



OMKARA ASSETS RECONSTRUCTION PRIVATE LIMITED

POLICY ON FAIR PRACTICE CODE

JUNE 2026

POLICY APPROVAL DETAILS

Name of the Policy	Policy on Fair Practice Code
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Periodic Review	Yearly or till the next review

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GLOSSARY

Abbreviation	Full Form
Omkara ARC / OARPL / Company	Omkara Assets Reconstruction Private Limited
ARC	Asset Reconstruction Company
QBs	Qualified Buyers
RBI	Reserve Bank of India
SARFAESI	Securitization and Reconstruction of Financial Assets and Enforcement of Securities Act, 2002
SR(s)	Security Receipts

1. INTRODUCTION TO THE POLICY

Omkara Assets Reconstruction Private Limited (hereinafter referred to as OARPL), registered as an Asset Reconstruction Company with the Reserve Bank of India (RBI) under Section 3 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act), is predominantly engaged in the business of securitisation and reconstruction of financial assets acquired from Banks and Financial Institutions, as defined under Section 2(ba) of the SARFAESI Act. The stressed financial assets are acquired either in its own books or in Trusts floated by OARPL who also acts as an Investment Manager / Trustee for the trusts and subsequently resolve the said assets. In terms of the provisions of Section 7 of the SARFAESI Act, the Company can raise funds from Qualified Buyers (QB) for acquisition of financial assets by formulating schemes in the nature of Trusts and by offering Security Receipts (SRs) issued by the said Trust. QBs investing in the Trusts are issued Security Receipts (SRs) against their subscription to the schemes and such SRs represent the undivided right, title or interest of the SR holders in the financial assets acquired by the said Trust and OARPL holds the financial assets so acquired in trust for the benefit of the SR holders.

In its ordinary course of business, OARPL deals with multiple banks, financial institutions, investors, borrowers, guarantors, service providers etc. In order to maintain transparency and fairness in all its arrangements, OARPL has framed and adopted a Code in accordance with the RBI guidelines. This Code may be called “The Fair Practice Code” and shall come into force and become applicable from the date of approval by Board of Directors of OARPL.

2. DEFINITION

The definitions of some of the key terms used in this Policy are as below:

- a. **“OARPL”** means the Omkara Assets Reconstruction Private Limited.
- b. **“SARFAESI** means Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
- c. **“The Policy” or “this Policy”** means Fair Practice code of OARPL.
- d. **“Customer”** means any borrower of OARPL and/or the securitisation trusts or others with a legal interest in the assets or loans managed by OARPL. It includes any person having some form of business relationship with OARPL i.e., borrowers of OARPL or buyers of the collateral assets or buyers of the financial assets (e.g., others ARC purchasing financial assets from OARPL), etc.

3. OBJECTIVE AND SCOPE

The key objectives of the Policy are:

- a. To act fairly and reasonably in all the dealings with stakeholders.

- b. OARPL will make every attempt to ensure that its customers would have trouble-free experience in dealing with OARPL. However, in case of commission of errors and/or omissions,
 - i. It shall deal with the errors promptly and effectively.
 - ii. Provide grievance redressal in a quick and efficient manner and to the satisfaction of the customers.
 - iii. Prompt handling of complaints.
- c. To implement the Direction issued by the Reserve Bank of India (RBI) on Fair Practices Code for Asset Reconstruction Companies vide Notification No. DOR.NBFC(ARC) CC. No. 9/26.03.001/2020-21 dated 16th July 2020 or any other circulars issued by RBI from time to time.
- d. This Code intends to provide a framework to ensure that OARPL is rational and meets the regulatory specification while performing its obligations.

