

FAIR PRACTICE CODE

Introduction

APARAMPAAR FINANCE Private Limited (“**Company**”), has RBI license for a non-deposit taking NBFC registered with RBI with registration number N-02.00333. This Fair Practice Code (“**Code**”) has been prepared taking in to account the “Guidelines on Fair Practices Code for NBFCs” issued by the Reserve Bank of India.

This sets minimum Fair Practice standards for the Company to follow when dealing with customers. It provides information to customers and explains how the Company is expected to deal with them on a day to day basis.

The Company plans to provide unsecured and secured loans to its various customers. Such credit facilities will be extended to different types of customers, which include Individuals, Proprietorships, Partnership Firms, Companies and other Legal entities. This Code is applicable to all categories of products and services offered (currently offered or which may be introduced at a future date) by the Company.

Objectives of the Code

- a. To provide the customers effective overview of practices followed by the Company in respect of financial facilities and services offered by the Company
- b. To promote good and fair practices by setting minimum standards in dealing with customers
- c. To increase transparency so that the customer can make an informed decision
- d. To promote a fair and cordial relationship between the customer and the Company

Application of the Code

This code shall apply to all employees, agents, representatives and vendors of the company to represent it in the course of its business with respect to all products and services.

Commitment

Company shall adhere to this code to act fairly and reasonably in all dealings, on the ethical principle of integrity and transparency, to meet the standard practices prevalent in the finance industry.

Loan Application and Processing

The Company shall convey to its customers, in writing (in a language understood by the customer) of all terms and conditions application to a loan application made by the customer, including the rate of interest and any additional terms and conditions that affects the interests of the customer.

The Company will inform the customers about the documentary information the Company needs from them to establish their identity, address, credit assessment and such other information about them as required to comply with legal / regulatory requirements and assessment of the application.

The Company will provide its customers acknowledgment of receipt of loan application forms.

Loan Appraisal and Terms and Conditions

The customers shall be given a loan sanction letter and copy of the loan agreement along with all enclosures which shall include the details of the loan such as amount sanctioned, annualized interest rate and method of application thereof, service charges, prepayment charges and other terms and conditions.

The penal interest that will be charged for late payment shall be mentioned in bold letters in the sanction letter / loan documents.

Disbursement of Loan and Changes to Terms and Conditions

- a. The Company shall give notice to its customer in vernacular language or a language which is understood by the customer of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc.
- b. The Company shall ensure that changes in interest rates and charges are effected only prospectively and shall include suitable condition in this regard in the loan agreement.
- c. The Company shall ensure that any decision to accelerate or delay payment or performance by the customer shall be undertaken in a transparent manner according to the terms set out in the agreement executed by the Company with its customers.
- d. The Company will release all securities on repayment of all dues or on realisation of the outstanding amount of loan subject to any legitimate right or lien for any other claim the Company may have against the customer. If such right of set off is to be exercised, the customer 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.

General

- a. The Company will refrain from interference in the affairs of the customer except for the purposes provided in the terms and conditions of the loan agreement (unless information, not earlier disclosed by the customer, has come to the notice of the Company).
- b. In case of receipt of request from a Customer for transfer of loan account, the consent or otherwise i.e. objection of the Company, will 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.
- c. In the matter of recovery of loans, the Company will not resort to undue harassment such as persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans, etc. To avoid rude behaviour from the staff of the Company, the Company shall ensure that the staff are adequately trained to deal with the customers in an appropriate manner.

Rate of Interest

- a. The Company had laid down appropriate internal principles and procedures in determining interest rates and processing and other charges.
- b. The company has adopted an interest rate model taking into account relevant factors such as its cost of funds, margin and risk premium and this is used to determine the rate of interest to be charged for loans and advances for a customer.
- c. The rate of interest to be charged depends much upon the risk of customer (its financial strength, business, competition, past history etc.). The rate of interest for a customer would be communicated explicitly in the sanction letter.
- d. The rate of interest will be annualised so that the borrower is aware of the exact rates that would be charged to the account.
- e. The company shall not charge foreclosure charges / pre-payment penalties on all floating rate term loans sanctioned to individual borrowers.
- f. The Company shall, at the time of disbursal, ensure that the interest rate and other charges, if any, on loan and advances are in strict adherence to above referred internal principles and procedures.

