

## Svasti Institutional Principles and Code of Ethics

Svasti is committed to upholding the Core Values of Microfinance as laid out in the Industry Code of Conduct.

### A. INTEGRITY:

- 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.

### B. QUALITY OF SERVICE:

- To ensure quality services to clients, appropriate to their needs, and delivered efficiently in a convenient and timely manner.
- To maintain high standards of professionalism based on honesty, non-discrimination and customer centricity.

### C. TRANSPARENCY:

- To provide complete and accurate information to clients regarding all products and services offered.
- To create awareness and enable clients and all other stakeholders to understand the information provided with respect to financial services offered and availed.

### D. FAIR PRACTICES:

- To ensure that clients are protected against fraud and misrepresentation, deception or unethical practices.
- To ensure that all practices related to lending and recovery of loans are fair and maintain respect for client's dignity and with an understanding of client's vulnerable situation.

### E. PRIVACY OF CLIENT INFORMATION:

- To safeguard personal information of clients, allowing disclosures and exchange of relevant information with authorized personnel only, and with the knowledge and consent of clients.

### F. INTEGRATING SOCIAL VALUES INTO OPERATIONS:

- To ensure high standards of governance and management.
- To monitor and report social as well as financial data.

### G. FEEDBACK and Grievance Redressal MECHANISM:

- To provide clients formal and informal channels for feedback and suggestions.
- To consistently assess the impact of services in order to enhance competencies and serve clients better.
- To provide a formal grievance redressal mechanism for clients. (from the MFI Industry Code of Conduct)

In addition, Svasti is committed to:

- Non-discrimination policy: Svasti will not discriminate among employees or clients on the basis of caste, creed, region, language, race or sex.
- Provide clients the loan they need without over-burdening them with debt
- Promote and strengthen the Microfinance movement in the country by bringing low-income clients to the mainstream financial sector.
- Build progressive, sustainable, and client-centric systems and practices to provide a range of financial services (consistent with regulation) to clients.
- Promote cooperation and coordination among themselves and other agencies in order to achieve higher.

Svasti is committed to following the Institutional Conduct Guidelines from the Industry Code of Conduct.

Toward this end, Svasti shall:

01. Have an appropriate mechanism for ensuring compliance with the Code of Conduct.
02. Have appropriate policies and operating guidelines to treat clients and employees with dignity.
03. Maintain formal records of all transactions in accordance with all regulatory and statutory norms, and borrowers' acknowledgement/acceptance of terms/conditions must form a part of these records.
04. Have detailed board-approved process for dealing with clients, at each stage of default.
05. Not collect shortfalls in collections from employees except in proven cases of frauds by employees.
06. Have a Board approved debt restructuring product/program for providing relief to borrowers facing repayment stress.
07. Seek a reference check from previous employer for any new hire.
08. Provide within 2 weeks the reply to the reference check correspondence for another MFI.
09. Honour a one-month notice period from an outgoing employee.
10. Not recruit an employee of another MFI without the relieving letter from the previous MFI employer except where the previous employer (MFI) fails to respond to the reference check request within 30 days.
11. Not assign a new employee recruited from another MFI, to the same area he/she was serving at the previous employer, for a period of 1 year. This restriction applies to positions up to the Branch Manager level.
12. Have a dedicated process to raise the client's awareness of options, choices, rights and responsibilities as a borrower and shall conduct regular checks on client awareness and understanding of the key terms and conditions of the products/ services offered / availed.
13. Agree to share complete client data with all RBI approved Credit Bureaus, as per the frequency of data submission prescribed by the Credit Bureaus.
14. Establish dedicated feedback and grievance redressal mechanisms to correct any error and handle/receive complaints speedily and efficiently.



15. Designate an official to handle complaints and/ or note any suggestions from the clients and make his/ her contact numbers easily accessible to clients.

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