



FAIR PRACTICE CODE

Approved by	Board of Directors
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Policy Owner/Contact	Principal Nodal Officer (email: compliance@experioncapital.com)

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1. Scope

1.1 Applicability

This Fair Practice Code ("**FPC**") applies to Experion Capital Private Limited ("**ECPL**" or the "**Company**") and to all the products and services offered by the Company. It shall also apply to all the employees of the Company.

1.2 Effective Date

This Policy is effective from 1st April 2024.

2. Objectives and Overview

The Company is a Non-banking Financial Company and classified as a Base Layer NBFC as per Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023. The business of Experion Capital is Real Estate/Infrastructure financing.

The Company has framed and adopted the FPC, which sets the standards for fair practice to be adopted by it while conducting lending business. The Code has been framed based on the Guidelines on Fair Practices Code and the Ombudsman Scheme for NBFCs ("**the Ombudsman Scheme**") prescribed by the RBI. It aimed to provide to all the stake holders, especially customers effective overview of practices followed by the company in respect of the financial facilities and services offered to its customers

2.1 Objectives of the Fair Practices Code

This code has been adopted

- To promote good and fair practices by setting minimum standards in dealing with customers.
- To increase transparency so that the customer can have a better understanding of the key terms & conditions governing the grant of Loan facility.
- To encourage market forces, through competition, to achieve higher operating standards; and
- To promote a fair and cordial relationship between customer and the company.

2.2 Interpretation

If at any point a conflict of interpretation/ information between this code and any Regulations, Rules, Guidelines, Notifications, Clarifications, Circulars, Master Circulars/ Directions by the Reserve Bank of India ("**RBI**") arise then,

interpretation of such Regulations, Rules, Guidelines, Notification, Clarifications, Circulars, Master Directions issued by RBI shall prevail.

3. Fair Practice Code Minimum Requirements

3.1. Applications for loans and their processing

- a) The Company will provide all required communications to its borrower in vernacular language, or a language as understood by the borrower.
- b) All loan application forms will contain necessary information relating to the terms and conditions governing the Loan and other relevant information affecting the interest of our customers. These forms would also list standard documents to be submitted with the application form. However, the Company may, depending on the credit underwriting requirements, require other documents from the customers as it may deem fit.
- c) The Company' representatives will explain to the customers the contents of various loan documents in the vernacular language, or a language as understood by the borrower.
- d) The Company will provide acknowledgement on receipt of a loan application, with the timeframe within which the application would be disposed-off; and
- e) The Company will consider all the documents submitted and the information provided, verify the credit worthiness of the customer and evaluate the proposal at its sole discretion. The Company shall further endeavor to intimate the status of all loan applications regarding its acceptance or rejection within the timeframe committed.

3.2 Loan Appraisal and Terms and Conditions

The terms of the loans are agreed within the Company and the Group/ Associate to the Company, and these are also captured in the documentation that is entered into in this regard. The Company shall convey by means of a sanction letter or otherwise in the vernacular language or a language as understood by the borrower the following particulars:

- Collateral Assets/ Property details, if any.
- Sanctioned Loan Amount.
- Annualized rate of Interest to be charged.
- Overdue interest.
- Cheque bouncing penalty.
- Tenor of loan.
- Instalment amount and Repayment frequency.

- EMI Commencement Date.
- Application Methods.
- Prepayment penalty, if any

The Company shall obtain an acceptance from the borrower on the said sanction letter with the borrowers' signature under the caption **"I/ WE ACCEPT ALL THE TERMS AND CONDITIONS WHICH HAVE BEEN READ AND UNDERSTOOD BY ME/ US"**.

The Company shall mention the penal interest charged for late repayment specifically or in bold letters in the loan agreement. The Company shall furnish a copy of the loan agreement along with each of the enclosures quoted in the loan agreement to the borrowers, preferably in the vernacular language as understood by the borrower.

3.3 PENAL CHARGES IN LOAN ACCOUNTS

Company will ensure that penalty, if charged, for non-compliance of material terms and conditions of loan contract by the Borrower shall be treated as 'penal charges' and shall not be levied in the form of 'penal interest' that is added to the rate of interest charged on the advances. There shall be no capitalization of penal charges i.e., no further interest computed on such charges. However, this will not affect the normal procedures for compounding of interest in the loan account of the Borrower. The quantum of penal charges shall be reasonable and commensurate with the non-compliance of material terms and conditions of loan contract without being discriminatory within a particular loan / product category.

