CLIX HOUSING FINANCE LIMITED
('CHFL' or 'The Company')

POLICY ON

FAIR PRACTICE CODE

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1. INTRODUCTION

This Fair Practices Code ("Code") sets standards of practices to be followed by Clix Housing Finance Limited ("CHFL" or "the Company"). This Code is formulated pursuant to Chapter X (Fair Practices Code) of the RBI (Housing Finance Companies) Directions, 2025, issued vide RBI/DoR/2025-26/365 dated November 28, 2025, as updated from time to time, and shall be read in conjunction with the provisions relating to Responsible Conduct and customer protection as specified under the said Directions.

2. APPLICABILITY

This Code shall apply to all the products and services, whether they are provided by the Company, its subsidiaries or Digital Lending Platforms (self-owned and/or under an outsourcing arrangement) across the counter, over the phone, by post, through interactive electronic devices, on the internet or by any other method.

Note: In cases where lending activities are conducted through outsourced platforms, the Company shall ensure strict adherence to all regulatory instructions governing the outsourcing of financial services and information technology services. The Company remains fully responsible for compliance, oversight, and risk management in such arrangements.

3. OBJECTIVES

The objectives of this Code are to:

- promote good and fair practices by setting minimum standards in dealing with customers;
- increase transparency so that the customer can have a better understanding of what he/she can reasonably expect of the services;
- prevent mis-selling, unfair business practices and coercive recovery methods;
- promote a fair and cordial relationship between the customer and the Company;
- ensure consistency with the customer protection, grievance redressal and Responsible Conduct framework prescribed by RBI; and
- foster confidence in the housing finance system.

4. APPLICATIONS FOR LOANS AND THEIR PROCESSING

a) All communications to the borrower shall be in the vernacular language or a language as understood by the borrower.

b) Loan application forms would include necessary information which affects the interest of the borrower, so that a meaningful comparison with the terms and conditions offered by other Housing Finance Companies can be made and informed decision can be taken by the borrower. The loan application form shall indicate the list of documents required to be submitted with the application form.

c) The Company shall transparently disclose to the borrower at the pre-sanction stage and through the loan documentation/KFS, including disclosure of -
   - all information about fees / charges payable for processing the loan application,
   - the amount of fees refundable if loan amount is not sanctioned / disbursed,
   - pre-payment or foreclosure options and charges, if any,
   - penalty for delayed repayment, if any,
   - conversion charges for switching loan from fixed to floating rates or vice-versa,
   - existence of any interest reset clause and
   - any other matter which may materially affect the interest of the borrower.

d) The Company will disclose 'all in cost' inclusive of all charges involved in processing / sanction of loan application in a transparent manner. Any fees or charges levied by the Company shall be reasonable, transparent and non-discriminatory, and shall be duly disclosed in accordance with applicable regulatory requirements.

e) The Company will give acknowledgement for receipt of all loan applications. Preferably, the time frame within which loan applications will be disposed of should also be indicated in the acknowledgement.

5. LOAN APPRAISAL AND TERMS/CONDITIONS

a) Normally, all particulars required for processing the loan application will be collected by the Company at the time of application. In case it needs any additional information, the customer should be told that he would be contacted immediately again.

b) The Company will convey in writing to the borrower in the vernacular language as understood by the borrower, by means of sanction letter or otherwise, the following details -

- the amount of loan sanctioned along with all terms and conditions
- the annualized rate of interest and method of its application,
- the EMI Structure/ repayment terms,
- prepayment option and charges,
- Penal charges (if any)

The Company shall keep the written acceptance of these terms and conditions by the borrower on its record.

c) The Company shall ensure that penal charges, if any, levied for late repayment are prominently disclosed in bold within the loan agreement.

d) The Company will invariably furnish a copy of the loan agreement along with a copy each of all enclosures quoted in the loan agreement to every borrower at the time of sanction / disbursement of loans.

e) Display of Information by the Company containing Most Important Terms and Conditions (MITC) and Key Fact Statement (KFS):

- To facilitate quick and good understanding of the major terms and conditions of housing loan agreed upon between the Company and the individual borrower, the Company will additionally obtain a document containing the most important terms and conditions of such loan (i.e., other than the details included in KFS) in all cases in the suggestive format of RBI.
- The document will be in addition to the existing loan and security documents being obtained by the Company.
- The Company will prepare the said document in duplicate and in the language understandable by the borrower.
- Duplicate copy duly executed between the Company and the borrower would be handed over to the borrower under acknowledgement.
- The Company will upload the MITC on its website and confirm the compliance in this regard.

f) Company will provide a KFS to all the prospective borrowers to help them take an informed view before executing the loan contract.

- The KFS will be written in a language understood by such borrowers. Contents of KFS shall be explained to the borrower and an acknowledgement shall be obtained that he/ she has understood the same.
- The KFS shall be provided with a unique proposal number and shall have a validity period of at least three working days for loans having tenor of seven days or more, and a validity period of one working day for loans having tenor of less than seven days.
  Explanation: Validity period refers to the period available to the borrower, after being provided the KFS by the Company, to agree to the terms of the loan. The Company shall be bound by the terms of the loan indicated in the KFS, if agreed to by the borrower during the validity period.
- The KFS shall also include a computation sheet of annual percentage rate (APR), and the amortisation schedule of the loan over the loan tenor. APR will include all charges which are levied by the Company.
- Charges recovered from the borrowers by the Company on behalf of third-party service providers on actual basis, such as insurance charges, legal charges etc., shall also form part of the APR and shall be disclosed separately. In all cases wherever the Company is involved in recovering such charges, the receipts and related documents shall be provided to the borrower for each payment, within a reasonable time.
- Any fees, charges, etc. which are not mentioned in the KFS, cannot be charged by the Company to the borrower at any stage during the term of the loan, without explicit consent of the borrower.

g) The Company will put in place an internal mechanism to monitor the process and the operations so as to ensure adequate transparency in communication with the borrowers.

h) To promote transparency in its operations, the Company shall display key information including service charges, interest rates, penal charges (if any), services offered, product information, time norms for various transactions, and the grievance redressal mechanism. Such disclosures shall be made in accordance with the instructions on “Notice Board”, “Booklets/Brochures”, “Website”, “Other Modes of Display” and “Other Issues” as specified in regulations.

6. COMMUNICATION OF REJECTION OF LOAN APPLICATION

If the Company is unable to sanction a loan, it shall communicate the decision to the applicant in writing (including through electronic means, where applicable) and shall provide the reason(s) for rejection, unless restricted by applicable law/regulatory instructions.

7. INTEREST RATE MODEL AND GRADATION APPROACH

In compliance with the applicable regulatory requirements, the Company has adopted a Board-approved interest rate model taking into account relevant factors such as cost of funds, margin and risk premium, and ensures that the rates of interest charged are reasonable, transparent and in conformity with normal financial practices. The annualised rate of interest, the approach for gradation of risks, and the rationale for charging differential rates of interest to different categories of borrowers are duly disclosed to borrowers through the application form and explicitly communicated in the sanction letter. The applicable interest model and the approach for risk gradation form part of the Most Important Terms and Conditions (MITC), which is made available on the Company’s website and is updated whenever there is a change in the rates of interest.

8. DISBURSEMENT OF LOANS INCLUDING CHANGES IN TERMS AND CONDITIONS

a) Disbursement would be made in accordance with the disbursement schedule given in the Loan Agreement/ Sanction Letter.

b) The Company would give notice to the borrower in the vernacular language or a language as understood by the borrower of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges, penal charges, service charges other applicable fee/ charges etc. The Company would also ensure that changes in interest rates and charges are effected only prospectively. A suitable condition in this regard would be incorporated in the loan agreement.

c) If such change is to the disadvantage of the customer, he/she may within 60 days and without notice close his / her account or switch it without having to pay any extra charges or interest.

d) Decision to recall / accelerate payment or performance under the agreement or seeking additional securities, would be in consonance with the loan agreement.

e) The Company would release all securities on repayment of all dues or on realization of the outstanding amount of loan subject to any legitimate right or lien for any other claim the Company may have against borrower. If such right of set off is to be exercised, the borrower will 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 /paid.

