

## **Fair Practices Code adopted by EXPLICIT FINANCE LIMITED**

### **A. (i) Applications for loans and their processing**

- (a) All communications to the borrower are the vernacular and English language.
- (b) Loan application forms include necessary information which affects the interest of the borrower, so that a meaningful comparison with the terms and conditions offered by other NBFs can be made and informed decision can be taken by the borrower. The loan application form also indicate the documents required to be submitted with the application form.

### **(ii) Loan appraisal and terms/conditions**

The company conveys in writing to the borrower in the vernacular and English language the amount of loan sanctioned along with the terms and conditions including annualised rate of interest and method of application thereof and keeps the acceptance of these terms and conditions by the borrower on its record.

### **(iii) Disbursement of loans including changes in terms and conditions**

- (a) The Company gives notice to the borrower in the vernacular and English language of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. and all the changes are prospectively. A suitable condition in this regard is incorporated in the loan agreement.
- (b) Decision to recall / accelerate payment or performance under the agreement are in consonance with the loan agreement.
- (c) The Company releases all securities on repayment of all dues.

### **(iv) General**

- (a) The Company does not interference in the affairs of the borrower except for the purposes provided in the terms and conditions of the loan agreement (unless information, not earlier disclosed by the borrower, has been noticed).
- (b) In case of receipt of request from the borrower for transfer of borrowal account, the consent or otherwise i.e. our objections, if any, are conveyed within 21 days from the date of receipt of request.
- (c) In the matter of recovery of loans, the Company does not resort to undue harassment viz; persistently bothering the borrowers at odd hours, use muscle power for recovery of loans etc.
- (d) The Company does not charge any foreclosure charges/ pre-payment penalties on all floating rate term loans sanctioned to individual borrowers.

### **(v) Responsibility of Board of Directors**

The Board of Directors of the Company has laid down the appropriate grievance redressal mechanism within the organization. The Board of Directors reviews periodically the compliance of the Fair Practices Code and the functioning of the grievances redressal mechanism at various levels of management.

**(vi) Grievance Redressal Officer**

(a) Mr. Gopal Dave, Director of the Company (9320478152/9820478152) email id: [davegopalb@rediffmail.com](mailto:davegopalb@rediffmail.com) is the Grievance Redressal Officer of the Company who can be approached by the public for resolution of complaints against the Company.

(b) It is made clear to the borrower that If the complaint / dispute is not redressed within a period of one month, he/she may appeal to the Officer-in-Charge of the Regional Office of DNBS of RBI, Mumbai.

**(vii) Language and mode of communicating Fair Practice Code**

Fair Practices Code is put up on their web-site of the Company, for the information of various stakeholders.

**(viii) Regulation of excessive interest charged by NBFCs**

(a) The Board of the Company charges an interest rate model taking into account relevant factors such as cost of funds, margin and risk premium and determine 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 is disclosed to the borrower or customer in the application form and communicated explicitly in the sanction letter.

(b) The rate of interest is annualised rate and the borrower is made aware of the exact rates that would be charged to the account.

**(ix) Complaints about excessive interest charged by NBFCs**

The Company charges interest rates as advised by the Reserve Bank from time to time and follows the same strictly.

**(x) Clarification regarding repossession of vehicles financed by NBFCs**

The company is not into Vehicle Financing.