Non-Discrimination

We will not discriminate between our customers on the basis of their gender, race or religion. Our policy is to treat all the customers fairly. The company will offer assistance, information and service in a fair, equitable and consistent manner.

Collection of Dues

- a. Whenever loans are given, the Company shall explain to the customer the repayment process by way of amount, tenure and periodicity of repayment.
- b. If the customer does not repay in accordance with the agreed repayment schedule, the Company will undertake necessary steps for recovery of dues in accordance with applicable law and terms of loan agreement as executed with such customer. The process may involve reminding the customer by sending a notice or by making personal visits.
- c. Company shall provide customers with all the information regarding dues and shall endeavour to give sufficient notice for payment of dues.
- d. All assistance shall be given to resolve disputes or differences regarding dues in a mutually acceptable and in an orderly manner.
- e. During visits to customer's place for dues collection, decency and decorum shall be maintained.
- f. In the matter of recovery of loans, the Company would not resort to undue harassment or use of force.
- g. Company staff or any person authorized shall identify themselves through ID card or by any other medium while representing the company for collection of dues or / and security repossession.

Repossession of hypothecated assets

The company has a built in re-possession clause in the loan agreement with the customer which is legally enforceable. To ensure transparency, the terms and conditions of the loan agreement contains provisions regarding:

- i. notice period before taking possession
- ii. circumstances under which the notice period can be waived
- iii. the procedure for taking possession of the security

- iv. a provision regarding final chance to be given to the customer for repayment of loan before the sale / auction of the assets
- v. the procedure for giving repossession to the customer
- vi. the procedure for sale / auction of the assets

A copy of the terms and conditions would be made available to the customer. The company shall furnish a copy of the loan agreement along with a copy each of all enclosures quoted in the loan agreement to the customer at the time of sanction / disbursement.

Grievance Redressal

Customers who wish to provide feedback or send in their complaint may use any of the following mediums between 10 AM and 5 PM from Monday to Friday on all working days.

1. Call our Customer Service Helpline on +91-9480365365
2. Email us at: Care@Aparampaar.co.in

3. Write to us at the below mentioned address:

*APARAMPAAR FINANCE PRIVATE LIMITED
1052 SOBHA DAHLIA
SARJAPUR OUTER RING ROAD,
BELLANDUR, BANGALORE 560103*

In case the complaint is not resolved within the given time or if the customer is not satisfied with the solution provided, the customer can approach the Grievance Nodal Officer. The company has appointed NEELAM DWIVEDI as the Nodal officer and he can be reached at

*APARAMPAAR FINANCE PRIVATE LIMITED
1052 SOBHA DAHLIA
SARJAPUR OUTER RING ROAD,
BELLANDUR, BANGALORE 560103*

Phone

No:

+91-80-41124575

Email us at: Care@Aparampaar.co.in

If the complaint/dispute is not redressed within a period of one month, the customer may appeal to Officer-in-Charge of the Regional Office of Department of Non-Banking Supervision of RBI at Bangalore. The details of DNBS regional office are given below:

*DGM, Department of Non-Banking Supervision
Reserve Bank of India, Bangalore Regional Office
10/3/8, Nrupthunga Road,
Bengaluru – 560 001, India*

APARAMPAAR FINANCE will display the name and contact details of the Grievance Redressal Officer in all our offices.

Confidentiality

The Company shall collect personal information that it believes to be relevant and required to for conduct of its business. The Company shall treat all personal information of customers as private and confidential and shall not divulge any information to a third person unless required by any law or Government authorities including Regulators or Credit agencies or where the sharing of information is permitted by the customer. If Company avails services of any third party for providing support services, Company shall require that such third parties handle customers' personal information with the same degree of confidentiality as adopted by the Company itself.

Advertising, Marketing and Sales

The Company shall ensure that all advertising and promotional material is clear, and not misleading. Should the customers choose to receive, the Company may, from time to time, communicate to customers various features of the Company's products that are availed by them. Information about their other products or promotional offers in respect of products / services may be conveyed to customers, should the customers choose to receive them. In the event of receipt of any complaint from the customer that representative of the company has engaged in any improper conduct or acted in violation of this Code, appropriate steps shall be initiated to investigate and address the complaint.

Review and Publication

The Company management shall do a periodic 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 shall be submitted to the Board at regular intervals.

The latest Code shall be displayed at all our branches / offices and published on the web-site of the Company for the information of various stakeholders.