's repayment capacity will be assessed by asking some details with member such as member's occupation, their spouse / guardian's occupation, family's monthly / annual income & expenditure, no. of persons dependent, number of years engaged in the activity, change in activity, whether the activity is being continued during the loan tenure, other sources of income, children's education expenses, short term/long term family medical expenses, member's health condition, etc. Based on the information provided by member's, center manager has to conduct the due-diligence properly to ascertain the member's repayment capacity.
- 4.5 For the existing members who are in the project and have taken loan facility in the past few years, center managers have to examine whether they have properly utilized the loans? Have they paid all installments of those loans on time? And are they capable to pay the installment in respect of the proposed loan? Center managers will recommend for loan approval, if such information is satisfactory.
- 4.6 All loan applications which are recommended by center managers have to be scrutinized by the Loan Approval Committee. Such loan approvals will be done by Field office manager.
- 4.7 The Loan Approval Committee shall consist of field office manager and center managers of the respective field office and minimum two staff must be present compulsorily including Field Office Manager. It has to be conducted each working day.
- 4.8 The loan applications which are approved in Loan Approval Committee shall be submitted to Credit Bureau for verification and confirmation of eligibility. After receipt of Credit Bureau report and after ensuring they are eligible as per RBI and MFIN rules, Field Office Manager will give permission for loan disbursement.
- 4.9 At present, BSS has fixed the first loan cycle limit and in subsequent loan cycle limits to maximum amount of Rs.60, 000/- (Rolling loan) for the loans that are to be disbursed to members from BSS Micro Loan Project, accordingly approval should be done.
- 4.10 Usually, first loan from the organization will be given to members for income generating activities only. For second and subsequent loans, if member's source of income is good, part of the loan amount (max. 25% only) will be given for life quality improvement activities, such as construction of toilets, children's education, etc.
- 4.11 The organization will not provide loan facility for the activities of selling and manufacturing of tobacco products, selling and manufacturing of liquor and alcohol, or any other activity which may be against Law and/or which the organization considers harmful to the society.
- 4.12 Field Office Manager will verify the information in the copy of KYC documents provided by members such as member's name, age, address, photograph, etc. if they are proper, only then the loan approval will be made.

4.13 When an eligible member submits the loan application, approval or otherwise of the loan application, will be communicated to the project member within 30 days from the date of loan application. If the loan is approved, approximate loan disbursement date and week number will be informed by staff. Loan will be disbursed on the scheduled day, only if the member, group / center members have complied with all rules & regulations of organization.

## **5 Loan Disbursement:**

- 5.1 The procedure of Loan disbursement to members, has been changed from center meeting place to field office with effect from 2<sup>nd</sup> Nov 2015 as a pilot in two field offices, and later will be implemented in all field offices (A memo is circulated to all field offices in this regard, accordingly staff should follow the guidelines mentioned in the memo).
- 5.2 Loan will be disbursed on loan disbursement day, only if center meeting is conducted as per the organization rules. In case, rules are violated by member and group / center members, or due to any reasons center meeting is not conducted as per the procedure, then loan will not be disbursed on that day.
- 5.3 If loan disbursement is postponed, loan amount gets reduced, or loan gets cancelled for member for any reason, staff should convey / should have conveyed that to member prior to next scheduled center meeting.
- 5.4 Member should be informed well in advance to arrange the amount to be paid to organization on the day of loan disbursement, such as Loan Processing Fee for the loan amount to be taken, Applicable Service Tax on Loan Processing Fee (To be paid to Govt.), Insurance amount (Only if there is an Insurance facility) and Prepayment amount (if loan to be taken by making prepayment). For any reason, it is not permissible to collect / deduct these amounts from the loan amount to be disbursed to member.
- 5.5 As per RBI rules, with regard to loan given to member, only the following three components can be collected, i.e., applicable interest on loan, Loan Processing Fee (including applicable service tax on loan processing fee) and Insurance amount (Only if there is an Insurance facility), and organization cannot return these amounts under any circumstances.
- 5.6 In case a member wants to make prepayment of an existing loan for the purpose of getting another/higher loan, such prepayment has to be made prior to availing the new loan, on the day of new loan disbursement. The prepayment amount of previous loan will not be adjusted/deducted from the loan amount to be disbursed to the member.
- 5.7 Staff should explain the terms and conditions related to loan facility to the member in detail and has to obtain her consent on all of them. And staff should explain the same in detail to their spouse/guardian also, and has to obtain their consent to co-operate with the member to follow the terms and conditions related to loan facility to members.
- 5.8 The decision of obtaining the signature of spouse/guardian of the member on the "Loan Disbursement and Repayment Promissory Note" is at the option of Group/Center Members.
- 5.9 After the loan is disbursed to the member, POS printed receipt containing disbursed loan amount details should be compulsorily given to the member.

