

FAIR PRACTICES CODE

1. PREFACE

The Reserve Bank of India (RBI) has issued guidelines on Fair Practices Code for Non Banking Finance Companies (NBFCs) thereby setting standards for fair business and corporate practices while dealing with their customers **(Circular No. RBI/2006-07/138 DNBS (PD) CC No. 80 / 03.10.042/ 2005-06 dated September 28, 2006)**.

The Company shall adopt all the best practices prescribed by RBI from time to time and shall make appropriate modifications if any necessary to this Code to conform to the standards so prescribed.

Further, RBI vide its **Master Circular DNBR (PD) CC No. 054/ 03.10.119 / 2015-16 dated July 01, 2015**, had amended its guidelines on Fair Practices Code for NBFCs and accordingly suitable modifications are made hereunder in the Code to comply with the aforesaid guidelines.

The Fair Practices Code, as adopted by the Company (Oracle Credit Limited/ OCL) in its Board Meeting held on July 6, 2015, is in conformity with the Guidelines on Fair Practices Code for NBFCs as contained in the aforesaid RBI Circular(s).

2. OBJECTIVE OF THE CODE

The code has been developed with an objective of:

- Ensuring fair practices while dealing with customers
- Greater transparency enabling customers in having a better understanding and taking informed decisions
- Building customer confidence in the company

3. APPLICATIONS FOR LOANS AND THEIR PROCESSING

- All communications to the borrower shall be in the vernacular language or a language as understood by the borrower.
- 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 NBFCs can be made and informed decision can be taken by the borrower.
- Loan application forms would indicate the documents required to be submitted with the application form.
- The Company would devise a system of giving acknowledgement for receipt of all loan applications. The time frame within which the loan application would be disposed off would be made known to the borrower.

4. LOAN APPRAISAL AND TERMS/ CONDITIONS

OCL shall convey in writing to the borrower in the vernacular language or a language as understood by the borrower by means of a sanction letter or otherwise, the amount of loan sanctioned along with all the terms and conditions including annualized rate of interest and method of application thereof and keep the acceptance of these terms and conditions by the

borrower on its record. Any clause relating to penal interest charged for late repayment will be specified in bold in the Loan Agreement. OCL at the time of sanction/ disbursements of loans will furnish a copy of loan agreement to all the borrowers.

5. DISBURSEMENT OF LOANS INCLUDING CHANGES IN TERMS AND CONDITIONS

- OCL will give Notice to its borrower(s) in the vernacular language as understood by the borrower, of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. OCL will also ensure that changes in interest rates and charges are effected only prospectively.
- Decision to recall/ accelerate payment or performance under the Agreement will be in consonance with the respective loan Agreement.
- OCL will release all securities of its Borrower only on repayment of all dues by such Borrower, or only on realization of the outstanding amount of loan, subject to any legitimate right or lien for any other claim which OCL may have against its 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 conditions under which OCL will be entitled to retain the securities till the relevant claim is settled or paid by the Borrower.

6. GENERAL

- OCL will refrain from interference in the affairs of its Borrower except for the purposes provided in the terms and conditions of the respective loan agreement (unless new information, not earlier disclosed by the borrower, comes to the notice of OCL).
- In case of receipt of request from the borrower for transfer of borrowal account, the consent or otherwise i.e. objection of OCL, if any, is generally conveyed to such borrower within 21 days from the date of receipt of the borrower's request. Such transfer will be as per transparent contractual terms in consonance with all the applicable laws.
- In the matter of recovery of loans, OCL does not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans/dues, etc. Training will be imparted to ensure that staff is adequately trained to deal with customers in an appropriate manner.
- OCL will not charge foreclosure charges/ pre- payment penalties on all floating rate term loans sanctioned to individual borrowers.

7. GRIEVANCE REDRESSAL MECHANISM

OCL has always been a customer friendly finance provider. We always strive for customer satisfaction as in this competitive scenario, a customer service is an important tool for sustainable growth.

Since Customer complaints are part of the business life in any corporate entity, we have established a Complaint Redressal Mechanism to keep our promise of providing better and enhanced customer experience at every step.

(a) Machinery to handle customer complaints/ grievances

Customers who wish to provide feedback or send in their complaint may use the following channels between 10:00 AM and 6:00 PM, from Monday to Saturday (except on national holidays).

- (i) **Letter of Communication.** Write a letter to the Customer Grievance Redressal Officer at the below address:

*Customer Grievance Redressal Officer,
Mr. Ashok Kumar Jain
P- 7, Green Park Extension
New Delhi- 110016*

The customer will get a copy of acknowledgement from the Customer Grievance Redressal Officer through post.

- (ii) **Email us.** The customer can write an email to the Customer Grievance Redressal Officer at cgr@oraclecredit.co.in and he/ she will acknowledge the complaint.
- (iii) **Contact us.** The customer can call at *011- 26167775* and register the complaint. Token number will be issued to the customer after updating the complaint.
- (iv) 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 under whose jurisdiction the Registered Office of the OCL falls. The details of DNBS is as given below:

*General Manager
Department of Non- Banking Supervision,
Reserve Bank of India
6, Parliament Street
New Delhi- 110001
Phone: 011- 23714456
Email ID: dnbsnewdelhi@rbi.org.in*

(b) Mandatory Display System

OCL has the following at its workplace for the benefit of the customers:

- Name and contact details of the Customer Grievance Redressal Officer.
- Appropriate arrangement for receiving complaints

(c) Time Frame

To register complaints, the customers may use any of the modes mentioned above. If complaint has been received in writing then OCL will endeavor to send an acknowledgement within a week. Once the matter is examined, final response to the customer or an intimation seeking more time within one month upon receipt of complaint.

Complaints received will be seen in the right perspective and would be analyzed from all possible angles.

8. REGULATION OF EXCESSIVE INTEREST CHARGED

- The Company shall adopt an interest rate model taking into account relevant factors such as, cost of funds, margin and risk premium, etc for determining the rate of interest to be charged for loans and advances. The rate of interest and the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers shall be disclosed to the borrower or customer in the application form and communicated explicitly in the sanction letter.
- The rates of interest and the approach for gradation of risks shall also be made available on the website of the Company or published in relevant newspapers and the same shall be updated whenever there is a change in the rates of interest.
- The rate of interest shall be annualised rates so that the borrower is aware of the exact rates that would be charged.

9. LENDING AGAINST COLLATERAL OF GOLD JEWELLERY

Currently Company is not engaged in business of lending against gold jewellery. The Fair Practices Code related to this business shall be approved and adopted as and when decision is taken to enter the said type of business.

10. RESPONSIBILITY OF BOARD OF DIRECTORS

The Board of Directors shall periodically review 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 review may be submitted to the Board at regular intervals.