

FYNX CAPITAL LIMITED
(formerly known as Rajath Finance Limited)

POLICY ON CODE OF CONDUCT

INTRODUCTION:

Fynx Capital Limited, an NBFC registered with Reserve Bank of India. Fynx headquarters is in Mumbai. Fynx provides loans and is engaged in activities like leasing, finance, hire purchase.

A code of conduct lays out an organization's expectations and guiding principles for appropriate workplace behaviour. The main objective of the Code of conduct is to establish professional business standards that will protect and enhance the workplace behaviour in the organization.

OBJECTIVE:

- Promote good and fair practices by setting standards in dealing with the customer.
- Lay down a comprehensive guideline on code of conduct in order to achieve the organization's core objectives.
- Ensuring effective dissemination of code of conduct throughout the organization.
- Benefiting the clients by inculcating/ingraining the values of code of conduct into the fabric of the organization.

INTEGRITY AND ETHICAL BEHAVIOUR:

- **Core Value:** To provide low-income clients - women and men - and their families, with access to financial services that are client focused and designed to enhance their well-being, and are delivered in a manner that is ethical, dignified, transparent, equitable and cost effective.
- **Honesty:** Work honestly and be transparent in our dealings with our clients and within the office. Employees shall work with the highest standards of integrity and trustworthiness. They must follow the rules set by the company on all matters and should not manipulate or bend the rules to suit their purpose to the detriment of the spirit of the company's rules.
- **Promise what we can deliver:** In all interactions with customers, true and relevant matters shall be communicated and should not make any false commitments or promises.
- **High quality service:** To ensure high quality service to the clients, appropriate to their needs, and delivered efficiently in a convenient and timely manner.
- **No cultural discrimination:** Fynx does not discriminate on the basis of colour, religion, language, caste or region and our employees shall ensure that they do not entertain any such prejudices or discrimination during the course of their interactions with each other and with our customers.
- **Respecting differences of opinion:** One must respect differences of opinion as no two people are identical. Hence, employees must keep their egos out of the office premises, respect each other's points of view and engage in healthy debates on matters involving differences of opinion to come out with productive outcomes. Employees shall be fair and respectful to co-workers irrespective of their designation.

TRANSPARENCY:

- Fynx shall disclose complete information to the clients, regarding the loan products such as interest amount, number of instalments, instalment amount, loan processing fee etc.
- Communicate all the terms and conditions for all products/services offered to clients in the vernacular language or a language understood by them.
- Disclose Rate of Interest on a reducing balance method, processing fee and any other charges or fees however described.
- Communicate in writing, charges levied for all financial services rendered. Fee on non-credit products/services will be collected only after prior declaration to the client.
- Declare all interest and fees payable as Annual Percentage Rate (APR).
- Formal records of all transactions shall be maintained in accordance with all regulatory and statutory norms, and borrowers' acknowledgment/acceptance of terms/ conditions must form a part of these records.
- Annual Reports and Annual Financial statements shall be put in the Fynx websites after approval of the Board.
- All the documents related to the clients shall be in vernacular language.

RECRUITMENT:

- Fynx shall make it mandatory for the employees to furnish the original documents for verification.
- Fynx shall conduct a thorough reference check on the employees.
- Fynx shall not recruit an employee of another NBFC, irrespective of the grade/level of the employee, without the relieving letter from the previous NBFC employer. An exception can however be made in instances where the previous employer (NBFC) fails to respond to the reference check request within 20 days. Fynx shall provide such relieving letter to the outgoing employee in case he/she has given proper notice, handed over the charge and settled all the dues.

PERSONAL AND PROFESSIONAL CONDUCT:

The Code of Conduct applies to all our employees regardless of employment agreement, cadre, rank, or location. The Code also applies to third parties, such as consultants, agents, suppliers, and others acting on the Company's behalf.

