

Energize Management Private Limited (EnerCap)



FAIR PRACTICE CODE

Introduction

Reserve Bank of India has introduced the guidelines on Fair Practices Code (FPC) for Non Banking Finance Companies in 2006 which sets the fair practices standards when dealing with individual customers and to serve as a part of Corporate practice.

RBI has issued various circulars on FPC from time to time and latest being consolidation of all the circulars dated 30/06/2015. Accordingly EnerCap (Company) is introducing FPC based on the guidelines issued by RBI.

Board of Directors of the EnerCap had detailed discussion on various aspects of FPC and Guidelines to be adopted by the EnerCap.

EnerCap intends to compliance of fair practices while meeting the loan needs of the customers. The EnerCap is catering to the customers' needs through following lending schemes :

1. School Fees Finance
2. Tuition Fees Finance
3. Coaching Classes Fees Finance
4. Vocational Courses Fees Finance
5. Skillset Development Courses Fees Finance
6. Executive Courses Fees Finance
7. Graduations Courses Fee Finance

EnerCap intends that the business shall be conducted in accordance with the prevailing statutory and regulatory requirements with due focus on efficiency, customer-orientation and corporate governance principles.

Availability Of Loan Needs To Public

All financial products and services shall be made available to all eligible qualified applicants, without discrimination on the basis of race, caste, colour, religion, sex, marital status, age or handicap. Products offered by EnerCap and / or which will be introduced in future shall be covered under FPC.

Scope Of FPC

EnerCap's fair lending practices applies across all aspects of its operations including marketing, loan origination, processing, and servicing and collection activities. The Company shall ensure that all employees are aware of FPC through training, counselling, and monitoring, auditing programs and internal controls etc.

Board's Commitment

The Board of Directors and the Top management team are committed to implement FPC in all aspects of EnerCap's working which related to customers.

Responsibility of Board of Directors

- a. The Board of Directors of the Company have approved proper grievance redressal mechanism within the organisation comprising Chief Administrative Officer; Chief Manager, Audit at Head Office level and Branch Managers at field level to resolve disputes arising in this regard. This Forum will ensure that all the disputes arising out of the decisions the Company's functionaries are heard and disposed of at least at the next higher level.
- b. There will be a 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 will be submitted to the Board at regular intervals.

Coverage Of FPC

- School Fees Finance
- Tuition Fees Finance
- Coaching Classes Fees Finance
- Vocational Courses Fees Finance
- Skillset Development Courses Fees Finance
- Executive Courses Fees Finance
- Graduations Courses Fee Finance

EnerCap's key Commitments To Customers

- a. Act fairly and reasonably in dealings with customers by ensuring that: The products and services the EnerCap offers and the procedures and practices it follows, will meet the commitments and standards in this Code. EnerCap's dealings with customers will rest on ethical principles of integrity and transparency.
- b. Support and help customers to understand products by providing information about them in simple language.
- c. Deal quickly and sympathetically with any errors and omissions by: Correcting mistakes quickly, Handling customer's complaints quickly, Telling customers' how to take their complaint forward if they are still not satisfied, Reversal of any charges/interest levied erroneously or through oversight on a customer's account.

Sales & KYC

EnerCap while dealing with potential customers:

1. Give clear information explaining the key features of the services and/ or products in which the customer has shown interest and how they meet his requirements.

Knowledge the customer about the documentary information required from him to fulfil its 'Know Your Customer (KYC) norms, establish the customer's identity and any other documents required to comply with legal and regulatory requirements in force from time to time. The Board of

Directors have accepted KYC policy and strict adherence to obtain the KYC documents while financing new customer. The following KYC documents duly self attested by the customer are accepted and kept on record. The Audit Team checks and confirms that proper KYC documents are obtained by the company or its branches.

The Audit Team reports discrepancies in KYC documents to Branches and timely rectification thereof is completed.

Documents for Identify proof - (any one):

- a. Aadhar Card
- b. PAN card

Documents for Address Proof (any one)

- a. Electricity Bill
- b. Passport

Charges / Fees

EnerCap shall ensure that charges / fees are properly informed to the borrower. Terms and conditions pertaining to the facility will be informed to the prospective borrowers.

