



FAIR PRACTICES CODE

APPLICATION FOR LOANS AND THEIR PROCESSING:

All communications to the borrower will be in the vernacular language or a language as understood by the borrower. Loan application form will seek information that is material to credit appraisal. Application form will include all necessary information which affects the interests 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. Application form will mention the list of documents required to be submitted by the borrower.

ACKNOWLEDGEMENT OF LOAN APPLICATION:

The Company will promptly issue an acknowledgement for each application received. The acknowledgement will indicate the time frame within which the loan shall be processed. It will also acknowledge any non refundable fee paid along with the application.

All valid and complete applications received with minimum documents and meeting minimum credit criteria shall be logged into the loan origination system. The acknowledgement will contain the application serial number which can be used for future correspondence.

LOAN APPRAISAL AND TERMS AND CONDITIONS:

The Company would verify the loan applications within a reasonable period of time. If any additional information or documents are required, it would inform the applicant immediately.

The Company would ensure that there is proper credit appraisal on all applications and the appraisal would be in line with the credit policies and procedures of the Company and relevant regulatory guidelines.

The Company shall convey in writing to the borrower in the vernacular language as understood by the borrower by means of sanction letter, the amount of loan sanctioned along with the terms and conditions including asset details, annualised rate of interest and method of application thereof, overdue interest, cheque bouncing penalty, tenure of loan, instalment amount and structure, commencement date, foreclosure charges, prepayment penalty and all other upfront charges such as processing fees. The company will keep the acceptance of the sanction letter and these terms and conditions by the borrower on its record.

The Company will mention the penal interest charged for late repayment in bold in the loan agreement.

The Company shall also communicate to the borrower if the loan is rejected.

The Company shall furnish a copy of the loan agreement preferably in the vernacular language or a language as understood by the borrower along with a copy each of all enclosures quoted in the loan agreement to the borrowers after the disbursement of loans.

DISBURSEMENT OF LOANS INCLUDING CHANGES IN TERMS AND CONDITIONS:

The Company would ensure timely disbursement of loans sanctioned in conformity with the terms and conditions governing such sanction. The Company shall give notice to the borrower in the vernacular language as understood by the borrower of any change in the terms, including disbursement schedule, interest rates, service charges, swap charges, prepayment charges etc. The Company shall ensure that changes in interest rates and charges are effected only prospectively. A suitable condition in this regard should be incorporated in the loan agreement.

RECALL OF LOAN

Any decision to recall the loan or accelerate payment or performance or seeking of any additional securities under the agreement shall be in consonance with the relevant provisions of the respective loan agreement and amendments made thereto.

RELEASE OF SECURITIES

The Company shall 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 borrower. If such right of set off 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 the Company is entitled to retain the securities till the relevant claim is settled/paid.

The company shall ensure that the charge over any security provided by the customer is relinquished upon the happening of any of the following events, subject to any legitimate right or lien for any other claim against the customer:

- a) Payment of all dues by the customer
- b) Transfer of account and consequent settlement of all dues;
- c) Closure of the loan file in due course following settlement as per agreement.

GENERAL CLAUSES:

Non-interference:

The company or any of its employees shall not interfere in the affairs of the borrower except for the purposes provided in the terms and conditions of the loan agreement.

The above restriction shall not apply if any new information or findings not previously disclosed by the borrower comes to the notice of the Company.

**Transfer of account:**

In case of receipt of request from the borrower for transfer of borrowing account, the consent or otherwise i.e. objection of the Company would 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.

Recovery process:

The Company will not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power etc. for recovery of loans. Employees of the company will be adequately trained to deal with customers in an appropriate manner. The contract/loan agreement with the borrower shall contain the repossession clauses in line with regulatory guidelines.

Foreclosure charges / prepayment penalties on floating rate term loans:

With the view of safeguarding the interests of the customers, the company will not charge foreclosure charges / prepayment penalties on floating rate term loans.

INTEREST RATE AND OTHER CHARGES

Loan agreement will state the interest charged by the Company to the customer. Loan agreement will indicate the interest charged and other charges and it shall be signed by the customer before disbursement. The rate of interest shall be annualised rates so that the borrower is aware of the exact rates that would be charged to the account.

The Company shall follow the appropriate internal principles and procedures in determining interest rates and processing and other charges. Interest Rate on a loan will be based on loan amount, tenure, Security / Collateral offered for the Loan, risk parameters, market conditions and cost of funds. The normally applicable indicative interest rate on loans is available on our website.

The website of the Company will be updated with any revisions in the Floating Reference Rate and in Service charges which will be effective only prospectively.

REPOSSESSION OF SECURITY

The company will include a repossession clause in the loan agreement with the borrower which is legally enforceable.

The loan agreement will transparently state the following:

- a) notice period before taking possession;
- b) circumstances under which the notice period can be waived;
- c) the procedure for taking possession of the security;
- d) a provision regarding final chance to be given to the borrower for repayment of loan before the sale / auction of the security;
- e) the procedure for giving repossession to the borrower



- f) the procedure for giving repossession to the borrower and the procedure for sale / auction of the security

A copy of such terms and conditions will be made available to the borrowers.

RESPONSIBILITY OF BOARD OF DIRECTORS:

The Board of Directors or the Committee thereof of the Company shall lay down appropriate grievance redressal mechanism within the organization. Such mechanism shall ensure that all disputes arising out of the decisions of the Company's functionaries are heard and disposed of at least at the next higher level. The Board of Directors shall periodically review the compliance of the Fair Practices Code and the grievance redressal mechanism at various levels of the management. A consolidated report of such reviews shall be submitted to the board at regular intervals.

GRIEVANCE REDRESSAL OFFICER AND CUSTOMER RELATIONSHIP MANAGEMENT:

Customer complaints shall in the first instance be logged in at the nearest branch. The designated Customer Service Executive will be the first point of contact.

If the complaint is not resolved by the designated Customer Service Executive, it shall be escalated using the escalation matrix communicated to the customer for speedy resolution.

Mr. V. P. Vishnu Prasad, the Chief Executive Officer of the Company is the Grievance Redressal Officer under the Fair Practices Code who can be approached by the public for resolution of complaints against the Company in the below mentioned address:

Enorme Capital Private Limited, 422, Second Floor, Periyakulam Road, Theni – 625 531, Tamil Nadu, Mobile : +91 8807812515 Email address: vishnuprasad@enormecapital.com.

If the complaint / dispute is not redressed within a period of one month, the customer may appeal to the Officer-in-Charge of the Regional Office of Department of Non-Banking Supervision (DNBS), Reserve Bank of India, Fort Glacis, Rajaji Salai, Chennai - 600 001, Tamil Nadu, Tel: 044 25393406, under whose jurisdiction the registered office of the Company falls.

For the benefit of our customers, the above information on “grievances” will be displayed at our branches / places where business is transacted.

POSTING ON WEBSITE:

Fair Practices Code, preferably in the vernacular language or a language as understood by the borrower should be put up on the website of the Company for the information of various stakeholders.
