

**FAIR PRACTICES CODE WITH REFERENCE TO RBI CIRCULAR NO. 2012-13/416/DNBS. CC.
PD NO. 320 /03.10.01/2012-13 DATED 18TH FEBRUARY, 2013
FOR NON-BANKING FINANCE COMPANIES**

The Board of Directors of the Company had adopted the Fair Practices Code in its meeting held on 20th October 2006 in accordance with Circular No. 80/03.10.042/2005-06 dated 28th September 2006 issued by the Reserve Bank of India.

The Reserve Bank of India (RBI) has revised the guidelines on Fair Practices Code for NBFCs to implement the same vide its Circular No. 2012-13/416/DNBS. CC. PD No. 320 /03.10.01/2012-13 dated 18th February, 2013. Accordingly the Company re-framed its Fair Practices Code and adopted the same in its meeting held on 1st September 2017. These Fair Practices Code will supersede the earlier Fair Practices Code adopted by the Company.

The Fair Practices Code, as mentioned herein below, is in conformity with these Guidelines on Fair Practices Code for NBFCs as contained in the aforesaid RBI Circular. This sets minimum Fair Practice standards for the Company to follow when dealing with customers. It provides information to customers and explains how the Company is expected to deal with them on a day to day basis. This policy applies to all customers including those with any complaints / enquiries as posted on social / any other media and we encourage all customers to reach out to the below platforms as required.

This Fair Practice Code applies to all Loans, guarantees and other products in the nature of financial assets irrespective of whether the same is provided physically, over the phone, on the internet or by any method whatsoever, existing or futuristic.

Objective of the Code

The code has been developed with an objective of:

1. Ensuring fair practices while dealing with customers.
2. Greater transparency enabling customers in having a better understanding of the product and taking informed decisions.
3. Building customer confidence in the Company.

Applications for Loans and their processing

1. All communications with the borrower shall be in the vernacular language or a language as understood by the borrower.
2. Loan application forms shall include detailed information relating to the terms and conditions governing the Loan and other relevant information, which affects the interest of the borrower which shall facilitate the borrower in making informed decision. The loan application form shall also contain the list of documents required to be submitted along with the application form.
3. The Company shall follow the system of issuing acknowledgement for receipt of all loan applications.

Loan appraisal and terms/conditions

1. The Company shall convey in writing to the borrower by means of approval letter/sanction letter or otherwise, the amount of loan approved/sanctioned - along with the terms and

conditions, including annualized rate of interest and method of application thereof. It would keep the acceptance of these terms and conditions by the borrower on the Company's files.

2. The Company shall furnish a copy of the loan agreement along with a copy each of enclosures, as applicable, to the borrowers at the time of disbursement of loans.
3. Penal interest, if any, charged on late payment shall be prominently mentioned in the Loan Agreement.

Disbursement of Loans including changes in Terms and Conditions

1. The Company shall give notice to all its borrowers (in vernacular language) of any change in the terms and conditions - including disbursement schedule, interest rates, service charges, prepayment charges etc. Changes, if any, in interest rates and charges shall be effected prospectively only. Further, a clause with effect to the same shall also be provided for in the loan agreement.
2. Decision to recall / acceleration of payment or performance shall only be in consonance with the loan agreement.
3. The Company shall release all securities on repayment of its full dues or on realization of the outstanding amount of loan subject to any legitimate right or lien for any other claim the Company may have against its 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 the Company is entitled to retain the securities till the relevant claim is settled / paid.

Complaints about excessive interest charged by the Company

The Company shall lay out appropriate internal principles and procedures in determining interest rates and processing and other charges.

General Provisions

1. The Company shall refrain from interference in the affairs of the borrower except for the purposes provided for 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).
2. 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 to the borrower within 21 days from the date of receipt of any request. Such transfer shall be as per transparent contractual terms in consonance with law.
3. In the matter of recovery of loans, the Company shall not resort to undue harassment - such as persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans, etc. Company shall ensure that the staff is adequately trained to deal with the customers in an appropriate manner.

Grievance Redressal Mechanism

1. The Board of Directors of company has laid down the appropriate grievance redressal mechanism within the organization to resolve disputes arising in this regard. Such a mechanism shall 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 also provide for periodical review of 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 reviews may be submitted to the Board at regular intervals, as may be prescribed by it.
2. The Company shall display the following information prominently, for the benefit of its customers, at the branches / places where business is transacted.
 - a. The 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. The Sales Head shall act as the Regional Grievance Redressal Officer who shall be responsible to address the Complaints of the Customers.
 - b. If the complaint / dispute is not redressed within a period of 1 month from the date of receipt of Complaint by the Grievance Redressal Officer, the Customer may appeal to the Officer-in-Charge of the Regional Office of DNBS of Reserve Bank of India, Department of Non- Banking Supervision, Delhi Regional Office, 6, Sansad Marg, RBI Building, P.B. No.123, New Delhi - 110001, under whose jurisdiction the registered office of the NBFC falls. Customer can also contact the Company at the details mentioned below:

The Company Secretary

Apex Home Finance Limited

Regd.Office: L-5&6, Green Park Extension, New Delhi- 110016

Tel: 011-26195042

Repossession Guidelines

Repossession clause shall be incorporated in the contract/loan agreement with the borrower which shall be legally enforceable. To ensure transparency, the terms and conditions of the contract/loan agreement shall also contain provisions regarding:

- Notice period before taking possession;
- Circumstances under which the notice period can be waived;
- Procedure for taking possession of the security;
- Provision regarding final chance to be given to the borrower for repayment of loan before the sale/auction of the property;
- Procedure for giving repossession to the borrower and
- For sale/auction of the property.

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

Wide Dissemination and Periodic Review

The Company Fair Practices Code outlined hereinabove is also hosted on the website of the Company, for the information of various stakeholders. The Fair Practices Code as outlined above shall be reviewed periodically by the Company, based on its own experience and fresh guidelines, if any, to be issued by the RBI in this regard.