4. FAIR PRACTICES

I. ACQUISITION OF FINANCIAL ASSETS

- a. Acquisition of financial assets made by OARPL shall be in compliance with all applicable laws, rules, regulations and other functions prescribed under the SARFAESI Act, as well as other applicable laws, guidelines and directions issued by the RBI from time to time.
- b. OARPL also adheres to its Board approved Policy on Acquisition of Assets framed in accordance with the SARFAESI Act and RBI Directions and Guidelines in the acquisition process.
- c. OARPL commits to follow a transparent and non-discriminatory practice in the acquisition of financial assets. Further, the financial assets shall be acquired from selling banks or financial institutions on arms' length basis where acquisition price shall be derived based on acquisition policy of OARPL.

II. RESOLUTION OF FINANCIAL ASSETS

OARPL has in place a Board approved 'Resolution Policy of Financial Assets', the stressed assets acquired by OARPL are resolved in accordance with the same. Attempts are first made to resolve the account in the hands of original / existing promoters. For resolution, OARPL shall follow all the resources available under its legal framework and formulate a suitable strategy to resolve the financial assets acquired by it in accordance with Resolution policy of Financial Assets as approved by its Board.

III. ENGAGEMENT OF RECOVERY AGENTS

For recovery / resolution of stressed assets, OARPL shall ensure that the borrower may be treated fairly and without prejudice. Further, it shall ensure that the staff are adequately trained to deal with the customers in an appropriate manner. For the cases which are outsourced to Recovery Agents, OARPL has a policy specifying the 'Code of conduct for recovery agents' duly approved by the board and ensure that the Code of conduct is strictly adhered by the Recovery Agents.

OARPL shall ensure that recovery agents are properly trained to handle their responsibilities with care and sensitivity, particularly in respect of aspects such as hours of calling, privacy of customer information, etc. OARPL will further ensure that recovery agents do not induce adoption of uncivilized, unlawful and questionable behavior or recovery process. OARPL, as principal, shall remain responsible for actions of the recovery agents appointed by it.

IV. SALE OF SECURED ASSETS

OARPL shall maintain transparency and fairness in sale of secured assets and shall abide by all the applicable laws and rules. Omkara ARC shall undertake the following:

- a. Invitation for participation in auction of secured assets wherever necessary shall be publicly solicited as per SARFAESI Act, 2002, so as to enable participation of as many prospective buyers as possible.
- b. Terms and conditions of such sale wherever required, may be decided in wider consultation with holders of Security Receipts issued under the respective Trust (formed under the Indian Trust Act, 1881) and as per SARFAESI Act, 2002.
- c. Spirit of Section 29A of Insolvency and Bankruptcy Code, 2016 shall be followed while dealing with prospective buyers of the secured assets, provided that the rights and obligations bestowed by the provisions of the SARFAESI Act as well as other applicable Acts are also adhered to. An Undertaking to this effect shall be taken from the bidder.

V. RELEASE OF SECURITIES & GUARANTEES

- a. OARPL will release all securities including guarantees only on receipt and realization of entire outstanding dues or settlement amount of loan subject to any legitimate right or lien for any other claim that OARPL or other creditors, may have against the borrower / guarantor.
- b. OARPL shall return to the borrower all the securities, documents, title deeds of mortgaged property and issue no-due certificate without any delay after receipt of all the outstanding dues.

c. ¹Release of original property documents on repayment of personal loans

(i) Timeline and procedure

(i) The Omkara ARC shall release all the original property documents and remove charges registered with any registry, within a period of 30 days after full repayment/settlement of the loan account.

Note: Personal loans refer to loans given to individuals and consist of consumer credit, education loan, loans given for creation/enhancement of immovable assets (housing, etc.), and loans given for investment in financial assets (shares, debentures, etc.)

(ii) In order to address the contingent event of demise of the sole borrower or joint borrowers, Omkara ARC shall have a well laid out procedure for return of original movable/immovable property documents to the legal heirs. Such procedure shall be displayed on the website of the ARC, along with other similar policies and procedures for customer information.

