

FAIR PRACTICE CODE

(વાજબી પ્રેક્ટિસ કોડ)

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE MEETING OF THE BOARD OF DIRECTORS OF THE COMPANY NALIN LEASE FINANCE LIMITED HELD ON WEDNESDAY, 8th DAY OF NOVEMBER, 2024 AT GANDHI NURSING HOME BLDG DR. NALINKANT GANDHI ROAD HIMATNAGAR-383001, REGISTERED OFFICE OF THE COMPANY.

REVIEW OF FAIR PRACTICE CODE

The Chairman informed the Board that the Company has reviewed and approved the Fair Practice code after due discussions, the following resolutions were passed:

COMMITMENTS TO CUSTOMERS

1. To act practically in connections with customers, by ensuring that:
- We meet the commitments and standards in this Code for the products and services we offer and, in the procedures, and practices our staffs follows.
 - Our products and services meet relevant laws and regulations in note and spirit.
 - Our dealings with customers rest on principles of transparency.

2. To help customers understand how our loan products and services work, by:
- Giving Customers information about their loan products and services in any one or more of the Gujarati, Hindi or their vernacular language.
 - Ensuring that customers are given clear information about our loan products and services, the terms and conditions and the interest rates/ charges, which apply to their loan account.

3. To help customers to use the products and services by:

- Providing them regular, appropriate update by SMS/ WhatsApp & call.
 - Keeping them informed about changes in the interest rates, charges or terms and conditions.

4. To deal quickly and systematically with things that goes wrong, by:

- Correcting mistakes promptly and cancelling any charges applied due to the Company's mistake.
 - Handling customer's complaints promptly and telling customers how to make their complaint forward if they are still not satisfied.

5. To publicize the code, Company Shall:

- Make this code available in office notice board, loan department table board;
 - Ensure that their staffs are trained to provide relevant information about the code and to put the code into practice.

6. To adopt and practice a non – discrimination policy

Company shall not discriminate on the basis of age, race, caste, gender, marital status, religion or disability.

DISCLOSURE AND TRANSPARENCY

1. Company should provide all details of interest rates, charges through Putting up on notice board, loan department desk/board, through TVR/ telephone through designated staff and via Loan card / Key Facts Statements (KFS) issue or welcome letter given to customer at the time of loan disbursed.
2. In respect of prospective customers Company shall:

- Provide clear information explaining the full information of their services and products that customers are interested in;
 - Provide information on any type of product and service offered, that may suit the customer's needs;
 - Tell the customers what information is needed from him/ her to prove his/ her identity and address, for complying with legal, regulatory and internal policy requirements.

3. To those who have become customers, Company shall:

- Provide more information on the key features of the products, including applicable interest rates/fees and charges.

4. Interest Rates - Company shall give information to the customers on:

- The interest rates which apply to their loan account and interest is charged on their loan accounts.

- How interest is applied to his/ her account and method of calculation of interest.

5. Fees & Charges

- Company shall give its customer all details in agreement's schedule of any charges applicable to the products and services. Company should provide its customers information about the penalties liable to be levied in case of non-observance/ violation of any of the terms and conditions governing the product/ services chosen by them.

6. Terms and Conditions:

- All terms and conditions shall be fair and will set out particular rights, liabilities & obligations clearly and as far as possible in simple language.

7. Changes to Terms and Conditions

- Customers should be told of changes to terms and conditions through Personal Intimation, Notice Board or Newspaper. Normally, Changes should be made with prospective effect giving due notice.

- If any changes are made without notice, the change shall be notified within 30 days. If such change is to the disadvantage of the customer, he/ she may within 60 days and without notice close his/ her account or switch it without having to pay any extra charges or interest.

ADVERTISING, MARKETING AND SALES

- Company shall ensure that all advertising and promotional material is clear and not misleading;

- In any advertising in any media and promotional offers that draws attention to a service or product and includes a reference to an interest rate, Company shall also indicate whether other fees and charges will apply and that full details of the relevant terms and conditions are available on request and via office staff designated staffs.

PRIVACY AND CONFIDENTIALITY

1. All personal information of customers shall be treated as private and confidential and shall be guided by the following principles and policies. Company shall not reveal information or data relating to customer accounts, whether provided by the customers or otherwise, to anyone, including other companies other than in the following exceptional cases:

- If the information is to be given by law.
 - If the company's interest requires it to give the information but it should not be used as a reason for giving information about customer or customer accounts to anyone else, including other companies in the group, for marketing purposes.

- If company is asked to give a reference about customers, they shall obtain his/ her written permission before giving it.

- The customer shall be informed the extent of his/ her rights under the existing legal framework for accessing the personal records that Company holds about him/ her.

2. Credit Reference Agencies

- When a customer opens an account, Company shall inform him/her when Company may pass his/her account details to credit reference agencies and the checks company may make with them.

- Company may give information to credit reference agencies about the personal debts the customer owes to it if; the customer has fallen behind with his/ her payments, the amount owed is not in dispute, the customer has not made proposals that the Company is satisfied with, for repaying his/her debt, following Company's demand.