The Company shall not introduce any additional component to the rate of interest and ensure compliance to the RBI guidelines in both letter and spirit.

The penal charges in case of loans sanctioned to 'individual borrowers, for purposes other than business', shall not be higher than the penal charges applicable to non-individual borrowers for similar non-compliance of material terms and conditions.

Whenever reminders for non-compliance of material terms and conditions of loan are sent to Borrower(s), the applicable penal charges shall be communicated by company. Further, any instance of levy of penal charges and the reason therefore shall also be communicated by company to the Borrower(s).

3.4 Interest Rate

The Company shall put in place appropriate internal principles and procedures to determine interest rates, processing and other charges. The Management has adopted Interest Rate Model taking into account relevant factors such as cost of funds, perceived risk & required margin and other factors such as Borrowers profile, location, project profile, project status, Security Profile and deal specifications etc.

3.5 Disbursement of Loans Including Changes in Terms and Conditions

- a) Any changes in the terms and conditions (which are deemed adverse to the borrower) including rate of interest rate, service charges, prepayment charges, repayment/ disbursement schedule etc. shall be informed to the borrower in the vernacular language or a language as understood by the borrower in writing.
- b) Changes in the terms relating to interest rates and other charges (which are deemed adverse to the borrower) shall be implemented with prospective effect only.
- c) The Company's decision to recall/ accelerate payment or performance under the loan agreement or seeking additional securities shall be in consonance with the loan agreement signed with the borrower.
- d) 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.
- e) The Company will release all securities upon repayment of all outstanding dues or realization of the loan amount, subject to any legitimate claims or liens the Company may have against the borrower. If the Company exercises a right of set-off, the borrower will be notified with full details of the remaining claims and the conditions under which the Company may retain or repossess the securities until the total outstanding dues are settled.

3.6. Guarantors

When a person intends to be a guarantor for a loan, such person shall be informed about:

- a) liability as guarantor.
- b) the amount of liability such person will be committing to the Company as guarantor.

- c) circumstances in which the Company may call on such person to pay up liability.
- d) whether liabilities as a guarantor are limited to a specific quantum or are they unlimited; and
- e) time and circumstances in which liabilities as a guarantor will be discharged as also the manner in which the Company will notify such person about this; the Company shall keep informed of any material adverse change/s in the financial position of the borrower for whom such person stands as a guarantor.

3.7. Privacy and Confidentiality

The Company shall treat the personal information of customers, even when the customer is no longer a customer, as “**private and confidential**”. The Company shall not reveal information or data relating to your accounts to anyone other than in the following exceptional cases:

- a) If the information is to be given as per the legal requirements.
- b) Duty towards public to reveal information.
- c) The Company’s interest requires giving information.
- d) The Company has consent/ permission from the customers.
- e) The Company’s representatives will inform the customer about his rights/ liabilities under the Laws of India for accessing the personal records that the Company holds about him/her.
- f) The Company will not use customer’s personal information for marketing purposes unless the customer specifically authorizes us to do so.

3.8. Collection of Dues

- a) Decision to recall any loan shall be made in accordance with the terms and conditions of the loan agreement.
- b) If any recovery proceedings need to be initiated, these shall be conducted in accordance with the rights provided under the Agreement and in accordance with legally valid norms. The Company will not resort to coercive measures (like persistently bothering at odd hours, use of muscle power, rude behaviors or harassment from any of the staff of the Company) for recovery of loan;
- c) The Company will have built in re-possession clause in the contract/ loan agreement with the borrower which must be legally enforceable.

- d) The Company will have the right to take possession of the Asset by giving notice to the Borrower to clear the dues or to hand over possession of the Asset in accordance with the terms and conditions of the Loan Agreement.
- e) To ensure transparency, the terms and conditions of the contract/loan agreement shall also contain provisions regarding:
 - i) notice period before taking possession of security.
 - 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 borrower for repayment of loan before the sale / auction of the security/ asset property.
 - v) the procedure for giving repossession to the borrower; and
 - vi) the procedure for sale / auction of the security/ asset/ property.
- f) The Company shall release all securities on repayment of all dues or on realization of the outstanding amount of loan subject to any legitimate right or lien for any other claims, the Company may have against the borrowers. 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 Company is entitled to retain the securities till the relevant claim is settled/ paid.
- g) 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:
 - i) payment of all dues by the customer.
 - ii) transfer of account and consequent settlement of all dues.
 - iii) closure of the loan file in due course following settlement as per agreement.
- h) In the event any other right or lien exists, the customer shall be notified about the same with full particulars thereof.