- **Punctuality:** Fynx places the highest importance on maintaining punctuality and discipline. All employees are expected to be regular and punctual in their attendance. Managers may exercise their responsibility of approving leave based on the leave policy of Fynx clearly outlined in the Service Regulations.
- **Clean and Presentable:** Fynx is a well-recognized and respected organization and employees shall ensure that their appearance is neat, clean and appropriate to their particular area of work. A high standard of personal hygiene is expected at all times.
- **Display identity:** Employees are expected to wear their ID cards when they are on official duty.
- **Follow hierarchy on routine matters:** Employees are expected to trust and report matters to their immediate senior on a regular basis and not circumvent the hierarchy set by the company.
- **Honest:** Employees are expected to act honestly in all their duties and while dealing with clients, suppliers, supervisors and fellow employees.
- **Transparency:** Employees should be open and transparent with customers. They should communicate clearly; in a language that the client can understand, and ensure that the client knows and understands all relevant terms and conditions, rules and guidelines.
- **Not conceal wrong practices:** In cases where unethical, incorrect or illegal activities are observed employees must immediately bring them to the notice of the proper authorities within the company. It is the duty of every employee in Fynx to ensure that all of Fynx's business is conducted in an ethical manner and in accordance with the company's rules and policies. It is necessary for all transgressions to be brought to light at an early stage itself to ensure that problems are sorted out before they transform into something more serious. Employees must not turn a blind eye to wrongs done by others.
- **Investigation:** If an employee is required to investigate complaints against other employees or issues affecting employees, they must act consistently, promptly, and fairly and in a timely manner. The principles of natural justice must be maintained in dealing with each investigation.
- **Usage of Company Assets:** Employees should take all possible care when using Fynx property, goods, intellectual property and services. Employees should not deliberately misuse Fynx equipment, assets, or the services of other Fynx personnel. Examples of misuse include copying computer software programs regardless of whether or not the programs are protected by copyright, use of the Fynx letterhead paper or postage when corresponding on personal or other matters not directly related to Fynx, unauthorised use of Fynx logos, falsifying, manipulating or destroying business records without specific authorisation.
- **Accessibility of Network:** Staff may only use e-mail and web browsing for work related purposes and that all email and web access logs will be monitored for compliance with the staff position. As the organisation has responsibility for its computer systems and networks, it has the right to make directions as to its use.
- **Confidentiality:** Employees have a duty to maintain the confidentiality, integrity and security of official information for which they are responsible.
- **Record Keeping:** Employees need to be aware of their record keeping responsibilities and are reminded there is a legal requirement to adhere to proper records management practices and procedures.
- **Disposal of Records:** Employees should not damage, dispose of, or in any other manner, interfere with official documents or files. The destruction of records may only take place in accordance with a disposal and retention schedule as intimated by the Head Office.
- **Accessibility of Information:** Employees should not access information which they are not authorised to access or use, and must not allow any other person access for any reason.
- **Security of Information:** Employees shall take all reasonable precautions, including password maintenance and file protection measures to prevent unauthorized access and have an obligation to maintain the security and confidentiality of the information systems over which they have responsibility or control and that are owned or used by agreement.
- **Conflicts:** If an employee becomes aware of the potential for conflict of interest, then they must notify their manager of the potential or actual conflict of interest. Employees must ensure that there is no conflict or incompatibility between their personal interests, whether pecuniary (example money) or non-pecuniary and the impartial fulfilment of their duties.

- **Financial Involvement:** Employees should avoid any financial involvement or undertaking that could directly or indirectly compromise or undermine the performance of their duties or that goes against the established standards of fairness and ethics. Financial conflict of interest may arise where an employee, who has a financial interest in a company or other business, is in a position to influence contracts or transactions between Fynx and that business.
- **Acceptance of Gift:** Employees should not accept a gift, secret commission or a benefit from a person or organisation if the intent of the gift or the benefit is to induce the employee to waive or reduce requirements or to extend a financial or other benefit to a person or organisation outside Fynx to the detriment of the Fynx interests.
- **Outside Influence:** No employee shall elicit the improper influence or interest of any person to obtain promotion, transfer or other advantage.
- **Influence to secure personal gain:** Employees must not misuse their official position or authority to secure any personal advantage or gain – whether from their colleagues/ subordinates within the office or from customers/ third parties.
- **Social Media:** Employees are not permitted to speak with media representatives without clearance from the Head Office. Public comment/debate on social issues by employees should not imply that the comment, although made in a private capacity, is in some way an official comment by Fynx. The employee may only disclose official information, with due regard to confidentiality, in order that it is in their official capacity and duties.
- **Disclosure of Information:** An employee can disclose confidential or restricted information or documents acquired in the course of their employment only when required to do so by law, in the course of their duty, when called to give evidence in court, or when proper authority has been given. Approval to release confidential information on employees should be sought from the Head Office/Competent authority.
- **Relationship with Clients:** Employees are expected to maintain proper boundaries with clients. Employees are expected to make themselves aware of any workplace and/or program-specific policies/guidelines in this area. A conflict of interest may arise where an employee makes or participates in decisions affecting another person with whom they have a personal relationship (such as a relative, spouse, close friend or personal associate).
- **Harassment:** Employees should not harass or discriminate against employees or in work practices on the grounds of sex, pregnancy, race (including colour, ethnic background or national identity), marital status, disability, sexual preference, political or religious belief, or age and must act responsibly when becoming aware of any unethical behaviour or wrong doing by any employee. Such information should be forwarded to the Head Office.
- **Discrimination:** Harassment and discrimination form part of a continuum of unacceptable behaviour that can include sexual assault, stalking and harassing phone calls, some of which are also against criminal law, which means the police may prosecute anyone who commits such acts.
- **Criticism:** Racial and religious vilification is a form of harassment and discrimination and is unacceptable conduct in the Fynx. All reported incidents will be investigated.
- **Performance in the Work:** Employees should not perform any act or omission that is likely to have a detrimental effect on their work performance and that of other employees and clients. Accordingly, employees should not be under the influence of alcohol or other substances while they are at work or at work functions.
- **Healthy Workplace:** Fynx is committed to providing a safe and healthy workplace for all employees and visitors; however, employees have a responsibility to make the workplace a safe and healthy place for all concerned, as far as is reasonably practical.
- **Skill Development:** Employees must continually strive to improve their professional competence, maintain their knowledge and encourage the development of their skills and competence of associates.
- **Termination:** Upon termination of employment, the employee shall return all correspondence, documents, data, information, equipment and things, including copies thereof, belonging to the employer that may be in the employee's possession, custody or control.
- **Right to social security benefits:** Fynx provides coverage to staff under the Employee State Insurance scheme. Employees are also eligible for Provident Fund and Gratuity benefits as applicable.
- **Right to perform laid down duties without undue interference:** The employee will be given the necessary freedom to operate within the laid down guidelines. In the event of any undue interference from any of the staff, the employee has the freedom to represent the issue to higher levels.
- **Right to be trained, to grow and develop:** Fynx will ensure that employees undergo an orientation program which would familiarize all employees with the different functions. As and when changes happen within the organization, employees will be updated on new knowledge and skills to be acquired so as to strengthen their core competencies. This will ensure that employees will be made more effective in their present jobs and be better qualified for another job within Fynx.
- **Right to raise grievances, to escalate issues and complaints:** Fynx has an established grievance procedure system to settle grievances as far as possible at the first supervisory level, or if proceeded further, as quickly and in as fair a manner as possible.