(ii) Compensation for delay

(i) In case of delay in releasing of original movable/immovable property documents or failing to file charge satisfaction form with relevant registry beyond 30 days after full repayment/settlement of loan, the ARC shall communicate to the borrower reasons for such delay. In case where the delay is attributable to the Omkara ARC, it shall compensate the borrower at the rate of Rs.5,000/-for each day of delay.

(ii) In case of loss/damage to original movable/immovable property documents, either in part or in full, the Omkara ARC shall assist the borrower in obtaining duplicate/certified copies of the movable/immovable property documents and shall bear the associated costs, in addition to paying compensation.

Note: An additional time of 30 days is available to the Omkara ARC to complete this procedure and the delayed period penalty shall be calculated thereafter (i.e., after a total period of 60 days).

(iii) The compensation provided under these directions shall be without prejudice to the rights of a borrower to get any other compensation, as per any applicable law.

VI. MANAGEMENT FEES, INCENTIVES AND EXPENSES

OARPL shall charge/claim Management Fees, Incentives and Expenses from the respective Trust formed under Section 7 of the SARFAESI Act, in accordance with the terms of assignment of the financial assets as agreed by the seller bank/financial institution and prospective holders of SRs.

OARPL shall ensure that the aforesaid management fees / incentives / expenses / yields on SRs and upside income shall be calculated and recognized as per the

¹ Inserted vide Board Resolution dated May 28, 2026

income recognition norms stipulated by RBI from time to time. OARPL shall ensure that the management fees / incentives claimed from the trusts under its management are reasonable and proportionate to the size and tenure of the transaction as duly negotiated and approved by the stakeholders. All expenses, fees, incentives, and any other financial terms shall be recorded in the Assignment Agreement.

VII. OUTSOURCING OF ACTIVITIES

OARPL has in place a comprehensive ‘Outsourcing Policy’ approved by the Board which lays down the criteria for selection of such activities to be outsourced as well as service providers, delegation of authority depending on risks and materiality and systems to monitor and review the operations of these activities/ service providers. The Policy ensures that the outsourcing arrangements neither diminish the ability of OARPL to fulfil its obligations to the clients and the RBI nor impede effective supervision by RBI.

Any outsourced agency, if owned/controlled by a director of OARPL, shall be disclosed as per RBI Guidelines. The activities outsourced by OARPL will continue to be governed by the provisions of the existing Policy.

VIII. GRIEVANCE REDRESSAL MECHANISM

OARPL has in place a Board approved ‘Grievance Redressal Policy’ and the time frame to resolve the complaints lodged by the stakeholders have been decided by the Board of Directors in the said policy and the Grievance Redressal Officer has been designated who shall ensure that the grievances are resolved within the given time frame.

IX. RECORD MANAGEMENT

OARPL shall maintain proper record of recovery related communication with customer.

X. CONFIDENTIALITY

- a. OARPL shall maintain complete confidentiality of all the information acquired by it during the course of its business functions.
- b. Unless authorized by the borrower, OARPL will treat borrower’s personal information as private and confidential.
- c. OARPL shall not reveal the information of the borrowers, they come to acquire in course of the business, to any other persons except under following circumstances:

- i. If OARPL is required to provide the information as required by law.
 - ii. If arising out of a duty to the public to reveal the information.
 - iii. If the borrower has permitted OARPL to provide such information.
- d. Recovery agents shall be sensitized on matters related to recovery of dues and follow the RBI guidelines.

XI. REGULATORY REFERENCES

Circular on Fair Practices Code for Asset Reconstruction Companies dated July 16, 2020.

XII. POLICY REVIEW AND UPDATE

The Fair Practice Code will be displayed on the website of OARPL for information of all stakeholders. The Fair Practice Code shall be reviewed and updated as and when there is any change in any legal and/or regulatory framework or at least annually for incorporating regulatory updates and changes, if any. The Code after such review shall be placed before the Board of Directors of OARPL for necessary directions and approval.