



Fair Practices Code

Version History

Version#	Particulars	Date	Approved by
1.0	Updated the reference to the Master Direction of the Reserve Bank of India (RBI) in the Introduction section.	2018-04-08	Board of Directors
1.1	Updated for RBI Digital Lending Guidelines	2022-09-08	Board of Directors
1.2	Updated Grievance Redressal section	2022-12-05	Board of Directors
1.3	Updated process flow under 'General' section(2.4)	2023-02-14	Board of Directors
1.4	Updated references under Introduction, Grievance redressal section & version history.	2023-09-12	Board of Directors
1.5	Scale Based Regulations Update	2024-01-25	Board of Directors
1.6	Inclusion of Udyam Flex Loan under products	2024-07-23	Board of Directors
1.7	Periodic Review	2025-06-30	Board of Directors
1.8	Periodic Review	2025-12-12	Board of Directors

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1. Introduction

Vivifi India Finance Private Limited (Vivifi) is an RBI licensed NBFC engaged in the business of extending loans to customers through an online platform, developed and managed in- house or outsourced to competent service providers, to meet customer needs, optimize operations and maximize shareholder value, while complying with all regulatory requirements and standards, following industry best practices.

2. Regulations

At all the times, the company will strictly adhere to the guidelines stipulated by RBI. These guidelines will include the below and will be updated from time to time.

1. Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (Updated as on November 10, 2023)
2. Guidelines on Fair Practices Code for NBFCs (RBI / 2012-13/416 DNBS.CC.PD.No. 320/03.10.01/2012-13)
3. RBI Guidelines on Digital Lending (RBI/2022-23/111 DOR.CRE.REC.66/21.07.001/2022-23) dated September 02, 2022 read with FAQs on Digital Lending dated February 14, 2023.
4. Fair Lending Practice - Penal Charges in Loan Accounts dated August 18, 2023.
5. Circulars, Guidelines, and clarifications as may be issued from time to time by RBI.

Pursuant to any subsequent amendments or any statutory modifications or re-enactments in the above stated guidelines / norms / clarifications or in any other applicable acts / regulations, if there is any change in any of the parameter(s) framed by the Board, then the Act / regulation will have overriding effect on the parameter(s).

3. Guiding Principles on Fair Practices Code

3.1 Applications for loans and their processing

The Online Lending Platform

- Vivifi being an online lender, customers will apply for loans by registering and applying for the loans on the Company web site www.vivifi.com or the product web site www.flexsalary.com & www.flexpay.in & www.udyamflexloan.com , as well as through the Flexsalary, Flexpay & Udyam Flex Loan mobile App published on Google Play store and App store. Borrowers can draw funds from the sanctioned loans as well as pay back principal, interest and charges online through the Lending Platform or directly from their bank account to the designated bank account of Vivifi.
- Vivifi does not put through any transactions in cash but will route all loan disbursements and receive all payments through banking channel only.
- All communications to the borrower will be in English or a language as understood by the borrower. While Vivifi endeavors to be a paperless, online platform for the entire loan lifecycle, wherever a customer desires, the paper option will be provided.
- Loan application forms will include necessary information which affects the interest of the borrower, so that a meaningful comparison with the terms and conditions offered by other NBFCs can be made and an informed decision can be taken by the borrower. The loan application form will indicate the documents required to be submitted with the application form.
- Vivifi also proposes to offer facility for electronic signature (eSign) on loan documents presented to the borrower online, in conformity with the Information Technology Act 2001. The Electronic Signatures facilitated through eSign Online Electronic Signature Service are legally valid provided the eSign signature framework is operated under the provisions of Second Schedule of the Information Technology Act and Guidelines issued by the Controller of certifying authority. Please refer "Electronic Signature or Electronic Authentication Technique and Procedure Rules, 2015 - e-authentication technique using e-KYC services."
- Borrowers will also have the option of manually signing the documents and sending them to Vivifi.
- Vivifi will give acknowledgement for receipt of all loan applications online. The time frame within which loan applications will be disposed of will also be indicated in the acknowledgement.