Further, it shall be ensured that:

- Interest shall be charged only from the date of actual disbursement of funds to the borrower
- Wherever disbursement is via cheque/ demand-draft (DD), Interest shall be charged from the date on which the cheque/ DD is handed over to the borrower. It is also advised to use online account transfer in lieu of cheque/DD wherever possible.
- In the case of disbursal or repayment of loans during the course of the month, interest shall be charged only for the period for which the loan was outstanding.
- Where advance EMIs/instalment(s) are recovered at the time of disbursement, interest shall be charged after netting off such advance EMI(s) from the disbursed loan amount.

9. LEVY OF FORECLOSURE CHARGES/PREPAYMENT PENALTIES ON FLOATING RATE TERM LOANS

- The Company shall not charge pre-payment or penalty on pre-closure of housing loans under the following situations:-
  a) Where the housing loan is on floating interest rate basis and the loan is pre-closed through any source.

b) Where the housing loans are on fixed interest rate basis and the loan is pre-closed by the borrower out of their own sources.

The expression "own sources" for the purpose means any source other than by borrowing from a bank/HFC/NBFC and /or a financial institution.

- The instruction applicable to fixed interest rate housing loans referred above shall apply to the housing loans given on Special Rate basis under different names and on various occasions carrying certain fixed rate of interest in the initial period of the loan followed by floating rate of interest.
- All dual / special rate (combination of fixed and floating) housing loans will attract the pre-closure norms applicable to fixed/floating rate depending on whether at the time of pre-closure, the loan is on fixed or floating rate. In case of a dual / special rate housing loans, the pre-closure norm for floating rate will apply once the loan has been converted into floating rate loan, after the expiry of the fixed interest rate period. This applied to all such dual / special rate housing loans being foreclosed hereafter.
- It is also clarified that a fixed rate loan is one where the rate is fixed for entire duration of the loan.
- Loan in which company, firm, etc. is a borrower or co-borrower is excluded from this.
- In general, Company will not impose foreclosure charges/ pre-payment penalties on any floating rate term loan sanctioned for purposes other than business to individual borrowers, with or without co-obligant(s).

Housing loans sanctioned or renewed on or after January 1, 2026:

- No pre-payment charges shall be levied on floating rate housing loans granted for purposes other than business to individual borrowers, with or without co-obligant(s).
- In respect of floating rate housing loans granted for business purposes to individual borrowers and to Micro and Small Enterprises (MSEs), as defined under the Micro, Small and Medium Enterprises Development Act, 2006, the Company shall not levy any pre-payment charges where the sanctioned amount or limit does not exceed ₹50 lakh. In respect of such loans exceeding ₹50 lakh, or in respect of cases not covered under the above exemption, pre-payment charges, if any, shall be levied strictly in accordance with the Schedule of Charges (available at the website of the Company – refer to Policies section) and as disclosed in the sanction letter, loan agreement and the Key Facts Statement, as applicable.
- The above exemptions shall apply irrespective of the source of funds used for pre-payment, whether partial or full, and without any minimum lock-in period.
- In the case of dual or special rate housing loans (i.e., loans with a combination of fixed and floating rate of interest), the applicability of pre-payment charges shall be determined based on whether the loan is on a floating rate of interest at the time of pre-payment.
- No charges shall be levied where pre-payment is effected at the instance of the Company.
- The applicability or otherwise of pre-payment charges shall be clearly disclosed in the sanction letter and loan agreement and, wherever applicable, also in the Key Facts Statement (KFS). No pre-payment charges that have not been so disclosed shall be charged to the borrower.
- The Company shall not levy any charges retrospectively at the time of pre-payment of housing loans where such charges had been waived earlier.

10. GUARANTORS

When a person is considering to be a guarantor to a loan, they would be informed about:

a) their liability as guarantor;
b) the amount of liability they will be committing themselves to the Company;
c) circumstances in which the Company will call on them to pay up his/her liability;
d) whether the Company has recourse to their other monies in the company if he/she fail to pay up as a guarantor;
e) whether their liabilities as a guarantor are limited to a specific quantum or are they unlimited; and
f) time and circumstances in which their liabilities as a guarantor will be discharged as also the manner in which the Company will notify their about this.
g) In case the guarantor refuses to comply with the demand made by the creditor /lender, despite having sufficient means to make payment of the dues, such guarantor would also be treated as a wilful defaulter.

The Company will keep him/her informed of any material adverse change/s in the financial position of the borrower to whom he/she stands as a guarantor.

11. PRIVACY AND CONFIDENTIALITY

All personal information of customers, both present and past, will be treated as private and confidential and will be guided by the following principles and policies.

CHFL will not reveal information or data relating to customer accounts, whether provided by the customers or otherwise, to anyone, including other companies/entities in their group, other than in the following exceptional cases:

a) If the information is to be given by law.
b) If there is a duty towards the public to reveal the information.
c) If the Company's interests require them to give the information (for example, to prevent fraud) but it would not be used as a reason for giving information about customer or customer accounts (including customer name and address) to anyone else, including other companies in the group, for marketing purposes.
d) If the customer asks the Company to reveal the information, or with the customer's permission.
e) If the Company is asked to give a reference about customers, it will obtain their written permission before giving it.
f) The customer will be informed the extent of their rights under the existing legal framework for accessing the personal records that the Company holds about them.
g) The Company will not use customer's personal information for marketing purposes unless the customer specifically authorizes them to do so.

12. COLLECTION OF DUES/ RECOVERY

12.1 Whenever loans are given, the Company would explain to the customer the repayment process by way of amount, tenure and periodicity of repayment. However, if the customer does not adhere to repayment schedule, a defined process in accordance with the laws of the land shall be followed for recovery of dues. The process will involve reminding the customer by sending him / her notice or by making personal visits and / or repossession of security if any.

12.2 The Company's collection process is built on courtesy, fair treatment and persuasion. The Company believes in fostering customer confidence and long-term relationship. The Company's staff or any person authorized to represent the Company in collection of dues or / and security repossession shall identify himself / herself and display the authority letter issued by the Company and upon request, display his / her identity card issued by the Company or under authority of the company. The Company's will provide customers with all the information regarding dues and will endeavor to give sufficient notice for payment of dues.

12.3 All the members of the staff or any person authorized to represent the Company in collection or / and security repossession would follow the guidelines set out below:

a) Customer would be contacted ordinarily at the place of his / her choice and in the absence of any specified place at the place of his / her residence and if unavailable at his / her residence, at the place of business / occupation.
b) Identity and authority to represent the Company would be made known to the customer at the first instance.
c) Customer's privacy would be respected.
d) Interaction with the customer will be in a civil manner
e) Company's representatives shall contact the customers between 08:00 hrs and 19:00 hrs only.
f) Customer's request to avoid calls at a particular time or at a particular place will be honored as far as possible.
g) Time and number of calls and contents of conversation would be documented.

h) All assistance would be given to resolve disputes or differences regarding dues in a mutually acceptable and in an orderly manner.
i) During visits to customer's place for dues collection, decency and decorum would be maintained.
j) Inappropriate occasions such as bereavement in the family or such other calamitous occasions would be avoided for making calls/visits to collect dues.

