

## **FAIR PRACTICE CODE**

(Approved by Board of Directors at the meeting held on May 15, 2007  
and further amended on August 14, 2015 and February 11, 2020 and May 21, 2022)

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**CAPRI GLOBAL CAPITAL LIMITED**

**CIN: L65921MH1994PLC173469**

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## **A – 1 Preamble:**

The Reserve Bank of India (RBI) has issued guidelines on Fair Practices Code for Non-Banking Finance Companies (NBFCs) thereby setting standards for fair business and corporate practices while dealing with their customers. Pursuant to the Notification issued by the Reserve Bank of India by its Circular No. DNBR (PD) CC.No.008/03.10.119/2016-17 dated September 01, 2016, updated as on April, 2022 and amended from time to time, CAPRI GLOBAL CAPITAL LIMITED either directly or through its subsidiaries and/or associates (hereinafter referred to as '**CGCL/ Company**') has formulated this Fair Practice Code to lay down the following procedures/practices in dealing with the business transactions. The Company shall adopt all the best practices prescribed by RBI from time to time and shall make appropriate modifications if any necessary to this Code to conform to the standards so prescribed.

It is, and shall be, the policy of CGCL to make available to all eligible qualified applicants, without discrimination on the basis of race, caste, color, religion, sex, marital status, age or handicap all financial products.

CGCL's policy is to treat all the clients consistently and fairly. The employees of CGCL will offer assistance, encouragement and service in a fair, equitable and consistent manner. CGCL will also communicate its Fair Practice Code (FPC) to its customers by uploading the FPC on its website.

CGCL will ensure that the implementation of the FPC is the responsibility of the entire organization. Its commitment to FPC will be demonstrated in terms of employee accountability, training, counselling, and monitoring, auditing programs and internal controls, and optimal use of technology.

CGCL's Management team is responsible for implementing the fair practices hereinafter detailed, and also to ensure that its operations reflect its strong commitment to all the stakeholders for offering in a fair and equitable manner, the various financial services and products including lending and that all employees are aware of this commitment.

The Fair Practice Code (FPC) is intended to cover the following areas:

- Applications for loans and their processing
- Loan appraisal and terms/conditions
- Disbursement of loans including changes in terms and conditions
- General Provisions
- Grievance redressal mechanism
- Interest Charged
- Responsibilities of Board of Directors
- Review

### **A. Applications for Loans and their Processing:**

1. All Communication to the borrower will be in vernacular language or a language as understood by the borrower. All relevant information pertaining to the loan will be made available in the relevant

loan application form(s), including the necessary loan information and documents required to be submitted together with the duly completed application form.

2. Loan application forms of CGCL will include necessary information which are likely to affect the interests of the prospective borrower, rate of interest and the approach of CGCL for gradation of risk and rationale for charging different rate of interest to different categories borrower so that a meaningful comparison with the terms and conditions offered by other Non-Banking Finance Companies can be made and an informed decision can be taken by the prospective borrower.
3. CGCL shall provide to the prospective borrower an acknowledgement for receipt of all loan applications. An indicative time frame within which loan applications will be disposed of will be mentioned in such acknowledgement.

**B. Loan appraisal and terms/conditions:**

1. Loan applications shall be assessed in accordance with the Company's credit appraisal process.
2. Upon approval of the loan, an agreement/sanction letter indicating the amount of loan sanctioned, annualized rate of interest applicable including method of application thereof along with the terms and conditions shall be conveyed in writing to the loan applicant in vernacular language or a language as understood by the borrower along with penal interest rate for late repayment in bold letters. A written acceptance of such terms and conditions shall be retained by the Company.
3. CGCL shall furnish a copy of the loan agreement as understood by the borrower along with a copy of all enclosures quoted in the loan agreement to the borrower.

**C. Disbursement of loans including charges in terms and conditions:**

- 1 The Company will refrain itself from changing the terms & conditions after the same have been settled at the time of initial sanction and disbursement of loan unless receipt of any significant information which were not disclosed earlier by the borrower.
- 2 Any changes to the terms and conditions, including disbursement schedule, interest rates, service charges, prepayment charges, etc. shall be informed individually to the borrowers in case of account specific changes and in case of others, the same shall be available at the registered office /corporate office of the Company. All the communication intimating change in terms & conditions shall be in vernacular language or language as understood by the borrower.
- 3 Changes in the interest rate and charges shall form part of loan agreement and shall be effected only prospectively.
- 4 Decision to recall / accelerate payment or performance under the agreement shall be accordance with the terms and conditions duly acknowledged by the borrower.
- 5 All securities pertaining to the loan would be released on receipt of full and final payment of the loans, subject to any legitimate right or lien for any other claim that Company may have against the borrower. If such right to 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 until the relevant claim is settled / paid.

