

NALWA SONS INVESTMENTS LIMITED

FAIR PRACTICES CODE-NSIL

The Reserve Bank of India (RBI) has issued guidelines on the Fair Practices Code for Non Banking Finance Companies (NBFCs) to maintain standards for fair business and corporate practices while dealing with their customers. Nalwa Sons Investments Limited (NSIL) 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 comply to the standards so prescribed.

It is, and shall be, the policy of Nalwa Sons Investments Limited (NSIL) that it will not discriminate the customers in financial dealings on the basis of race, caste, religion, sex, marital status, age or handicap. NSIL's policy is to treat all the clients consistently and fairly. NSIL will also communicate its Fair Practices Code (FPC) to its customers by uploading FPC on its website.

- A. This code may be know as “**Fair Practices Code-NSIL**” hereinafter referred to as “the Code”
- B. This Code has been made pursuant to Reserve Bank of India Circular DNBS (PD) CC No. 80 / 03.10.042 / 2005-06 dated September 28, 2006.
- C. The Board of Directors have approved and adopted this Code on 31st October, 2006.

D. **Objective**

To provide assurance to the borrowers of the Company's commitment to fair business and corporate practices.

E. **Applicability**

This Code applies to the following areas:

1. **Applications for loans and their processing and appraisal:**

- a. NSIL will accept application for loans containing details inter alia fees/charges, if any payable of processing of application, pre-payments options and other terms and conditions that may affect the interest of borrower.
- b. The loan application form shall indicate the documents required to be submitted along with the application form to prove the identity of the borrowers.
- c. All the terms and conditions will be fair and will state the customer's right and responsibilities clearly in plain language.
- d. NSIL will acknowledge the receipt of all loan applications.

- e. NSIL will verify the loan applications within a reasonable period of time.
- f. NSIL will properly assess the applications made by the borrowers in line with its policies and procedures.
- g. NSIL will convey in writing to the borrower the amount of loan sanctioned along with the terms and conditions including rate of interest disbursement schedule etc.

2. Disbursement & Recovery of loans including changes in terms and conditions:

- a. NSIL will ensure timely disbursement of loans sanctioned in conformity with the terms and conditions governing such sanction.
- b. NSIL will give notice to the borrower of change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc.
- c. In case of recovery of Loans, NSIL will resort only to remedies, which are legally and legitimately available to it and will strictly observe due process of law.
- d. NSIL will carry out any decision to recall / accelerate payment or performance only in consonance with the terms and conditions governing loans.
- e. NSIL 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 the Company may have against borrower with prior notice to the borrowers.
- f. NSIL will not interfere in the affairs of the borrower except for the purposes provided in the terms and conditions governing loans.
- g. In case of receipt of request for transfer of borrower account to other NBFC, bank or financial institution, the consent or objection 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 law.

3. Grievance Redressal Mechanism:

Disputes arising out of the decisions of the Company's functionaries would be disposed of at the next higher level.

4. Review:

A review of compliance of the Code and the functioning of the Grievance Redressal Mechanism would be done by the Board of Directors from time to time.

5. Amendments:

The Board may amend the provisions of this Code from time to time. Unless otherwise specified, such amendments shall be effective from the date of the Board meeting at which such amendments are approved.

6. Confidentiality:

NSIL will treat all the personal information of customers as private and confidential unless authorized by the customer. NSIL will not reveal transaction details to any body unless it is required to provide under any statutory or regulatory laws and it is under duty to the public to reveal this information.

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