12.4 The Company shall strictly ensure that it or its agents do not resort to intimidation or harassment of any kind, either verbal or physical, against any person in their debt collection efforts, including acts intended to humiliate publicly or intrude upon the privacy of the debtors' family members, referees and friends, sending inappropriate messages either on mobile or through social media, making threatening and/ or anonymous calls, persistently calling the borrower and/ or calling the borrower before 8:00 a.m. and after 7:00 p.m. for recovery of overdue loans, making false and misleading representations, etc.

12.5 Guidelines for engaging Recovery Agents

12.5.1 The Company shall engage recovery agents for recovery of its dues in accordance with applicable laws and regulatory guidelines. The Company shall ensure that all agents engaged for recovery purposes strictly adhere to the Company's Fair Practices Code and all applicable regulatory instructions while carrying out recovery activities.
For the purpose of this Code, the term "recovery agents" shall include agencies engaged by the Company as well as their employees or representatives. The Company shall also ensure that its own employees involved in recovery activities comply with the same standards of conduct and guidelines as applicable to recovery agents.

12.5.2 Engagement of Recovery Agents
a) The Company shall have a due-diligence framework in place for the engagement of recovery agents, which shall, inter alia, cover verification of the individuals involved in recovery activities.
b) The Company shall ensure that recovery agents engaged by it carry out antecedent verification of their employees, which may include pre-employment police verification, as a measure of abundant caution.
c) The periodicity of such verification or re-verification of antecedents shall be determined by the Company, as deemed appropriate.

12.5.3 Training of Recovery Agents
a) The Company shall ensure that recovery agents are appropriately trained to discharge their responsibilities with care and sensitivity, particularly with respect to permissible calling hours, customer privacy, confidentiality of information and respectful conduct.
b) The Company shall ensure that all recovery agents undergo the prescribed training conducted by the Indian Institute of Banking and Finance (IIBF) and obtain the requisite certification within a period of one year.
c) The Company shall further ensure that service providers engaged for recovery activities deploy only such personnel who have completed the prescribed IIBF training and obtained the required certification.

12.5.4 Intimation to Borrowers Regarding Recovery Agents
a) The Company shall prominently display the list of recovery agencies or individual recovery agents empanelled with it, along with the name and period of empanelment, on its website, branches/offices, mobile applications, or any other customer-facing platform.
b) To ensure due notice and proper authorisation, the Company shall inform the borrower of the details of the recovery agency or agent at the time of forwarding default cases for recovery.
c) The Company recognises that in certain cases, the borrower may not receive such details due to reasons such as refusal, non-availability or avoidance.
d) For the purpose of identification, recovery agents shall carry a copy of the authorisation letter issued by the Company, along with a valid identity card issued either by the Company or the concerned recovery agency.

e) In the event of a change in the recovery agency during the recovery process, the Company shall inform the borrower of such change, and the newly appointed agent shall carry the relevant authorisation letter and identity card.
f) The authorisation letter shall, inter alia, include the contact details of the concerned recovery agency. The Company shall also ensure that calls between recovery agents and borrowers are appropriately recorded, with the knowledge of the borrower, after taking reasonable precautions such as informing the borrower that the conversation is being recorded.

12.5.5 Incentives to Recovery Agents

The Company shall ensure that contracts and incentive structures with recovery agents do not, directly or indirectly, induce or encourage the adoption of uncivil, unlawful or unethical methods in the recovery of dues.

12.5.6 **Methods Followed by Recovery Agents**

a) All employees or any persons authorised to represent the Company in collection and/or repossession activities shall comply with the prescribed guidelines governing recovery practices.
b) Borrowers shall ordinarily be contacted at a place of their choice, and in the absence of such specification, at their residence, and if unavailable there, at their place of business or occupation.
c) The recovery agent shall identify himself/herself and disclose the authority to represent the Company at the first instance of interaction.
d) Borrower privacy shall be respected at all times, and interactions shall be conducted in a civil and courteous manner.
e) Recovery agents shall contact borrowers for recovery of overdue loans only between 8:00 a.m. and 7:00 p.m.
f) Any request of the borrower to avoid calls at a particular time or place shall be honoured, as far as possible.
g) The time, frequency of calls and substance of interactions with borrowers shall be appropriately documented.
h) All reasonable assistance shall be extended to resolve disputes or differences relating to dues in a mutually acceptable and orderly manner.
i) During visits to the borrower's premises for collection of dues, decency and decorum shall be maintained.
j) Only authorised employees of the recovery agency shall visit the borrower's premises for recovery or collection activities, and no other person shall accompany such recovery agents.
k) Recovery agents shall avoid contacting borrowers or visiting premises during inappropriate occasions, such as bereavement, calamitous events, marriage functions, festivals or similar sensitive situations.
l) Any written communication sent by a recovery agent to the borrower shall be issued only with the prior approval of the Company.
m) The Company and its recovery agents shall interact only with the borrower or the guarantor, where required, and shall not approach or discuss the matter with any other relatives or contacts of the borrower.

12.5.7 Taking Possession of Mortgaged Property

a) The Company shall ensure that recovery of loans or seizure of assets is undertaken strictly through lawful means, in accordance with the rule of law and applicable statutory provisions.
b) For enforcement of security interest, the Company may rely on legal remedies available under applicable laws, including the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) and the Security Interest (Enforcement) Rules, 2002, which prescribe detailed procedures for enforcement and auction of movable and immovable secured assets.
c) Where the loan agreement contains a pre-possession clause and the Company relies upon such clause for enforcement of its rights, the Company shall ensure that:
    i. the pre-possession clause is legally valid and complies with the provisions of the Indian Contract Act, in letter and spirit; and

ii. the existence and implications of such clause are clearly brought to the notice of the borrower at the time of execution of the loan agreement.

d) The terms and conditions of the loan agreement and the recovery process shall be consistent with the disclosed recovery process of the Company and shall, inter alia, specify:
   i. the notice period to be given before taking possession of the secured asset;
   ii. circumstances, if any, under which the notice period may be waived;
   iii. the procedure for taking possession of the secured asset;
   iv. provision for giving the borrower a final opportunity for repayment before sale or auction of the property;
   v. the procedure for restoration of possession to the borrower, where applicable; and
   vi. the procedure for sale or auction of the secured asset.

12.5.8 Use of Lok Adalats

a) The Company notes the observation of the Hon'ble Supreme Court that disputes relating to loans, including personal loans and housing loans with an exposure of less than ₹10 lakh, may be referred to Lok Adalats.
b) In line with the above, the Company may consider utilisation of the Lok Adalat forum for recovery of housing loans with an outstanding amount of less than ₹10 lakh, wherever deemed appropriate.

12.5.9 Utilisation of Credit Counsellors

The Company shall have in place an appropriate mechanism to utilize the service of credit counsellors for providing suitable counselling to the borrowers where they become aware that the case of a particular borrower deserves sympathetic consideration, with a view to facilitating orderly resolution of dues.

12.5.10 Complaints Against the Company / Recovery Agents

a) Complaints received by the regulator in relation to violation of prescribed recovery guidelines or improper practices adopted by recovery agents engaged by the Company are viewed seriously and may attract appropriate supervisory or regulatory action.
b) Supervisory measures may also be initiated where Courts, including the High Courts or the Hon'ble Supreme Court, pass strictures or impose penalties on the Company, its Directors, officers or agents in relation to recovery policies, practices or procedures.
c) Where a grievance or complaint has been lodged by a borrower regarding recovery practices, the Company shall ordinarily refrain from referring the account to recovery agents until such complaint has been finally resolved.
d) However, in cases where the Company is satisfied, based on appropriate evidence, that the borrower is persistently making frivolous or vexatious complaints, recovery proceedings through recovery agents may continue notwithstanding the pendency of such complaint.
e) In cases where the borrower's dues or related matters are sub-judice, the Company shall exercise due caution, as appropriate, before referring such accounts to recovery agents, taking into account the specific facts and circumstances.
f) The Company shall have an effective grievance redressal mechanism to address borrower complaints relating to recovery practices, and details of such mechanism shall be communicated to the borrower while providing information regarding the recovery agency.