Grievance

Grievance Redressal Officer at the Operational level, will display the following information prominently, for the benefit of our customers, at all our branches and places where business is transacted: The name and contact details (Telephone/Mobile nos, as also email address) of the Grievance Redressal Officer/s who can be approached for resolution of complaints against the Company. 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 (complete contact details), under whose jurisdiction the registered office of the Company falls., The grievance redressal mechanism followed by the Company shall be uploaded on Company's web site together with details of the Grievance Redressal Officer of the Company and of the Regional Office of the RBI.

Grievance Redressal

Board of Directors have approved formation of Grievance Redressal Mechanism. Any disputes arising out of the lending decisions / matters pertaining to products will be resolved by a Grievance Redressal mechanism set up.

Applications For Loans And Their Processing

- a. All communications to the borrower shall be in the language as understood by the borrower.
- b. The loan application form will indicate the documents required to be submitted with the application form.

Loan Appraisal & Terms/Conditions

- a. EnerCap will convey in writing to the borrower in the language as understood by the borrower by means of sanction letter, 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.
- b. EnerCap will mention the penal interest charged for late repayment in the loan agreement.
- c. EnerCap will provide a copy of the loan agreement to the borrowers on his demand.

Disbursement Of Loans Including Changes In Terms And Conditions

- a) EnerCap will give notice to the borrower in the language as understood by the borrower of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. The Company ensure that changes in interest rates and charges are effected only prospectively. A suitable condition in this regard has been incorporated in the loan agreement.
- b) b) Decision to recall / accelerate payment or performance under the agreement will be in consonance with the loan agreement.

EnerCap 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 company may have against borrower. If such right of set off is to be exercised, the borrower will be given notice about the same with full particulars about the remaining claims and the conditions under which EnerCap is entitled to retain the securities till the relevant claim is settled/paid.

General

- a. EnerCap 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 EnerCap .
- b. In case of receipt of request from the borrower for transfer of borrower's account, the consent or otherwise i.e. objection of EnerCap , if any, will be conveyed within 21 days from the date of receipt of request. Such transfer shall be as per transparent contractual terms in consonance with laws, as applicable from time to time.
- c. In the matter of recovery of loans, EnerCap will not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans, etc. To avoid rude behaviour from the staff of EnerCap with Customers, EnerCap shall ensure that the staff is adequately trained to deal with the customers in an appropriate manner.
- d. EnerCap will apply foreclosure charges / pre-payment penalties on all floating rate term loans sanctioned to individual borrowers, with immediate effect.

Language And Mode Of Communicating Fair Practice Code

Fair Practice Code preferably in the language as understood by the borrower will be put up on the website of the Company for the information of various stakeholders.

Regulation Of Excessive Interest Charged by NBFCs

- a. EnerCap , for determining the rate of interest to be charged on loans and advances, processing and other charges is taking into account relevant factors such as, cost of funds, margin and risk premium, etc. The prevailing market rate in the industry is the guiding factor.
- b. The rate of interest shall be annualised rates so that the borrower is aware of the exact rates that would be charged to the account

Complaints About Excessive Interest Charged

EnerCap has a Core Group of senior executives to study internal principles and procedures in determining interest rates and processing and other charges. In this regard the guidelines indicated in the Fair Practices Code about transparency in respect of terms and conditions of the loans shall kept in view.

Confidentiality

- a. Unless authorized by the customer the EnerCap treats all personal information as private and confidential
- b. Unless authorized by the customer, the EnerCap will not reveal transaction details to any other entity unless we have to provide the information by statutory or regulatory laws or as asked for by RBI / Govt. Authorities.

EnerCap will not give / part with information about customers to anyone else for marketing purposes.

Feedback And Suggestions

EnerCap request its customers to provide feedback on our service to help us to improve our services. Customers can give their feedback and suggestions via our Whatsapp Bot "Bani" or by sending us email.

Miscellaneous

Currently all the product offering are unsecured and are offered without collateral.