

FAIR PRACTICE CODE

The Fair Practice Code (FPC) for Non Banking Finance Companies with reference to processing of loan applications has been adopted by the Board of Directors (the Board”) of NPR Finance Ltd. (herein after referred to as “NPR”). The FPC has been prepared in accordance with the guidelines issued by Reserve Bank of India vide circular number RBI/2006-07/138 DNBS (PD) CC number 80/03.10.042/2005-06 dated 28th Sept. 2006.

I. The objectives of the code :-

- To ensure transparency in the Company’s dealings with its customers.
- To ensure compliance with legal norms in matters relating to recovery of advances.
- To strengthen mechanisms for redressal of customer grievances.

I Application for Loans and their processing :-

1. All Loan Application Forms shall contain detailed information relating to the terms and conditions governing the Loan and other relevant information affecting the interest of our valuable customers. These forms shall also contain the particulars of standard documents to be submitted with the Application Form.
2. The Company shall follow the system of issuing acknowledgments for receipt of all loan applications.
3. It shall be our endeavor to dispose off all loan application forms within 30 days from the date of receipt and the same shall be indicated in the acknowledgement.

I Loan Appraisal and Terms and Conditions :-

1. **The following particulars shall be communicated through a Sanction Letter:**
 - a. Assets details & Cost of Asset
 - b. Sanctioned Amount
 - c. Rate of Interest
 - d. Tenor
 - e. Instalment amount and structure
 - f. Commencement Date
 - g. Repayment Schedule
 - h. Contact point for any clarifications

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2. Acceptance of the Sanction Letter by the Customer shall be kept on record

I Disbursement of Loans and changes in Terms and Conditions :-

- a. To ensure transparency in the system, we shall keep our customers informed in the event of any modification in terms and conditions, repayment schedule, interest rates, security, and other changes material to customer's relation with NPR.
- b. To ensure that changes in interest rates and charges are effected only prospectively and in this regard a suitable condition shall be incorporated in the loan agreement.

V Recall of Loan:-

Any decision pertaining to Recall of Loan or Acceleration of repayment or seeking of any additional securities shall be taken strictly in accordance with the relevant provisions in the Loan Agreement and amendments made thereto.

V Release of Securities:-

NPR shall ensure that the charge over any security provided by the customer is relinquished upon the happening of any of the following events, subject to any legitimate right or lien for any other claim against the customer:

- a. prepayment of all dues by the customer;
- b. transfer of account and consequent settlement of all dues;
- c. closure of the loan file in due course following settlement as per agreement.

In the event any other right or lien exists, the customer shall be notified about the same with full particulars thereof.

V General Clauses:-

Non-Interference

1. NPR shall not interfere in the affairs of the borrower except as provided under the circumstances mentioned in the loan agreement.
2. However, if any new information or findings not previously disclosed by the borrower comes to the notice of NPR, the above restriction shall not apply.

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Transfer of Account

3. Whenever a request for transfer of loan account is received from a customer, NPR shall respond to the same within 21 days of receipt of request. Acceptance or refusal thereof shall be in accordance with terms of the loan agreement.

Recovery Process

4. Any recovery proceedings need to be initiated, these shall be conducted in accordance with the rights provided under the Loan Agreement and in accordance with legally accepted norms.

I Grievance Redressal and Customer Relationship Management:-

It shall be the endeavor of NPR to improve the quality of service and remove complaints and grievances, if any, of the customers as part of Customer Relationship Management.

Customer complaints shall be addressed within 7 days from the date of receipt of complaint.

X Committee on Code of Fair Practices:-

A Committee of the Board of Directors called "Fair Practices Code Committee" shall be constituted.

The Members of the Committee shall be as nominated by the Board of Directors from time-to-time.

This Committee shall periodically monitor the compliance of the Fair Practices Code and the functioning of the customer grievances redressal mechanism and will submit the report thereof to the Board of Directors of the Company.

Committee will review, revise and update the FPC as it deems appropriate subject to the approval of Board of Directors.