12.5.11 Periodical Review, Monitoring and Control

The Company shall undertake periodic reviews of its recovery mechanism and the engagement of recovery agents, with a view to learning from experience and effecting continuous improvement.

12.5.12 General Provisions

a) The Company shall, at least on an annual basis, review the financial and operational condition of service providers engaged by it to assess their ability to continue to meet outsourcing obligations. Such due-diligence reviews shall, inter alia, identify any deterioration or breach in performance standards, data confidentiality and security, or business continuity preparedness.

b) The outsourcing agreement shall expressly provide for the prohibition of further outsourcing by the service provider, whether in whole or in part, without the Company's approval.
c) The Company shall have an appropriate management structure in place to monitor and control outsourcing activities and shall ensure that outsourcing agreements contain adequate provisions for oversight and control of outsourced functions.
d) Regular audits, whether conducted by internal or external auditors, shall, inter alia, assess the adequacy of risk management practices adopted for outsourcing arrangements, the Company's compliance with its risk management framework, and adherence to applicable regulatory guidelines.
e) In the event of termination of an outsourcing arrangement for any reason, the Company shall take appropriate steps to publicise such termination, so that customers do not continue to deal with the concerned service provider.
f) The Company shall have in place a Grievance Redressal Mechanism and shall give wide publicity to the same through appropriate electronic and print media.
g) The name and contact details of the designated Grievance Redressal Officer shall be made known and widely publicised.
h) The designated Grievance Redressal Officer shall ensure that genuine customer grievances are resolved promptly and without undue delay. It shall be clearly indicated that the grievance redressal mechanism also covers issues arising from services provided by outsourced agencies.
i) Generally, a time limit of one month shall be available to customers for preferring complaints or grievances. The grievance redressal procedure and the timelines for responding to complaints shall be displayed on the Company's website.

13. PENAL CHARGES IN LOAN ACCOUNTS

Note: The Company levy the overdue interest/ default interest which is an interest on unpaid interest (including on unpaid EMI) at the contracted rate of interest till the date of remediation, and not at the penal rate of interest, which is in line with the FAQ no.5 on Fair Lending Practice - Penal Charges in Loan Accounts dated January 15, 2024 and para 30(1) of Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025, dated November 28, 2025 .

However, to levy any Penal charge, the Company shall adhere to following instructions for charging penal charges on loans.

- Penalty, if charged, for non-compliance of material terms and conditions of loan contract by the borrower shall be treated as 'penal charges' and shall not be levied in the form of 'penal interest' that is added to the rate of interest charged on the advances. There shall be no capitalisation of penal charges i.e., no further interest computed on such charges. However, this will not affect the normal procedures for compounding of interest in the loan account. Therefore, the Company may charge interest on unpaid interest (including on unpaid EMI) at the contracted rate of interest till the date of remediation, and not at the penal rate of interest.

  Notes:
  - The material terms and conditions shall be defined as per the credit policy of the Company and they may vary across different categories of loan products based on the Company's internal credit assessment criteria.
  - Default in repayment by the borrower is also a type of non-compliance of material terms and conditions of loan repayment contract by the borrower. Any charge levied on account of such default shall be in the form of penal charges only, and not as penal interest. Such penal charges shall be reasonable, levied only on the amount under default, applied in a non-discriminatory manner, and shall not be capitalised, i.e. no further interest shall be levied on penal charges.
  - No additional or fresh penal charges shall be levied on any outstanding amount of penal charges.
  - The Company shall comply with and give effect to any instructions, clarifications or circulars issued by the Central Board of Indirect Taxes and Customs (CBIC), as applicable, in relation to the levy and applicability of Goods and Services Tax (GST) on penal charges.

- The Company shall not introduce any additional component to the rate of interest and ensure compliance to this in both letter and spirit.
- The quantum of penal charges shall be reasonable and commensurate with the non-compliance of material terms and conditions of loan contract without being discriminatory within a particular loan/product category.

  Notes:
  - The penal charges within a particular loan or product category may vary based on objective parameters such as the loan amount. The Company may adopt an appropriate structure of penal charges, subject to adherence to the stipulations set out in this policy. However, the structure of penal charges within a loan or product category shall be applied uniformly, irrespective of the constitution of the borrower.
  - While no regulatory upper limit or cap has been prescribed for penal charges, the Company, while formulating and implementing the penal charges, shall ensure that such charges are intended solely to inculcate credit discipline and are not used as a means of revenue enhancement.
- The penal charges in case of loans sanctioned to 'individual borrowers, for purposes other than business', shall not be higher than the penal charges to non-individual borrowers for similar non-compliance of material terms and conditions.
- The quantum and reason for penal charges shall be clearly disclosed by CHFL to the customers in the loan agreement and most important terms & conditions/Key Fact Statement (KFS) as applicable, in addition to being displayed on websites of the Company under Interest rates and Service Charges.
- Whenever reminders for non-compliance of material terms and conditions of loan are sent to borrowers, the applicable penal charges shall be communicated. Further, any instance of levy of penal charges and the reason therefor shall also be communicated to the borrower.

14. RESPONSIBLE LENDING CONDUCT – RELEASE OF MOVABLE/IMMOVABLE PROPERTY DOCUMENTS ON REPAYMENT/ SETTLEMENT OF PERSONAL LOANS

While releasing of movable/immovable property documents, the Company shall comply the following instructions:

i. The Company shall release all the original movable / immovable property documents and remove charges registered with any registry within a period of 30 days after full repayment/settlement of the loan account.
ii. The borrower shall be given the option of collecting the original movable/ immovable property documents either from the branch where the loan account was serviced or any other office of the Company where the documents are available, as per her/his preference.
iii. The timeline and place of return of original movable/immovable property documents shall be mentioned in the loan sanction letters issued on or after December 01, 2023.
iv. In order to address the contingent event of demise of the sole borrower or joint borrowers, the Company shall have a well laid out procedure for return of original movable/immovable property documents to the legal heirs. Such procedure shall be displayed on the website of the Company along with other similar policies and procedures for customer information.
v. Compensation for delay in release of movable/immovable property documents
   - In case of delay in releasing of original movable/immovable property documents or failing to file charge satisfaction form with relevant registry beyond 30 days after full repayment/ settlement of loan, the Company shall communicate to the borrower reasons for such delay. In case where the delay is attributable to the Company, it shall compensate the borrower at the rate of ₹5,000 for each day of delay.
   - In case of loss/damage to original movable/immovable property documents, either in part or in full, the Company shall assist the borrower in obtaining duplicate/certified copies of the movable/immovable property documents and shall bear the associated costs, in addition to paying compensation as indicated at clause ii above. However, in such cases, an additional time of 30 days

will be available to the Company to complete this procedure and the delayed period penalty will be calculated thereafter (i.e., after a total period of 60 days).

- The compensation provided under these directions shall be without prejudice to the rights of a borrower to get any other compensation as per any applicable law.