3.9. Ombudsman Scheme

- a) The Company will ensure that a suitable mechanism exists for receiving and addressing complaints from their customers with specific emphasis on resolving such complaints expeditiously and in a fair manner.

The Company will appoint Principal Nodal Officer(s) (PNO) and Nodal Officer(s) (NO) as required under the Ombudsman Scheme. The PNO/NO shall be responsible, inter alia, for representing the Company before the Ombudsman and the Appellate Authority under the Ombudsman Scheme.

The Grievance Redressal Officer (GRO) will act as PNO at the Head Office of the Company and shall be responsible for coordinating and liaising with the Customer Education and Protection Department (CEPD), RBI, Central Office.

- b) The Company will display prominently, for the benefit of their customers, at its branches/ places where business is transacted, the name and contact details (telephone number and email address) of the PNOs/NOs/GROs and the name and contact details of the Ombudsman, who can be approached by the customer.

In accordance with the Ombudsman Scheme, the Company will prominently display the salient features of the Scheme (in English, Hindi and Vernacular language) at all its offices and branches in such a manner that a person visiting the office or branch has easy access to the information.

The salient features of the Scheme along with the copy of the Scheme and the contact details of the Principal Nodal Officer shall be displayed and updated on the website of the Company

3.10. Grievance Redressal Mechanism

Customer Service is a key focus area for the Company. The Company believes in integrity, good governance, professionalism, transparency & client satisfaction while dealing with customer grievance

- a) **Channels to register a complaint:** Any customer having grievance/ complaint/ feedback with respect to the product and services offered by the Company may write to the Company through any of the following channels:

i) **Call at: 0124 628 1630**

ii) **Email: compliance@experioncapital.co.in**

iii) **Letter at the address-**

Mr. Arpit Agarwal

(Grievance Redressal Officer and Principal Nodal Officer)

Add: 8th Floor, Wing A, Milestone Experion Centre, Sector -15, Part-2, Gurugram, Haryana – 122001 (India)

How a complaint should be made: The customers are expected to provide necessary loan details i.e. Loan Account Number, Details of Feedback/ Suggestion/ Complaint and valid Contact Information including phone no. & e-mail ID while providing their feedback or lodging complaint with the Company.

- b) **When should customer expect a reply-** Each customer query/ complaint being unique in nature, the resolution of complaint may take up to 4 weeks

after internal investigation. The customer will be made aware regarding the same.

- c) **Escalation within the Company-** The name and contact details of the Grievance Redressal Officer/ Nodal officer who can be approached by the public for resolution of complaints against the Company are mentioned below:

Grievance Redressal – Contact Details

Mr. Arpit Agarwal, Grievance Redressal Officer and Principal Nodal Officer

Email: complinance@experioncapital.co.in

Phone: 0124 628 1630

- d) Escalation to the Reserve Bank of India- If reply is not received from the Company or the customer remains dissatisfied with the reply of the Company within a period of one month, apart from filing complaint before the Ombudsman appointed by the RBI as per the Ombudsman Scheme, the customer may appeal to the Officer-in-Charge of the Regional Office of Department of Supervision of RBI.

The details of Officer-in-Charge, DoS, RBI are given below:

General Manager, Department of Supervision, Reserve Bank of India 6, Sansad Marg, New Delhi – 110001, Reach out to RBI through - CMS Portal

- e) The Grievance Redressal Mechanism is placed on the Company's website.

3.11. General

- a) If the Company deems necessary, it shall verify the details mentioned by the customer in the loan application by contacting the customer at his/ her residence and/or business addressees through agencies/ representatives appointed by it for the purpose.
- b) The Company shall not discriminate between our customers on the basis of age, race, caste, gender, marital status, religion, or disability. However, this shall not preclude the Company from instituting or participating in schemes framed for different sections and age groups of the society.
- c) The Company shall refrain from interference in the affairs of the borrower except for the purposes provided in the terms and conditions of the loan agreement. However, if any information not previously disclosed by the borrower comes to its notice, the Company may take any suitable action as per its discretion.

- d) The Board of Directors of the Company or a committee constituted by the Board will conduct periodical review of the compliance with the FPC and the functioning of the Grievances Redressal Mechanism at various levels of management.
- e) The Fair Practice Code as revised from time to time shall be made available on the website of the Company.

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