3.2 Loan appraisal and terms/conditions

- The eligibility and quantum of loan offered will be assessed based on the information provided by the customer and using third party data including but not limited to Credit Bureau Information. Vivifi will convey in writing to the borrower in English or the vernacular language as understood by the borrower by means of sanction letter or otherwise, the amount of loan sanctioned along with the terms and conditions including processing charges, annualized percentage rate ("APR") of interest and method of application thereof and keep the acceptance of these terms and conditions by the borrower on its record. While there is no penal interest charged, borrowed would be charged with late fee or Cheque return fee as applicable as per disclosure under the signed loan agreement.
- In order to avoid disputes between Vivifi and the borrower with regard to the terms and conditions, Vivifi will furnish a copy of the loan agreement as understood and accepted by the borrower along with a copy of each of all enclosures quoted in the loan agreement to all the borrowers at the time of sanction / disbursement of loans, so that borrowers are fully aware of the terms and conditions of the loans including processing charges and rate of interest at the time of sanction of loans. Borrowers can download these documents from the lending platform.

3.3 Disbursement of loans including changes in terms and conditions

- Vivifi will give notice to the borrower in English or 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 etc. Vivifi will also ensure that changes in interest rates and charges are effected only prospectively. A suitable condition in this regard will be incorporated in the loan agreement.
- Decision to recall / accelerate payment or performance under the agreement will be in consonance with the loan agreement.
- Vivifi shall release all securities, if any, 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 Vivifi may have against borrower. If such right of setoff is to be exercised, the borrower shall be given notice about the same with full particulars about the remaining claims and the conditions under which Vivifi is entitled to retain these securities till the relevant claim is settled/ paid.

3.4 General

- Vivifi 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).
- In the matter of recovery of loans, Vivifi shall not resort to undue harassment viz; persistently bothering the borrowers at odd hours, use muscle power for recovery of loans etc. Vivifi shall ensure that the staff are adequately trained to deal with the customers with courtesy and due regard. Vivifi will reach customers only to their registered mobile numbers as guided and in specific cases of non-contactable delinquent customers, Vivifi shall take efforts to reach such customers as guided under section 3 of the Collection Policy.
- As a measure of customer protection and also in order to bring in uniformity with regard to prepayment of various loans by borrowers of banks and NBFCs, Vivifi shall not charge foreclosure charges/ pre-payment penalties on all floating rate term loans sanctioned to individual borrowers, with immediate effect.

3.5 Responsibility of Board of Directors

Vivifi has a Board approved grievance redressal process within the organization. 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. The process also provides 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 is required to be submitted to the Board at regular intervals

3.6 Grievance Redressal / Nodal Officer

- At the operational level, Vivifi has displayed the following information prominently, for the benefit of our customers, on the company web site as well as the product websites through which business is transacted, also displayed at Vivifi's office as per guideline as updated time to time:
 - 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 published under Grievance Redressal Mechanism on the company website
 - In case of the complaint/dispute is not responded within a period of 30 days from the date of written complaint. The customer may appeal to the designated Banking Ombudsman, Reserve Bank of India under whose jurisdiction the registered office of VIVIFI falls as mentioned under the Grievance Redressal mechanism on the company website / displayed at its offices.
- The public notice on the company websites serves the purpose of highlighting to the customers, the grievance redressal process followed by the company, together with details of the grievance redressal officer / Nodal Officer and of the Regional Office of the RBI

Appointment of Grievance Redressal / Nodal Officer

Vivifi shall appoint a Grievance Redressal / Nodal Officer in accordance with the provision of Reserve Bank of India - Integrated Ombudsman Scheme, 2021

3.7 Language and mode of communicating Fair Practice Code

This Fair Practices Code, which is based on the guidelines outlined by RBI is in English will also be displayed at all physical offices of VIVIFI. The vernacular language or a language as understood by the borrower based on their request.

3.8 Regulation of interest charged by Vivifi

- The rate of interest and the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers will be disclosed to the borrower or customer while filling in the application form and informed explicitly when communicating the sanction of the loan.
- The rates of interest and the approach for gradation of risks are also available on the website of Vivifi under the Interest Rate Model Policy. The information published in the website or otherwise published will be updated whenever there is a change in the rates of interest.
- Customers are provided with complete details about the interest and charges on their loan accounts at various stages of the loan process. Additionally, customers can visit the official website of the company, where interest and charge calculations are explained with indicative references for their convenience, including a video explanation.
- The rate of interest is annualized rate so that the borrower is aware of the exact rates that would be charged to the account and the same will be disclosed as Annualized Percentage Rate (APR) in the Key Fact Statement (KFS).
- All other charges payable by borrowers will be displayed on the web sites and will be informed explicitly when communicating the sanction of the loan.