15. RESET OF FLOATING INTEREST RATE ON EQUATED MONTHLY INSTALMENTS (EMI) BASED PERSONAL LOANS

The following shall be ensured by the Company for any EMI based floating rate personal loan[1] disbursed (if any):

- At the time of sanction of EMI based floating rate personal loans, the Company shall take into account the repayment capacity of borrowers to ensure that adequate headroom/margin is available for elongation of tenor and/or increase in EMI, in the scenario of possible increase in the external benchmark rate during the tenor of the loan.
- At the time of sanction, the Company shall clearly communicate to the borrowers about the possible impact of change in benchmark interest rate on the loan leading to changes in EMI and/or tenor or both. Subsequently, any increase in the EMI/ tenor or both on account of the above shall be communicated to the borrower immediately through appropriate channels.
- At the time of reset of interest rates, the Company, at its option, shall provide the choice to the borrowers to switch over to a fixed rate. The option to switch from floating to fixed rate, if permitted, may be exercised only once during the tenor of the loan, at the time of a scheduled interest rate reset.
- The borrowers shall also be given the choice to opt for (a) enhancement in EMI or elongation of tenor or for a combination of both options; and, (b) to prepay, either in part or in full, at any point during the tenor of the loan. Levy of foreclosure charges/ prepayment penalty shall be subject to extant instructions.

Note: Where there is a reset of interest rates for a class of borrowers within a particular loan category on account of a change in the applicable benchmark rate, the Company shall provide the following options to such borrowers, as applicable:

- Enhancement in EMI, or elongation of the number of EMIs, keeping the EMI unchanged, or a combination of both options;
- Option to switch over to a fixed rate of interest for the residual tenor of the loan, where such option is offered by the Company in accordance with its Board-approved policy; and
- Pre-payment, either in part or in full, at any point during the remaining tenor of the loan.

- All applicable charges for switching of loans from floating to fixed rate and any other service charges/ administrative costs incidental to the exercise of the above options shall be transparently disclosed in the sanction letter and also at the time of revision of such charges/ costs by the Company from time to time. The applicable charges shall be as approved by the Board and shall be displayed on the website of the Company.
- The Company shall ensure that the elongation of tenor in case of floating rate loan does not result in negative amortisation.
- The Company shall share/ make accessible to the borrowers, through appropriate channels, a statement at the end of each quarter which shall at the minimum, enumerate the principal and interest recovered till date, EMI amount, number of EMIs left and annualized rate of interest/Annual Percentage Rate (APR) for the entire tenor of the loan. The Company shall ensure that the statements are simple and easily understood by the borrower.
- Apart from the equated monthly instalment loans, these instructions would also apply, mutatis mutandis, to all equated instalment-based loans of different periodicities.

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[1] As per RBI's circular on XBRL Returns – Harmonisation of Banking Statistics dated January 4, 2018, personal loans include loans granted to individuals for creation or enhancement of immovable assets such as housing.

16. ADVERTISING, MARKETING AND SALES

a) CHFL will ensure that all advertising and promotional material is clear, and not misleading.

b) In any advertising through any media and promotional literature that draws attention to a service or product and includes a reference to an interest rate, the Company will also indicate whether other fees and charges will apply and that full details of the relevant terms and conditions are available on request.

c) The Company will provide information on interest rates, common fees and charges (including penal charges, if any) through:

   i. putting up notices in the branches;
   ii. through telephone or help-lines;
   iii. on the company's website;
   iv. through designated staff / help desk; or
   v. providing service guide / tariff schedule.

d) If the Company makes avail of the services of third parties for providing support services, the Company will ensure that such third parties handle customer's personal information (if any available to such third parties) with the same degree of confidentiality and security as the Company would.

e) The Company may, from time to time, communicate to its customers various features of their products availed by them. Information about CHFL's other products or promotional offers in respect of products / services, may be conveyed to customers only if he / she has given his / her consent to receive such information / service either by mail or by registering for the same on the website or on customer service number.

f) The Company has prescribed a code of conduct for its Direct Selling Agencies (DSAs) whose services are availed to market products / services which amongst other matters require them to identify themselves when they approach the customer for selling products personally or through phone. (Refer to Annexure 1 for Code of Conduct - Collection/DSA/DMA Activities)

g) In the event of receipt of any complaint from the customer that the Company's representative / courier or DSA has engaged in any improper conduct or acted in violation of this Code, appropriate steps will be initiated to investigate, handle the complaint and to make good the loss.

17. COMPLAINTS AND GRIEVANCE REDRESSAL

a) The Board of Directors of the Company has laid down the appropriate grievance redressal mechanism within the organization to resolve complaints and grievances. Such a mechanism ensures that all disputes arising out of the decisions of lending institution's functionaries are heard and disposed of at least at the next higher level. Customer would be told where to find details of the Company's procedure for handling complaints fairly and quickly.

b) The Company has a system and a procedure for receiving, registering and disposing of complaints and grievances in each of its offices, including those received online.

c) If a complaint has been received in writing from a customer, the Company will endeavor to send him/her an acknowledgement / response within a week. The acknowledgement would contain the name & designation of the official who will deal with the grievance. If the complaint is relayed over phone at the Company's designated telephone helpdesk or customer service number, the customer will be provided with a complaint reference number and be kept informed of the progress within a reasonable period of time.

d) After examining the matter, the Company will send the customer its final response or explain why it needs more time to respond and will endeavor to do so within six weeks of receipt of a complaint and he/she would be informed how to take his/her complaint further if he/she is still not satisfied.

e) The Company has published its grievance redressal procedure (e-mail id and other contact details at which the complaints can be lodged, turnaround time for resolving the issue, matrix for escalation, etc.) for lodging the complaints by the aggrieved borrower and it is available on its website.

   The name and contact details of the Grievance Redressal Officer who can be approached by the public for resolution of complaints against the Company are mentioned below:

Grievance Redressal Officer	Principal Nodal Officer
Mr. Sunny Dwivedi	Ms. Shagun Malhotra Jhanji
Email: grievance.officer@clix.capital	Email: nodalofficer@clix.capital
6th Floor, Good Earth Business Bay II, Sector 58, Gurugram - 122102, Haryana, India	6th Floor, Good Earth Business Bay II, Sector 58, Gurugram - 122102, Haryana, India

f) The Company's Grievance Redressal Policy can be accessed through the following navigation path: www.clix.capital → Our Policies → Clix Housing → Grievance Redressal

Alternatively, you may directly access it using the link below:
https://www.clix.capital/clixhousing/grievance-redressal/

g) The Company will clearly display in all its offices / branches and on the website that in case the complaint does not receive response from the company within a period of one month or is dissatisfied with the response received, the complainant may approach the Complaint Redressal Cell of National Housing Bank by lodging its complaints in -

- Online mode at the link https://grids.nhbonline.org.in OR
- Offline mode by post to Complaint Redressal Cell, Department of Regulation & Supervision, National Housing Bank, 4th Floor, Core 5A, India Habitat Centre, Lodhi Road, New Delhi – 110003.

18. GENERAL

a. The Company shall refrain from interference in the affairs of the borrower except for the purposes provided in the terms and conditions of the loan agreement (unless information, not earlier disclosed by the borrower, has been noticed).

b. The Company will verify the details mentioned by the Customer in the loan application by contacting him/her at his/her residence and / or on business telephone numbers and / or physically visiting his/her residence and/or business addresses through agencies appointed for this purpose, if deemed necessary by the Company.

c. The customer would be informed to co-operate if the Company needs to investigate a transaction on the customer's account and with the police/ other investigative agencies, if the Company needs to involve them.

d. The Company would advise the customer that if the customer acts fraudulently, he / she will be responsible for all losses on his/her account and that if the customer acts without reasonable care and this causes losses, the customer may be responsible for the same.

e. The Company will display about its products and services in any one or more of the following languages: Hindi, English or the appropriate local language.

f. The Company will not discriminate on grounds of sex, caste and religion in the matter of lending. Further, the Company will also not discriminate visually impaired or physically challenged applicants on the ground of disability in extending products, services, facilities, etc. However, this does not preclude the Company from instituting or participating in schemes framed for different sections of the society.

g. In case of receipt of request from the borrower for transfer of borrowal account, the consent or otherwise i.e. objection of the Company, if any, shall be conveyed within 21 days from the date of receipt of request. Such transfer shall be as per transparent contractual terms in consonance with law.

