

Asia Capital Limited

CIN: L65993MH1983PLC342502

Registered Office

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FAIR PRACTICE CODE (FPC) GUIDELINES

1. PREAMBLE

The Company has adopted following practice to comply with the Reserve Bank of India circular DNBR (PD) CC.No.054/03.10.119/2015-16 dated July 01, 2015. The aim of adopting these practices is to have a transparent trade with customers and company with strong customer grievance redressal mechanism to be placed and also to comply the regulatory guidelines.

2. APPLICATIONS FOR LOANS AND THEIR PROCESSING

- a. All communications to the borrower shall be in the vernacular language or a language as understood by the borrower;
- b. Loan application forms should include necessary information which affects the interest of the borrower to bring transparency and fair practice. The loan application form shall contain the checklist containing list the documents required to be submitted along with the application form; and
- c. After receipt of application form from borrower, acknowledgement receipt clearly mentioning the time frame within which loan applications will be disposed of, shall be handed over to the borrower.

3. LOAN APPRAISAL AND TERMS/CONDITIONS

- a. The amount of loan sanctioned along with the terms and conditions including annualized rate of interest and method of application thereof, shall be conveyed in writing to the borrower in the vernacular language as understood by the borrower by means of sanction letter or otherwise and accepted copy of these terms and conditions by the borrower shall be kept on record. Penal interest charged for late repayment in bold in the loan agreement; and
- b. Copy of the loan agreement, preferably in the vernacular language as understood by the borrower, along with a copy each of all enclosures quoted in the loan agreement shall be furnished to all the borrowers at the time of sanction/disbursement of loans.

4. DISBURSEMENT OF LOANS INCLUDING CHANGES IN TERMS AND CONDITIONS

- a. Advance notice to the borrower shall be given 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. and it shall be also ensured that changes in interest rates and charges are affected only prospectively. A suitable condition in this regard shall be incorporated in the loan agreement;
- b. Post-disbursement supervision of all loans shall be in accordance with normal business practice, the terms of sanction and the guidelines issued by the Reserve Bank of India from time to time;
- c. Decision to recall/accelerate payment or performance under the agreement shall be carried only in consonance with the loan agreement; and
- d. 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 which the company may have against borrower shall be released. 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 NBFCs are entitled to retain the securities till the relevant claim is settled/paid.

5. GENERAL

- a. There shall be no interference in the affairs of the borrower except for the purposes provided in the terms and conditions of the loan agreement unless new information, not earlier disclosed by the borrower, has come to the notice of the Company;
- b. In case of receipt of request from the borrower for transfer of borrower account, the consent or otherwise i.e. objection of the Company, if any, shall 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; and
- c. In the matter of recovery of loans, undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans etc. is strictly restricted and is against the Company's code of conduct. Regular training to all staff that interacts with customers is organized for appropriate behaviour with customer.

6. RESPONSIBILITY OF BOARD OF DIRECTORS

The Board of Directors has designed appropriate grievance redressal mechanism within the organization to ensure that all disputes arising out of the decisions of 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 functioning of the grievances redressal mechanism. A consolidated report of such reviews may be submitted to the Board at regular intervals, as may be prescribed by it.

7. GRIEVANCE REDRESSAL MECHANISM

- a. Customer complain shall be first logged at nearest branch in complaint register where branch manager to be the first point of interaction with customer and if customer is not satisfied with the provided solution, then the same complain to be escalated to the senior authority as intimated to customer or to the Grievance Redressal Officer whose contact details shall be displayed at the branches;
- b. The following information shall be displayed prominently, for the benefit of their customers, at their branches/places where business is transacted:

Name and contact details (Telephone/Mobile nos. as also email address) of the Grievance Redressal Officer who can be approached by the public for resolution of complaints against the Company which are as under:

Managing Director/Grievance Redressal Officer

Asia Capital Limited

203, Aziz Avenue, CTS-1381,
Near Railway Crossing Vallabhbai Patel Road,
Vile Parle (W), Mumbai- 400056
Tel: +91-22-26100787/ 801/ 802
Email: asiacapitallimited@gmail.com

- c. 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 DNBS of RBI as under:

The General Manager

Reserve Bank of India

Department of Non-Banking Supervision

6 Sansad Marg
New Delhi-110 001

8. REPOSSESSION OF VEHICLES FINANCED BY THE COMPANY

The loan agreement of the Company shall contain necessary repossession clauses with relevant details thereof as prescribed by RBI from time to time.

9. INTEREST RATE

Appropriate internal principles and procedures in determining interest rates and processing and other charges shall be followed in line with the approved company policies from time to time. The rate of interest arrived shall be based on the weighted average cost of funds, administrative costs, risk premium and profit margin.

10. COMPLAINTS ABOUT EXCESSIVE INTEREST CHARGED

The Company shall lay out appropriate internal principles and procedures in determining interest rates and processing and other charges. In this regard the guidelines indicated in the Fair Practices Code about transparency in respect of terms and conditions of the loans are to be kept in view.

11. GRADATION OF RISK

The decision to give a loan and the interest rate applicable to each loan account shall be assessed on a case to case basis, based on multiple parameters such as the type of asset being financed, borrower profile and repayment capacity, borrower's other financial commitments, past repayment track record if any, the security for the loan as represented by the underlying assets, loan to value ratio, mode of payment, tenure of the loan, geography (location) of the borrower, end use of the asset etc.

The rates of interest are subject to change as the situation warrants and are subject to the discretion of the management on a case-to-case basis.

The rate of interest informed are annualized rates so that the borrower is aware of the exact rates that would be charged to the account.

12. PRIVACY AND CONFIDENTIALITY

All Personal Information of the borrowers shall be treated as Private and Confidential and shall be guided by the following principles & policies. We shall not reveal information or data relating to borrower accounts, whether provided by the customers or otherwise, to anyone, including our affiliates other than in the following exceptional cases:

- i. If the Company is required to provide the information to any statutory or regulatory body or bodies or otherwise required under any law;
- ii. If arising out of a duty towards the public to reveal the information;
- iii. If our interests require us to give the information (for example, to prevent fraud) but it shall not be used as a reason for giving information about the borrower or borrower's accounts (including customer name & address) to anyone else for marketing purposes;
- iv. If the borrower has authorized the Company to provide such information to its group/associate/entities or companies or any such person/ entity as specifically agreed upon;
- v. If we are asked to give a reference about a borrower, we shall obtain his/her written permission before giving it;
- vi. The borrower shall be informed the extent of his/her rights under the existing legal framework for accessing the personal records that we hold about him/her; and
- vii. We shall not use borrower's personal information for marketing purposes by anyone including ourselves unless the customer specifically authorizes us to do so.

13. REVIEW

In order to enhance the value and relevance to the borrowers, the Board of Director of the Company shall review the compliance with this Fair Practice Code, adopted by the Board periodically as per the requirement.