5.10 If any change takes place in rules with regard to loans and loan disbursement, such changed rules will be conveyed to members in the center meeting before taking loan applications.

## **6 Loan Disbursement and Repayment Promissory Note:**

- 6.1 The applicable Rate of interest for loan obtained by member, loan processing fee, applicable service tax on loan processing fee (payable to government), mode of loan repayment, loan tenure, principal and facilitation charges payable for each installment, terms and conditions of loan, and the recent RBI rules required to be adopted by NBFC -MFIs, etc are mentioned in 'Loan Disbursement and Repayment Promissory Note'.
- 6.2 A copy of "**Loan Disbursement and Repayment Promissory Note**" will be given to member as 'Client's Copy' on the loan disbursement day. Such kind of documents to be given to members, and the details to be filled in there will be in vernacular language.
- 6.3 Any changes in the rate of interest and other changes for the loans will be applicable only for the subsequent loans to be disbursed to members, and not for the existing loans. Such changes will be informed to members well in advance.
- 6.4 With regard to terms and conditions of loan, consent of member has been incorporated / shall be incorporated in the document of 'Loan Disbursement And Repayment Promissory Note', in case personal information of members is required to be provided to **Reserve Bank of India (RBI), Banks/Financial Institutions, Credit Rating Agencies, Credit Bureaus, Government Institutions, and to others as may be appropriate**. But the personal information given to the organization by member and details of loan obtained by member, the organization will maintain confidentiality so that other persons, other than as above, who are not related to the organization, cannot obtain the same.

## **7 Loan Repayment Pass Book Card:**

- 7.1 "**Loan Repayment Pass Book Card**" will be issued to member after the loan disbursement.
- 7.2 Member's name, member's husband / guardian name, address, loan amount, rate of interest, total interest to be paid for that loan, loan tenure, repayment frequency, repayment installment, principal and facilitation charges payable for each installment, principal outstanding of loan after repayment of each installment repaid by the member, information regarding insurance facility if any or benefit given by the organization related to members death, and steps to be followed for customer grievance redressal, etc. are provided in loan repayment pass book card that are issued to members.
- 7.3 The details of loan repayment collected from members will be recorded in Loan Repayment Pass Book Card of members, on the same day for member's information.
- 7.4 The details provided in the "Loan Repayment Pass Book Card" are in vernacular language. Prior to loan disbursement, staff should read them to make the members understand.
- 7.5 Project member should not have any kind of personal financial business with the staff and also with any other outsiders' who uses the name of organization. In case, any person demands the money or if behaves in a suspicious manner, then it should be immediately brought to the notice of the organization. The same is mentioned in the "Loan Repayment Passbook Card".

7.6 Head Office Address, Field Office Address, Field office manager name and telephone numbers are given to member in the Loan Repayment Pass Book Card to communicate any grievances, complaints and any other matters of the members and their centers, etc.

## **8 Loan Repayment and Loan Prepayment:**

- 8.1 Loan repayment will get started from next center meeting of loan taken by member. A predetermined loan installment amount will be collected on scheduled center meeting day itself. (A member who has taken loan under weekly repayment mode should make loan repayment in next weekly scheduled center meeting day, a member who has taken loan under fortnight repayment mode should make loan repayment in next fortnightly scheduled center meeting day, and a member who has taken loan under monthly repayment mode should make loan repayment in next monthly scheduled center meeting day only).
- 8.2 If any member, for any reason fails to make repayment in the center on time, group / center members are responsible to make that repayment.
- 8.3 Loan outstanding of current loan can be prepaid by member at any time if they wish to do so or can prepay while getting next loan.
- 8.4 When member prepay her loan outstanding, staff should compulsorily give POS printed receipt to member, containing prepayment amount details.
- 8.5 When a member makes prepayment of her loan, no interest will be charged for the prepaid principal amount.
- 8.6 There is no charge for loan prepayment.
- 8.7 There shall be no penalty system with respect to loan given by the organization.