h. To publicize the code, the Company will:
   a) provide existing and new customers with a copy of the Code
   b) make this Code available on request either over the counter or by electronic communication or mail;
   c) make available this Code at every branch and on their website; and
   d) ensure that its staff are trained to provide relevant information about the Code and to put the Code into practice.

i. The Board of Directors of the Company would provide for periodical review of the compliance of the Fair Practices Code and the functioning of the grievances redressal mechanism at various levels of management. A consolidated report of such reviews will be submitted to the Board at least on an annual basis.

j. Disbursement of housing loan to individual linked to the stages of construction
   - Disbursal of housing loans would be strictly linked to the stages of construction and no upfront disbursal should be made in case of incomplete/un-constructed projects.
     Any non-compliance in this regard will be viewed seriously and may attract penal provisions under the National Housing Bank Act, 1987.

k. The Company shall take appropriate measures to comply with the directions of the Hon'ble Supreme Court dated April 30, 2025, in Pragya Prasun and Ors. vs. Union of India and Ors. (W.P.(C) No. 289 of 2024) and Amar Jain vs. Union of India and Ors. (W.P.(C) No. 49 of 2025), as made applicable to NBFCs by the Reserve Bank of India, including measures relating to accessibility, non-discrimination and reasonable accommodation for persons with disabilities, particularly in respect of customer onboarding, digital KYC and related service delivery processes. Such compliance shall be undertaken in accordance with RBI directions and amendments issued pursuant to the said Order, as amended from time to time.

l. The Company shall not discriminate against applicants with physical or visual disabilities in the extension of products and facilities, including loan facilities, on the grounds of disability. All branches of the Company shall extend all reasonable assistance to persons with disabilities to enable them to avail the Company's products and services.

m. The Company shall ensure that grievances of persons with disabilities are appropriately addressed and resolved under its existing Grievance Redressal Mechanism.

n. Illustrative Guidelines for Loan Facilities to Visually Impaired Persons
   - All products, services, facilities, etc. offered by the Company would be made available to visually impaired persons and would be offered at all branches / offices of the Company.
   - All products, services, facilities, etc. must be made available to visually impaired customers as are offered to other customers and their impairment of vision should not be a criterion for sanctioning/denying a loan.
   - The Company must provide the same facilities to a visually impaired customer as it would to any other customer.
   - The Company must follow the same procedure for extending products, services, facilities, etc. offered by them to a visually impaired customer as it does for its other customers.
   - No additional burden of interest payment, collateral and other terms should be imposed on the visually impaired customer.
   - If the credit policy of the Company does not insist for a co-borrower or a guarantor for other customers for any type of loan facilities extended by it, the same should not be insisted upon for a visually impaired customer.
   - The Company would not equate visually impaired customers with illiterate customers.
   - The Company would not deny any services to visually impaired customers including visually impaired customers who use their thumb impression. If necessary, the Company may take a Declaration of Thumb Impression as additional documents from visually impaired customer.
   - Additional facilities like reading and filling up of forms, slips, etc. would be provided to a visually impaired customer. The Officer / Manager of the branch / office would read out the rules of business and other terms and conditions in the presence of a witness, if required by the customer.
   - The Company must allow the visually impaired customer to take a loan or avail any other facilities offered by it jointly with anybody that he/she chooses including person(s) who is/are visually impaired.
   - Visually impaired customers may be allowed to appoint a person/persons as their Power of Attorney or Mandate Holder to operate their account, if the visually impaired customer so desires.
   - The Officer / Manager of the branch / office must inform a visually impaired customer / prospective customer of his rights and liabilities before offering the product.
   - The documentation requirements of a visually impaired customer must be the same as any other customer. The account has to be clearly marked as "the account holder is visually impaired".

- The Company would provide a copy of all documents to visually impaired customer in digital form also, if required.
- The Company would provide a copy of the KFS and other Most Important Terms and Conditions (MITC) to visually impaired customer in Braille form or text readable PDF, if so desired by them.
- The Company would preferably provide Electronic Clearing Service (ECS) facility to the visually impaired customer.

Annexure 1 - Code of Conduct for Direct Selling Agents (DSAs) / Direct Marketing Agents (DMAs)

1. Purpose and Scope

This Code of Conduct (“Code”) lays down the standards of conduct, ethics and professional behaviour to be followed by all Direct Selling Agencies (DSAs) / Direct Marketing Agents (DMAs) and their employees, representatives or agents engaged by the Company for marketing or distribution of its loan products and financial services.

2. Applicability

2.1 This Code shall apply to all DSAs/ DMAs, whether persons or legal entities, engaged by the Company for the marketing and distribution of any loan or other financial products or services of the Company, upon its adoption and inclusion as part of the engagement / outsourcing agreement executed with such DSAs/DMAs.

2.2 Every DSA/DMA and its employees, representatives or agents shall, prior to undertaking any direct marketing, solicitation or distribution activity on behalf of the Company, expressly agree to abide by this Code in letter and spirit.

2.3 Any employee or representative of a DSA/DMA found to be in violation of this Code shall be liable for appropriate disciplinary action, including blacklisting, and the details of such action shall be reported by the DSA/DMA to the Company without delay.

2.4 Failure by a DSA/DMA or its employees or representatives to comply with the provisions of this Code may result in termination of the engagement with the Company and may also lead to permanent blacklisting, in addition to any other action as may be deemed appropriate.

2.5 A Declaration-cum-Undertaking, together with other required information, shall be submitted by the DSA/DMA to the Company and obtained from its employees or representatives before assigning them any duties, and the same is annexed to this Code as Annex 1A, as an integral part hereof.

3. Tele-calling of Prospective Customers

3.1 In relation to unsolicited commercial communications and the National Do Not Call Registry (NDNC/NCND), the Company and its Direct Selling Agencies (DSAs) / Direct Marketing Agents (DMAs) shall comply with the requirements of paragraph 101 of the Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025, as amended from time to time. Accordingly:

a) DSAs/DMAs shall undertake tele-marketing or promotional activities on behalf of the Company only if they hold a valid telemarketer registration certificate issued by the Department of Telecommunications (DoT), Government of India, and are duly registered in accordance with the guidelines issued by TRAI, as amended from time to time;

b) The Company shall furnish to TRAI the list of DSAs/DMAs engaged as telemarketers, along with the registered telephone numbers used by them for tele-marketing calls; and

c) DSAs/DMAs and their agents engaged for tele-marketing purposes shall ensure valid registration with DoT as telemarketers at all times.

3.2 A prospective customer shall be contacted for marketing or sourcing the Company’s loan or other financial products or services only under the following circumstances:

(a) where the prospect has expressed willingness to avail any product or service of the Company through its website, digital platforms (including mobile applications), call centre, branch, or Relationship Manager, or has been referred by an existing customer or prospect, or is an existing customer who has provided explicit consent, in writing or digitally, to receive communications relating to other products or services of the Company; or

(b) where the prospect’s contact details have been obtained after obtaining his/her explicit consent, in writing or digitally, on a separate document.

3.3 DSAs/DMAs and their employees or representatives shall not contact any person whose name or contact details appear in any Do Not Disturb / Do Not Call list or registry.

4. Timing and Manner of Contact with Prospective Customers

4.1 DSAs/DMAs and their employees or representatives shall clearly introduce themselves while interacting with a prospective customer and shall, prior to making a telephonic call, share their identity details through a message or any other written mode, including their name, contact number, the name of the DSA/DMA they are associated with, and the Company they represent. DSAs/DMAs shall not misrepresent themselves as employees of the Company.

4.2 Telephonic contact with a prospective customer shall ordinarily be made only between 09:30 hours and 19:00 hours, and care shall be taken to ensure that such contact does not cause inconvenience to the prospect.

