

SRIKARA FINANCE & INVESTMENTS PRIVATE LIMITED

CIN : U85110KA1992PTC012898

FAIR PRACTICE CODE

1. Introduction

Srikara Finance & Investments Pvt.Ltd has adopted the Fair Practice Code while dealing with customers as required in terms with RBI circular RBI/2006-07/138 dt.28-09-2006 and thereafter revised from time to time. Now latest guidelines as per master circular No.CC 232 dt.01-07-2011 and revised July 2, 2012 with reference to the revised circular issued on March 26, 2012.

Presently, the Company is not engaged in the following business

1. Vehicle Loan
2. Gold/ Jewellery Loan
3. Housing Loan
4. Micro Finance / Credit

(i) Applications for loans and their processing

(a) All communications to the borrower will be in the English language or a language as understood by the borrower.

(b) Loan application forms will include necessary information which affects the interest of the borrower, so that a meaningful comparison with the terms and conditions offered by other NBFCs can be made and informed decision can be taken by the borrower. The loan application form will have the list of documents required to be submitted with the application form.

(c) The Company will issue acknowledgement for having received the application and will also indicate the time of disposal, which shall not be more than 7 days from the receipts of application.

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(ii) Loan appraisal and terms/conditions

Srikara Finance & Investments Pvt.Ltd will convey in writing to the borrower in the English language or as understood by the borrower by means of sanction letter or otherwise, the amount of loan sanctioned along with the terms and conditions including annualised rate of interest and method of application thereof and keep the acceptance of these terms and conditions by the borrower on its record. Presently the Company has no policy of charging higher rate of interest in the event of delay in repayment.

The Company shall furnish a copy of the loan agreement in English or in language as understood by the borrower along with a copy each of all enclosures quoted in the loan agreement to all the borrowers at the time of sanction / disbursement of loans.

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

(a) The Company will give notice to the borrower in English language or as understood by the borrower of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. Company will also ensure that changes in interest rates and charges are effected only prospectively. A suitable condition in this regard will be incorporated in the loan agreement.

(b) Decision to recall / accelerate payment or performance under the agreement shall be in consonance with the loan agreement.

(c) Company will release 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, if have against borrower. If such right of set off is 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.

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(iv) General

(a) The Company will refrain from 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 lender).

(b) In case of receipt of request from the borrower for transfer of borrowal 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.

(c) In the matter of recovery of loans, the Company shall not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans, etc. As complaints from customers also include rude and good behavior from the staff. The Company shall ensure that the staff are adequately trained to deal with the customers in an appropriate manner.

(v) The Board of Directors of the Company has also lay down grievance redressal mechanism within the organization to resolve disputes arising in this regard. Such a mechanism should 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 will 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 shall be submitted to the Board at regular intervals, as may be prescribed by it.

(vi) Regulation of excessive interest charged in certain cases:

(a) The rate of interest and the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers shall be disclosed to the borrower or customer in the application form and communicated explicitly in the sanction letter.

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

The Board has laid down appropriate internal principles and procedures in determining interest rates and processing and other charges.

The staff and concern official are trained accordingly and maintain good relation in dealing with customers.

In case of any problem the customers are welcomed to complain to Board of Directors.