## **9 Non-Coercive Methods Of Recovery:**

- 9.1 Staff should not visit members' house during odd hours for loan repayment, and should visit members' house only during the time which is fixed by the organization. When staff visits to members' house, they should not use any kind of muscle power, and should not behave in any manner that is against law with regard to loan repayment.
- 9.2 Usually, loan repayment should be done in the center meeting only (Only at fixed location decided by the members). In case, a member doesn't attend center meeting for two or more occasions, if necessary, repayment to be collected at the member's house or at the work place.
- 9.3 Other than BSS staff no other outsiders have been deployed for collection of repayment.
- 9.4 Repayment has to be collected as per the rules framed by the organization. For any reason, BSS staff should not behave in a manner where a member's self respect gets affected.

## **10 Client Insurance Facility:**

- 10.1 Effective from 30-09-2011, organization has not been collecting any amount for insurance from its borrowers.
- 10.2 Furthermore, to provide appropriate insurance arrangement to the borrowers, organization is having periodic discussions with insurance companies as appropriate from time to time.



## 11 Temporary Benefit Arrangement:

- 11.1 Organization has implemented '**Temporary Benefit Arrangement**' to project members, to reduce the financial burden of the member's family, Organization is not collecting / will not collect the outstanding balance of the loans at the time of member's death.
- 11.2 Organization is not collecting any amount from its borrowers to provide Temporary Benefit Arrangement.

## 12 Customer Grievance Redressal Mechanism:

- 12.1 A Customer Grievance Redressal Cell has been formed in order to resolve complaints of customer grievances at Field Office and Head Office levels. Field office manager will act as nodal officer at field office level to redress the customer grievances.
- 12.2 Customer's complaints/grievances escalation process has been provided in Loan Repayment Pass Book Card in vernacular language to be given to borrowers.
- 12.3 Detailed procedure has been given in a separate memo with regard to customer grievance redressal, along with Head Office Address, Telephone Number, etc. in vernacular language and a copy of the same has been kept in the center file for members information. For more information, members can refer the points mentioned in the copy.
- 12.4 For members' and outsiders' information, a copy of customer grievance redressal policy has been already displayed in the field office, and also such details have been provided in vernacular language.
- 12.5 If customers have grievances with regard to loan facility services provided by the organization, they have to be resolved at field office level as quickly as possible. In case, if not resolved at field office level, based on their severity, appropriate action will be taken at higher level to resolve them, and usually organization will initiate the process to resolve the complaints related to customer grievances within 30 days.
- 12.6 In case, if the problems or issues occur from outside persons, or if the issues are beyond the control of organization, then by understanding of such grievances/complaints based on the severity, later on it will be decided, with regard to the amount of time that may be taken for resolving, and that will be conveyed to member/customers.
- 12.7 Once in a month Head Office will get current status report of customer grievances from field offices. In case, any grievances remain unresolved, then Customer Grievance Redressal Cell of Head Office will initiate necessary steps to resolve them as early as possible.
- 12.8 If the customers are not satisfied with the resolution of their grievances at field office level, they can write to Customer grievance redressal cell of Head office, at the address given below,  
Officer In-charge, Customer Grievance Redressal Cell,  
BSS Micro Finance Private Limited, No. 11, 2<sup>nd</sup> Block, 2<sup>nd</sup> Stage, Near B.D.A Complex,  
Outer Ring Road, Nagarabhavi Layout, Bengaluru-560072.  
Phone number: +91-8065470952, E-mail: [customergrievanceredressal@bssmicrofinance.co.in](mailto:customergrievanceredressal@bssmicrofinance.co.in)

12.9 If the customers are not satisfied with the resolution of their grievances within 30 days from the date of receipt of complaints lodged by the customers, to the “Officer In-charge-Customer Grievance Redressal Cell” of head office, then written complaint can be submitted with regard to their grievances to officer-in-charge of Department of Non- Banking Supervision (DNBS) of regional office of RBI, in which the BSS NBFC-MFI has been registered. And RBI regional office address has been provided in “Customer Grievance Redressal Procedure Copy” which is filed in center for member’s information. The same is given below.