4.3 Calls outside the aforesaid time period may be made only where the prospective customer has expressly authorised such contact, either orally or in writing.

4.4 Visits to the residence, place of business or office of a prospective customer shall normally be restricted to the hours between 09:30 hours and 19:00 hours, and any visit outside these hours shall be made only with the prior express authorisation of the prospective customer, either orally or in writing.

5. Privacy of Prospective Customers and Communication with Third Parties

5.1 DSAs/DMAs and their employees or representatives shall respect the privacy of prospective customers. Discussions relating to the Company's products or services shall ordinarily be held only with the prospective customer and, where applicable, with any other individual (including family members, accountants, secretaries or spouses) strictly upon the express authorisation of the prospective customer.

5.2 DSAs/DMAs shall, in the first instance, place communication only with the prospective customer. Where the prospective customer is not available, a message may be left solely for the purpose of requesting a return call or ascertaining a convenient time for further contact.

5.3 Any message left for a prospective customer or conveyed through a third party shall be limited to basic identification details of the caller, including name, contact number, the DSA/DMA concerned, and the Company represented, and shall clearly indicate that the communication relates to the marketing or distribution of the Company's products or services.

6. Prohibited Conduct

DSAs/DMAs and their employees or representatives shall not:

a) mislead or provide inaccurate, incomplete or deceptive information to any prospective customer in relation to the Company's products or services;

b) misrepresent their identity, business or organisational affiliation, or falsely represent themselves as employees of the Company; or

c) make any false, unauthorised or misleading representation, assurance or commitment on behalf of the Company in respect of any loan, facility, product or service.

7. Tele-marketing Etiquette

DSAs/DMAs and their employees or representatives shall adhere to the following tele-marketing etiquette while interacting with prospective customers or customers:

7.1 Pre-Call Requirements

a) No tele-marketing calls shall be made before 09:30 hours or after 19:00 hours, unless specifically requested or authorised by the prospect or customer.

b) Serial or repetitive calling shall not be undertaken.

c) Calling shall be made only from approved contact lists cleared by the authorised DSA/DMA supervisory personnel.

7.2 Conduct During Call

a) The caller shall clearly identify himself/herself, disclose the name of the DSA/DMA and state that he/she is representing the Company.

b) Permission shall be sought from the prospect/customer before proceeding with the call.

c) If permission is denied, the caller shall apologise and politely terminate the call.

d) The purpose of the call shall be clearly stated.

e) Where the call is made to a mobile number, the caller shall offer to call back on a landline, if requested.

f) The caller shall not interrupt, argue, or engage in discourteous behaviour.
g) Communication shall, to the extent possible, be conducted in the language most comfortable to the prospect/customer.
h) Discussions shall be limited strictly to business matters.
i) Where the prospect/customer expresses interest in availing a product, the caller shall endeavour to ensure that the prospect/customer understands the most important terms and conditions of the product.
j) Details of the next call or visit, if any, shall be reconfirmed.
k) Contact details of the caller, supervisor or the designated officer of the Company shall be provided upon request.
l) The caller shall courteously thank the prospect/customer for their time.

7.3 Post-Call Conduct
a) Prospects or customers who have expressed lack of interest in a particular offering shall not be contacted again with the same offer for a minimum period of three months.
b) Information relating to prospects or customers seeking to be marked as "Do Not Disturb" shall be promptly communicated to the Company.
c) DSAs/DMAs shall not entertain calls from customers in relation to products already sold.
d) Customers shall be appropriately guided to contact the Company's designated customer service channels for post-sale service and support.

8. Prohibition on Gifts and Inducements

DSAs/DMAs and their employees or representatives shall:
a) not solicit, demand or accept any gifts, bribes, gratification or inducements of any nature, whether in cash or in kind, from any prospect or customer; and
b) immediately report to their management and to the Company any offer of a bribe, payment or undue benefit made by a prospect or customer.

Further, DSAs/DMAs and their employees or representatives shall not offer, promise or provide any gift, incentive or gratification, whether in cash or in kind, to any prospect or customer for the purpose of soliciting or procuring business for the Company.

9. Conduct During Personal Visits and Physical Interactions

DSAs/DMAs and their employees or representatives shall adhere to the following standards of conduct while interacting with prospective customers or customers through personal visits or face-to-face interactions:
a) respect the personal space of the prospect/customer and maintain appropriate physical distance at all times;
b) not visit a prospect/customer for the same offering within a period of three months from the date on which the prospect/customer has expressed lack of interest;
c) not enter the residence or place of business of a prospect/customer against his/her wishes;
d) ensure that visits to a prospect's/customer's residence or place of business are carried out by not more than one employee/representative of the DSA/DMA and, where required, one supervisory personnel;
e) respect the privacy of the prospect/customer at all times;
f) where the prospect/customer is not present and only family members or office personnel are available, conclude the visit by politely requesting the prospect/customer to contact the DSA/DMA, without discussing product details;
g) provide their contact details, including telephone number, and the name and contact details of the supervisor or the designated officer of the Company, upon request by the prospect/customer; and
h) restrict discussions strictly to business-related matters and maintain a professional distance throughout the interaction.

10. Professional Standards, Eligibility and Empanelment

10.1 Professional Appearance

DSAs/DMAs and their employees or representatives shall maintain a professional appearance and be dressed in proper formal attire while meeting any prospective customer or customer.

10.2 Approved Communication

Any communication addressed to a prospective customer or customer, whether oral, written, electronic or digital, shall be made only in the mode and format expressly approved by the Company.

10.3 Eligibility of DSA/DMA Entities

While no specific educational or professional qualification is prescribed for individuals, DSAs/DMAs constituted as corporate or partnership entities shall ensure that their constitutive documents, including the Memorandum of Association, Partnership Deed or any equivalent document, expressly include soliciting or procuring DSA/DMA business as one of their principal objects.

10.4 Empanelment Requirement

Any DSA/DMA seeking engagement or empanelment with the Company shall submit an application for empanelment in the prescribed format annexed to this Code as Annex 1B, and no marketing or solicitation activity shall be undertaken unless such empanelment is duly approved by the Company.

11. Outsourcing Agreement

11.1 The engagement of DSAs/DMAs by the Company shall be governed by a written outsourcing agreement, duly vetted by the Company's legal counsel, clearly defining the terms and conditions of engagement and their legal effect and enforceability.

11.2 The outsourcing agreement shall adequately address risks associated with the outsourced activities and specify appropriate risk mitigation measures. The agreement shall provide the Company with sufficient flexibility to retain effective control over the outsourced activities and the right to intervene, as necessary, to meet legal and regulatory obligations.

11.3 The agreement shall clearly specify the nature of the legal relationship between the Company and the DSA/DMA, whether as agent, service provider or otherwise, and shall, inter alia, provide for the following:

a) clear definition of the scope of outsourced activities, including applicable service levels and performance standards;
b) the Company's right to access all books, records and information relating to the outsourced activities available with the DSA/DMA;
c) continuous monitoring and assessment by the Company to enable timely corrective action, where required;
d) termination provisions, including notice period and exit arrangements;
e) safeguards to ensure confidentiality and security of customer data and liability of the DSA/DMA in the event of breach or leakage of confidential information;
f) business continuity and contingency planning arrangements;
g) prohibition on further outsourcing of any part of the outsourced activities without the prior approval of the Company;
h) the Company's right to conduct audits of the DSA/DMA, whether through internal or external auditors or authorised agents, and to obtain copies of audit or review reports and findings;
i) provisions enabling access by the National Housing Bank or any authority authorised by it to the Company's records, documents and information relating to outsourced activities;
j) provisions recognising the right of the National Housing Bank to conduct inspection of the DSA/DMA and its books and records;
k) obligation to maintain confidentiality of customer information even after expiry or termination of the agreement; and
l) preservation of documents and data by the DSA/DMA in accordance with applicable legal and regulatory requirements of the Company.