**D. General Provisions:**

1. The Company shall not interfere in the affairs of the borrower except for the purposes provided in the Loan Agreement (unless information, not earlier disclosed by the borrower, has been noticed).
2. In case of receipt of a request from the borrower for the transfer of the borrower's 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 such request. Such transfer shall be as per transparent contractual terms in consonance with law.
3. Customer complaints if any raised shall be resolved within 30 business days from the date of receipt of complaints.
4. In the matter of recovery of loans, CGCL shall follow the usual measures as per the laid down guidelines and existing provisions and would operate within the framework and in compliance with the applicable laws and regulations.
5. The Company would not resort to undue harassment, viz persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans etc. In this regard, CGCL has an established code of conduct for debt collection wherein our staff or any person authorized to represent the Company in collection of dues are extensively trained to deal with customers in an appropriate manner.
6. CGCL will not charge foreclosure charges / pre-payment penalties on all floating rate term loans sanctioned for the purposes other than business to individual borrowers, with or without co applicant(s).
7. The 'Vernacular Declaration' shall be taken from all the customers "in case they are unable to understand the contents in a Language other than the Vernacular Language.
8. At our branches, we display the name and contact details (Telephone / Mobile nos. / Email Address) of the Grievance Redressal Officer, Regional Office of the RBI and Grievance Redressal Mechanism followed by the Company.

**E. Grievance Redressal Mechanism:**

1. CGCL aims to provide best customer service and is consistently striving on creating a robust and efficient customer platform.
2. CGCL will guide customers who wish to lodge a complaint and provide guidance on what to do in case the customer is unhappy with the outcome.
3. After examining the matter CGCL will send a response as soon as possible; CGCL will also guide a customer on how to take the complaint further if the customer is not satisfied.

4. The Company shall appoint Nodal Officer / Principal Nodal officer in accordance with ombudsman scheme for Non-Banking Financial Companies, 2018.
5. In case of any complaint / grievance, the customers can reach us at any of the following:
  - Name of the Officer – Mr. Ashok Agrawal, Nodal Officer
  - Designation – Associate Director
  - Telephone: **022-43548200 / 022-66518011** Fax: **022-22019051**
  - Website : [www.capriglobal.in](http://www.capriglobal.in)
  - E.- Mail : [nodal.officer@capriglobal.in](mailto:nodal.officer@capriglobal.in)
6. All grievances shall be heard and disposed off by a person at least one level higher to the person/designation against / relating to whom the grievance is made. After examining the matter, it will be our endeavor to provide the borrower / applicant with our final or other response within a period of one (1) month from receipt of such complaint / grievance.
7. 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 at:

Office – In – Charge,  
Dr. Neena Rohit Jain  
C/O Reserve Bank of India, 4<sup>th</sup> Floor, ,  
Opposite Mumbai Central Railway Station,  
Byculla, Mumbai – 400008  
STD Code : 022  
Tel No. 23022028  
E – Mail - [crpc@rbi.org.in](mailto:crpc@rbi.org.in)
8. The Nodal Officer shall periodically review the implementation and compliance with this code indicating quarter. A report to this effect shall be provided by the Nodal officer for perusal of the Board every quarter.

**F. Interest Charged:**

1. To ensure that there the customers are not charged excessive interest rate and charges on loans and advances by the company, the Board of the Company has adopted a Policy for determining Interest Rates, Processing and Other Charges “Interest Rate Policy” and the same has been put up on company’s web site.
2. The Company had laid down appropriate internal principles and procedures in determining interest rates and processing and other charges.
3. The Company would adopt an interest rate model taking into account relevant factors such as, cost of funds, margin and risk premium etc. and determine the rate of interest to be charged for loans and advances.

4. The rate of interest will be annualized rate so that the borrower is aware of the exact rate that would be charged to the account.
5. The rates of interest and the approach for gradation of risks shall also made available on the web site of CGCL or published in the relevant newspapers. Whenever there is a change in the rates of interest CGCL must publish the required changes on the website of CGCL.

**G. Responsibilities of Board of Directors:**

The Board of Directors of CGCL shall lay down the appropriate grievance redressal mechanism to ensure that all disputes arising out of the decisions of lending institutions' 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 Practice Code and the functioning of the grievance's redressal mechanism at various levels of management. A consolidated report of such reviews shall be submitted to the Board at regular intervals, as may be prescribed by them.

**H. Review:**

A periodical review of the Fair Practice Code and the functioning of the grievance's redressal mechanism at various level of management would be undertaken by the Company.

The Company Shall abide by this Fair Practice Code following the spirit of the code and in the manner, it may be applicable to its business.

The Company shall put the above Fair Practice Code outlined hereinabove on its website, for the information of various stakeholders. The Company would also review and refine the FPC, as may be required **periodically** once in every 2 years – bases on its own experience and fresh guidelines, if any, to be issued by the Reserve Bank of India in this regard. Onus of review of this FPC guidelines lies with the Compliance and Policy department.