Officer-In-charge, Department of Non-Banking, Supervision (DNBS),

Regional office: Reserve Bank of India, No: 10/3/8, Nrupatunga Road, Bengaluru- 560001.

12.10 If the customers are not satisfied with the resolution of their grievances at organization level, they can also submit their request in writing to Association of Karnataka Microfinance Institutions (AKMI) and Micro Finance Institutions Network (MFIN) organizations, at addresses mentioned below (BSS organization is a member of these two Micro Finance Institutions Network organizations)

**Association of Karnataka Microfinance Institutions (AKMI):**

Corporate Office: # 49,  
46th Cross, 8th Block,  
Jayanagar, Bengaluru - 560071, Karnataka, India.  
Toll free no.: 1800-4255-654

**Microfinance Institutions Network (MFIN):**

No. 705, 7<sup>th</sup> Floor, Tower B, Millennium Plaza,  
Sushant Lok I, Gurgaon- 122 002,  
Haryana, India.  
Toll free no.: 1800-2700- 317

### **13 Staff Code of Conduct:**

- 13.1 While collecting loan repayment from members, BSS staff should not behave indecently / improperly with project members and their family members, and should not use bad words. Should not visit members houses during odd hours. Should not practice any kind of muscle power methods in order to collect loan repayment from members.
- 13.2 For members’ loan repayment, their property and other belongings should not be taken into custody for any reasons.
- 13.3 All points and information with regard to field operations conveyed / to be conveyed by the organization to staff in the training should be understood by the staff properly, and who in turn shall make the project members to understand the information which are applicable to project members, in the vernacular language at the time of providing training and at other appropriate times.
- 13.4 If project members lodge complaints with regard to their grievances, then staff should resolve them as early as possible (If the problem can be resolved on the spot immediately, it should be resolved on the spot immediately, if it can be resolved in one day, it should be resolved in one day, and so on). Any complaint/grievance that the field office manager finds, he cannot resolve despite making efforts, should be referred to Head office without delay.
- 13.5 Staff has to follow organization rules with regard to RBI guidelines, Fair Practices Code, Customer Grievance Redressal Mechanism, Sa-Dhan & MFIN Code of Conduct, which are implemented from time to time compulsorily. In case, staff does not follow / violates, organization will take suitable action against such staff.

- 13.6 Any kind of bribe, gift or hospitality shall not be accepted from the project member and their families.
- 13.7 BSS staff should not have any kind of personal financial business with the project members and their families. Project members or the organization's money should not be misused.
- 13.8 Any kind of false assurances should not be given to project members under any circumstances.
- 13.9 Discrimination on basis of caste, religion, race, etc. should not be done with any project members.
- 13.10 Ensure that eligible project members are getting loan facilities in a timely manner, assuming on-lending funds are available.
- 13.11 BSS staff should not engage in any activities which damages the organization's name.
- 13.12 BSS staff should have good relationship with the project members and their family members, but should not compromise with members while following the rules & regulations and discipline of the project.
- 13.13 BSS staff should not engage in any political activities, have association with political people, or get involved with any political parties, etc.
- 13.14 Staff should not interfere in personal matters of members and their family members, unless such matters are related to the loan facilities given by the organization.
- 13.15 The organization will be transparent and fair in loan related aspects and all other works related to organization, by protecting the confidentiality of all Organizational matters, whose confidentiality must be protected, and appropriate training will be given to its staff in this regard.
- 13.16 Staff should work in transparent and fair manner with regard to loan facilities provided to members by the organization.
- 13.17 Staff should compulsorily follow all discipline guidelines framed by the organization from time to time and if staff does not follow / violates the discipline guidelines framed by the organization, then appropriate action will be taken against such staff.

#### **14 Loan Products:**

Loan types, loan amount, rate of interest, loan processing fee, loan tenure, repayment frequency and installment amount, etc. given by BSS organization to project members has been given in '**Loan Products Detail Chart**', which should be read and understood.