12. Termination of Engagement

12.1 The outsourcing agreement shall contain clear termination clauses, including the minimum notice period required to give effect to termination.

12.2 The engagement of a DSA/DMA shall stand terminated on expiry of the agreement period unless renewed by the Company through execution of a fresh agreement.

12.3 Upon termination or expiry of the agreement, the DSA/DMA shall not undertake any new business or represent the Company in any manner unless engagement is renewed through a fresh written agreement.

13. Training and Competence

Any DSA/DMA seeking engagement or empanelment with the Company, and its employees or representatives, shall undergo a mandatory preliminary training programme of two days at the time of onboarding and a refresher training programme at least once every year, as organised by the Company. The Company shall maintain appropriate records of all training programmes conducted and attendance thereof.

14. Records, Monitoring and Reporting

The Company shall maintain an up-to-date database of all Direct Selling Agencies (DSAs) / Direct Marketing Agents (DMAs) engaged or empanelled with it. The Company shall also retain records of inspections conducted in accordance with the terms of the outsourcing or engagement agreement, along with the inspection reports and the corresponding Action Taken Reports (ATR) thereon.

15. General Provisions

15.1 Ongoing Due Diligence and Oversight

The Company shall, at least on an annual basis, review the financial and operational condition of DSAs/DMAs to assess their continued ability to meet their outsourcing and engagement obligations. Such reviews shall also assess compliance with performance standards, confidentiality and data security requirements, and business continuity preparedness.

15.2 Monitoring and Audit

The Company shall have in place an appropriate management structure to monitor and control activities outsourced to DSAs/DMAs. Regular audits, whether conducted by internal or external auditors, shall assess the adequacy of risk management practices, compliance with applicable policies, and adherence to regulatory requirements governing outsourcing arrangements.

15.3 Public Disclosure upon Termination

In the event of termination of engagement of a DSA/DMA for any reason, the Company shall take appropriate steps to ensure that customers are informed, so that they do not continue to deal with such DSA/DMA.

15.4 Grievance Redressal Mechanism

a) The Company shall maintain a grievance redressal mechanism and give wide publicity to the same through appropriate electronic and print media.
b) The name and contact details of the designated Grievance Redressal Officer shall be prominently disclosed.
c) The grievance redressal mechanism shall also cover complaints arising out of services rendered by DSAs/DMAs, and genuine grievances shall be resolved promptly.
d) The grievance redressal procedure and the timelines for responding to customer complaints, generally not exceeding one month, shall be made available on the Company's website.

15.5 Payments and Operational Scope

a) No payment to DSAs/DMAs shall be made in cash. All fees, incentives or commissions shall be paid only through direct credit to the bank account of the concerned DSA/DMA.
b) The Company may, at its discretion, prescribe the operational area within which a DSA/DMA may conduct its activities.

15.6 Lead Sharing and Formats

DSAs/DMAs shall share customer leads with the Company only in the format prescribed and annexed to this Code as Annex 1C.

15.7 Confidentiality and Data Protection

By virtue of their engagement, DSAs/DMAs and their employees or representatives may have access to confidential personal and business information of the Company and its customers. DSAs/DMAs shall ensure the security, confidentiality and protection of such information at all times and shall not misuse or disclose the same.

15.8 Acknowledgement of Code

Each DSA/DMA shall acknowledge that it has read and understood the provisions of this Code and shall confirm its commitment to abide by the Code in letter and spirit.

15.9 Fraud Reporting and Blacklisting

a) DSAs/DMAs shall periodically report instances of fraud committed by their employees or representatives to the Company. Such reports shall include relevant details such as the name of the person involved, address, associated DSA/DMA and nature of fraud.
b) Employees or representatives found to be involved in fraud shall be permanently barred from undertaking DSA/DMA activities for the Company, and consolidated information thereon shall be reported by the Company to the regulatory authority, as applicable.

15.10 In the event of receipt of any customer complaint alleging improper conduct or violation of this Code by a representative of the Company, its courier, or any DSA/DMA, the Company shall initiate appropriate steps to examine and address the complaint, including investigation of the matter and taking necessary remedial action, and, where warranted, making good any loss caused to the customer.

Annex 1A - Declaration-cum-Undertaking by DSA / DMA

____
____
____

Re: Code of Conduct for Direct Selling Agents (DSAs) / Direct Marketing Agents (DMAs)

Dear Sir,

I am working in your company as a ___________________. My job profile, inter-alia, includes offering, explaining, sourcing, and assisting documentation of products and linked services to prospects of Clix Housing Finance Limited.
In the discharge of my duties, I am obligated to follow the Code of Conduct attached to this document.

I confirm that I have read and understood and agree to abide by the Code of Conduct.

I further confirm that the trainer mentioned below has explained the contents of the Code of Conduct in full to me.

In case of any violation, non-adherence to the said Code, you shall be entitled to take such action against me as you may deem appropriate.

Signed on this ________________ day of ________________ 20 _________________

Signature ____________________ Name ________________ Agency_____________

Signature of Trainer _________ Name _____________ Company _____________

Annex 1B - APPLICATION FORM FOR EMPANELMENT OF DSA / DMA

To
The Manager
Clix Housing Finance Limited
6th Floor, Good Earth Business Bay II,
Sector 58, Gurugram
Haryana - 122102

Sir/Madam,

Sub: APPLICATION FOR EMPANELEMENT AS DIRECT SELLING AGENT (DSA)/ DIRECT MARKETING AGENT (DMA) WITH CLIX HOUSING FINANCE LIMITED

I submit herewith my application for the empanelment as Direct Selling Agent (DSA)/ Direct Marketing Agent (DMA) for Clix Housing Finance Limited. I have read the terms and conditions relating to the service and I undertake that those are acceptable to me.

1	Full name (in block letters)				
2	Father's/Husband's name				
3	Constitution (tick appropriate option)	Individual	Proprietorship	Partnership	Company
4	Date of birth/ incorporation (DD/MM/YYYY)				
5	Age		Years		Months
6	Address				
7	Mobile number				
8	Alternate contact number				
9	PAN card no				
10	Present occupation				
11	No. of years in employment				
12	Qualification				
13	Languages known				
14	Reference (name and contact number)	1.			
		2.			

I declare that the statements in this application and the documents submitted (as per list given below) are true, complete and correct to the best of my knowledge and belief.
I declare, that no criminal proceedings are pending against me. I further declare that I am not related to any existing employee of ______________.
I understand that in the event of any information/document being found untrue / incorrect at any stage, my application is liable to be rejected and if already empanelled, the empanelment is liable to be terminated.

Place: Signature:

Date: Name:

Documents to be submitted along with application:
1) Copy of PAN card;
2) Address proof (latest telephone/ mobile bill, electricity bill, gas bill, passport or ration card);
3) Two recent passport size photographs (in addition to one affixed on application form);
4) Latest IT return/ Form 16 or Form as per latest Income Tax Act/Rules;
5) Bank statement for last 6 months;
6) Enrolment letter, if enrolled with other bank/FI for similar services;
7) In case of firm/ company: Registration certificate of firm & Partnership deed/ Articles of Association of the company and incorporation certificate.

Annex 1C - (Name of Loan Product) – CUSTOMER INFORMATION

Name of the Applicant/s:

Mobile Number:

Email ID:

Address:

Select which is applicable: Looking for property / Property identified

Details of property, if identified:

Loan Amount: Income Bracket (per annum):

Up to ₹5 lakh

Above ₹5 lakh to ₹10 lakh

Above ₹10 lakh

Income Based on: Income Tax Return

Other (specify the same)

DSA Code

Signature of DSA