EMPLOYEE RIGHTS:

Right to fair & unbiased treatment: **Employees have the right to be treated fairly, with dignity and with respect for their individual circumstances. Fynx will make sure that people are treated in a non-discriminatory way and challenge any behaviour that may be classified as inappropriate or unfair.**

Right to respectable work conditions: **At Fynx, the physical health of the employees is not endangered and morals are safeguarded. Proper illumination and ventilation will be available at the workplace. Employees are provided with a Medical Insurance program.**

Right to social security benefits: **Fynx provides coverage to staff under the Employee State Insurance scheme. Employees are also eligible for Provident Fund and Gratuity benefits as applicable.**

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BEHAVIOUR TOWARDS THE COMMUNITY & ENVIRONMENT:

It is the Company's policy to protect the environment and safeguard the health and safety of employees. The Company conducts its operations to avoid or minimize any possible adverse impact on the environment and expects all employees to obey those laws that are designed to protect the environment.

BEHAVIOUR TOWARDS CLIENTS:

- Employees shall use courteous language, maintain decorum and are respectful of cultural sensitivities during all interactions with clients.
- Employees should not indulge in any behaviour that in any manner would suggest any kind of threat or violence.
- Employees shall follow the guidelines of RBI for recovery of loan/collection of dues.

CLIENT PROTECTION:

- **Fair Practices:** Fynx shall ensure the provision of microfinance services to eligible clients as per RBI guidelines and obtain copies of relevant records from clients, as per standard KYC norms. Additional documents sought must be reasonable and necessary for completing the transaction.
- **Avoiding Over-Indebtedness:** Fynx shall conduct proper due diligence as per their internal credit policy to assess the need and repayment capacity of the client before making a loan and must only make loans commensurate with the client's ability to repay.
- **Appropriate interaction and collection practices:** Fynx shall clearly define the guidelines for employee interactions with clients and a valid receipt for each and every payment received from the borrower should be provided.
- **Privacy of client information:** Fynx shall keep personal information of client strictly confidential. Client information may be disclosed to a third party with the permission obtained in writing from the client and it is legally to do so.

GOVERNANCE:

- Fynx shall observe high standards of governance by inducting persons with good and sound reputation as members of Board of Directors/Governing body and seek to comply with the best standards stipulated in Companies Act, RBI regulations.
- Fynx shall be transparent in maintaining books of accounts and shall get its financial statement audited by a reputed audit company.
- Fynx shall follow the Audit and Assurance Standards in compliance with Applicable Laws in India.

DATA SHARING:

Fynx shall share clients' data with the RBI approved credit bureaus as per their guidelines and information called for by all supervisory and regulatory bodies.

GRIEVANCE REDRESSAL MECHANISM:

- Fynx shall have an efficient and accessible Grievance Redressal Mechanism for clients.
- Fynx shall display toll-free numbers on loan cards, on the website and at the branches as well.

- Fynx shall have complaint registers and suggestion boxes available at the branches for clients to register their grievances at the branch level.
- Fynx shall provide clients with contact numbers of Relationship officers and Branch managers in case they have any complaint.
- Fynx shall have a Grievance redressal policy which covers the grievance process, timelines, hierarchy of officers and resolution process.