<b>Loan Products Detail Chart</b>					
<b>1.Repayment Frequency</b>	<b>Fortnightly Repayment</b>				
	<b>Product - 1</b>	<b>Product - 2</b>	<b>Product - 3</b>	<b>Product - 4</b>	<b>Product - 5</b>
<b>2. Loan Products</b>	Long Duration - Fortnightly General Loan (LD - FGL)	Long Duration - Fortnightly Supplementary Loan (LD - FSL)	Short Duration - Fortnightly General Loan (SD - FGL)	Fortnightly General Loan - 18 (FGL - 18)	Weekly General Loan (WGL)
<b>3. Loan Term / Duration</b>	53 fortnights (A Little over 24 months)	54 fortnights (A Little over 24 months)	26 fortnights (Approx. 1 Year)	18 fortnights (Approx. 9 months)	50 weeks (Approx. 12 months)
<b>4. Loan Size</b>	Max. Rs.30,000/-	Max. Rs.15,000/-	Rs.8,000/- Fixed	Rs.5,000/- Fixed	Rs.6,000/- Fixed
<b>5. Interest Rate (Facilitation Charges)</b>	26% per annum on diminishing balance method with Fortnightly rest (Rounded to nearest rupee).	26% per annum on diminishing balance method with Fortnightly rest (Rounded to nearest rupee).	26% per annum on diminishing balance method with Fortnightly rest (Rounded to nearest rupee).	26% per annum on diminishing balance method with Fortnightly rest (Rounded to nearest rupee).	26% per annum on diminishing balance method with Weekly rest (Rounded to nearest rupee).
<b>6. Repayment Schedule</b>	For a loan of Rs. 2,000/-, repayable in 52 Fortnightly installments of Principal and Facilitation charges of Rs.49/- per fortnight, plus the last installment at Rs.33/-.	For a loan of Rs.3,000/-, repayable in 53 Fortnightly installments of Principal and Facilitation charges of Rs.73/- per fortnight, plus the last installment at Rs.11/-.	For a loan of Rs.8,000/-, repayable in 25 Fortnightly installments of Principal and Facilitation charges of Rs.351/- per fortnight, plus the last installment at Rs.346/-.	For a loan of Rs.5,000/-, repayable in 17 Fortnightly installments of Principal and Facilitation charges of Rs.305/- per fortnight, plus the last installment at Rs.302/-.	For a loan of Rs.1,000/-, repayable in 11 Monthly installments of Principal and Facilitation charges of Rs.100/- per month, plus the last installment at Rs.40/-.
<b>7. Prepayment Charges &amp; onetime Membership Fee: NIL</b>					
<b>8. Client Insurance</b>	Client insurance facility will be made as per the arrangement we are able to make from time to time				
<b>9. Temporary Benefit Arrangement</b>	Organization is not collecting / will not collect the outstanding balance of the loans at the time of member's death.				
<b>10. Loan Processing Fee</b>	1% on the disbursed loan amount plus applicable service tax (rounded to next rupee).				
<b>Notes:</b>	<ol style="list-style-type: none"> <li>1. Long Duration - Fortnightly General Loan (LD-FGL) Repayment schedule is given for Rs.2,000/-.</li> <li>2. Long Duration - Fortnightly Supplementary Loan (LD-FSL) Repayment schedule is given for Rs.3,000/-.</li> <li>3. Short Duration - Fortnightly General Loan (SD-FGL) Repayment schedule is given for Rs.8,000/-.</li> <li>4. Fortnightly General Loan - 18 (FGL-18) Repayment schedule is given for Rs.5,000/-.</li> <li>5. According to RBI guidelines if loan amount exceeds Rs.15,000/-, then for such loans repayment duration shall be minimum two years.</li> <li>6. All loans shall be disbursed in the multiple of thousands only.</li> <li>7. The above Loan Products will be given to 'BSS Micro Loan Project Members' only.</li> </ol>				

## **15. Compliance with Fair Practices Code and Consolidated Reports of Customer**

### **Grievances Reviewed by the Board:**

15.1 Board of Directors of the organization will make periodic review related to Fair Practices Code and Customer Grievance Redressal Mechanism at various levels, and the consolidated report with regard to Customer Grievances will be placed in Board of Directors Meeting periodically.

### **16. A separate policy for field staff recruitment methods, training, supervision, etc.:**

16.1 A separate policy has been approved by the board on 20-02-2015 with regard to field staff recruitment methods, training, supervision, etc. Such approved policies should also be followed along with Fair Practices Code and Customer Grievance Redressal Mechanism policies of the organization.