COLLECTION OF DUES

1. Whenever loans are given, Company should explain to the customer the repayment process by way of amount, tenure and periodicity of repayment in written Loan card / Key Facts Statements (KFS) as customer copy. However, if the customer does not adhere to repayment schedule, a defined process in accordance with the laws of the land shall be followed for recovery of dues. The process will involve reminding the customer by sending him/ her notice or by making personal visits and/ or repossession of security or via daily basic SMS, Whatsapp, auto call and other telephonic communications if any.
2. The Company's collection policy should be built on courtesy, fair treatment. Company should believe in encouragement customer confidence and long-term relationship. Company's staff or any person authorized to represent them in collection of dues or/ and security repossession shall identify himself/ herself and display the authority letter issued by the Company upon request, display his/ her identity card issued by the Company or under authority of the Company. Company shall provide customers with all the information regarding dues and shall make an effort to give sufficient notice for payment of dues.

3. All the members of the staff or any person authorized to represent the Company in reminder, collection or / and security repossession should follow the guidelines set out below:

- Customer would be contacted normally at the place of their choice and in the absence of any specified place at the place of their residence and if unavailable at their residence, at the place of business/ occupation or any other address which given by customer at time of loan procedure.
 - Customer's privacy should be respected.
 - Interaction with the customer shall be in a civil manner.

- Time and number of calls and contents of conversation would be documented/recorded.

COMPLAINTS AND GRIEVANCES

1. Internal Procedures

- If the customer wants to make a complaint. He/ she should be told:

- i. How a complaint should be made

- ii. Where a complaint can be made

- iii. When to expect a reply

- iv. Whom to approach for reply

- v. What to do if the customer is not happy about the outcome

- vi. Company's staff shall help the customer with any questions the customer has.

- Customer should be told where to find details of Company's procedure for handling complaints fairly and quickly.

- If a complaint has been received in writing from a customer, Company shall endeavor to send them an acknowledgement/ response within a week. If a complaint is relayed over phone at Company's designated telephone helpdesk or customer service number, the customer shall be provided with a complaint reference number and be kept informed of the progress within a reasonable period of time.

- After examining the matter, Company shall send the customer its final response or explain why it needs more time to respond and shall effort to do so within six weeks of receipt of a complaint and he/ she should be informed how to take his/ her complaint further if he/she is still not satisfied.

KNOW YOUR CUSTOMER (KYC) GUIDELINES

1. Company shall carry out due diligence as required under "Know Your Customer" guidelines of the Company before loan account opening and operation of disbursement.

- Ask the customer to submit or provide necessary documents or proofs to do so;

- Obtain only such information to meet with Company's KYC, Anti Money Laundering or any other statutory requirements. In case any additional information is asked for, it will be sought separately and we will specify the objective of obtaining such additional information. Providing such information will be voluntary;

- Provide the account opening forms and other material to the customer. The same shall contain details of essential information required to be furnished and documents to be produced for verification and/ or for record for meeting the KYC requirements;

LOANS

1. Before Company disbursed loan amount, it should assess whether the customer will be able to repay it. If Company cannot provide the loan to the customer, it shall communicate the reason(s) for rejection. If the customer wants the Company to accept a guarantee or other security from someone for his liabilities, the Company may ask the customer for his permission to give confidential information about his finances to the person giving the guarantee or other security, or to their legal adviser. Company may also:

- Encourage the customers to take independent legal advice to make sure that they understand their commitment and the possible consequences of their decision.

- Tell the customers that by giving the guarantee or other security they may become liable instead of, or as well as, him; and

2. Applications for loans and their processing

- At the time of sourcing a loan product, Company shall provide information about the, interest rates applicable, as also the fees/ charges, if any, payable for processing, pre- payment options and charges if any and any other matter which affects the interest of the borrower, so that a meaningful comparison with those of other Companies can be made and informed decision can be taken by customer.

- The Company should devise a system of giving acknowledgement for receipt of all loan applications; preferably, the time frame within which loan applications will be disposed of should also be indicated in the acknowledgement.

- Company shall supply authenticated copies of all the loan documents executed by the customer at Company's cost along with a copy of all enclosures quoted in the loan document on request.

- Company should release all securities immediately on repayment of all dues or on realization 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 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.

3. Guarantors

When a person is considering being a guarantor to a loan, he/ she should be informed about their liability as guarantor, The amount of liability there will be committing him/ herself to the Company, Circumstances in which Company will call on him/ her to pay up his/ her liability, Whether Company has recourse to his/ her other monies in the Company if he/ she fail to pay up as a guarantor;

- Company has a right to keep and not release the loan documents/given securities/ loan paid no objection certificates if guarantor is default in any other loan account with the same company as loan condition of cross collateral.

GENERAL

Company shall give the customer information:

- Verify the details mentioned by him/ her in the loan application by contacting him/ her on given mobile number and/ or physically visiting his/ her residence and/ or business addresses through agencies appointed for this purpose, if deemed necessary by the Company.

- The customer should be informed to co-operate if the Company needs to investigate a transaction on the customer's account and with the police/ other investigative agencies, if the Company needs to involve them.

- The Company should advise the customer that if the customer acts fraudulently, he / she will be responsible for all losses on his/ her account and that if the customer acts without reasonable care and this causes losses, the customer may be responsible for the same.

Certified to be true

For NALIN LEASE FINANCE LIMITED


HARSH DILIPKUMAR GANDHI
WHOLE TIME DIRECTOR
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