

NANAYASURABHI AFFORDABLE HOUSING FINANCE LIMITED, INDIA
CIN: U65990TN2014PLC098180
FAIR PRACTICES CODE POLICY

Meeting	Status
Board Meeting on 25 th September 2019	Approved
Board Meeting on 12 th February 2020	Reviewed
Board Meeting on 27 th February 2021	Reviewed
Board Meeting on 29 th January 2022	Reviewed
Board Meeting on 30 th March 2023	Reviewed

This Code has been formulated by Nanayasurabhi Affordable Housing Finance Limited (NHFL) pursuant to the Guidelines issued by the RBI/NHB (National Housing Bank on Fair Practices Code for Housing Finance Companies vide its Master circular No: NHB (ND)/DRS/REG/MC-03/2018 dated July 2, 2018. and Master Direction 2021 issued by RBI

Objectives:

The primary objectives of the code are as below:

1. To promote good and fair practices by setting minimum standards in dealing with customers.
2. To increase transparency so that the customer can have a better understanding of the services expected.
3. To promote a fair relationship between the company and the customer.
4. To encourage market forces, through fair competition, to achieve higher operating standards.
5. To foster confidence in the housing finance system overall.

Application of the Code:

1. The Code would be applicable to all persons offering the Products and Services of the company as an employee or otherwise in any manner and / or by any mode.
2. The Code is applicable under normal operating environment except in the event of any force majeure.
3. The Code is based on ethical principles of integrity and transparency and all actions and dealings will follow the spirit of the Code.

Commitment to Customers:

1. The company will to the best of its ability, act fairly and reasonably in all dealings with the customer, meeting ethical principles of integrity and transparency and always following the relevant laws and regulations in letter and in spirit.
2. The company will make sure that all its products and services are explained to its customers fully and ensure complete understanding.
3. It will have literature in multiple languages (English and Tamil) and also make every effort to ensure that the terms are clear and not misleading and understood by the

customer.

4. Its Sales Officers and Branch Managers will be the first point of contact for all the queries of the customer and contact information of the branches will also be posted on the company's website
5. The Sales Officers and BMs will help customers understand the terms and conditions, applicable interest rate / service charges and also the benefits that can be availed along with their financial implications.
6. The company will maintain a close relationship with the customer, and keep them informed of the products and services and the changes in interest rates, charges or terms and conditions.
7. The company will handle customer complaints promptly and help its customers in taking complaints forward if not satisfied.
8. Every customer would be provided with the details of contact persons, in case of a grievance and complaint. This would be part of the welcome kit given to the customers and also would be prominently displayed at the branches
9. It will deal quickly with things that go wrong by correcting the mistakes promptly. It will also provide suitable alternatives in case of technological failure.
10. The company will treat all customer information as private and confidential unless required by law or if waivers have been signed by the customer.
11. The company will provide a copy of this Code, at request, to the customer. The Code will also be displayed and made available on its website and at its head and branches.
12. The company will not discriminate on the basis of age, race, caste, gender, marital status, religion or disability unless specific to schemes promoted by the NHB to assist weaker sections of society.

Advertising, Marketing and Sales

NHFL will:

1. Ensure that all advertising and promotional material is clear, and not misleading.
2. In any advertising in any media and promotional literature that draws attention to a service or product and includes a reference to an interest rate, NHFL will also indicate whether other fees and charges will apply and that full details of the relevant terms and conditions are available on request.
3. NHFL will ensure proper communication on interest rates, processing fees and charges to the prospective customers by putting up
 - a. Personal discussion with the prospect
 - b. Notices in its branches;
 - c. Through telephone or help-lines;
 - d. On the company's website;
 - e. And or providing a written terms or schedule.
4. If NHFL avails of the services of third parties for providing support services, like insurance, NHFL will inform and require them to handle customer's personal

information (if any made available to such third parties) with the same degree of confidentiality and security as NHFL would.

5. NHFL may, from time to time, communicate to customers on additional products and other features of their products availed by them. Information about its other products or promotional offers in respect of products / services may be conveyed to customers only if he has given his consent to receive such information / service either by mail or by registering for the same on the website or on customer service number.

6. In the event of receipt of any complaint from the customer that NHFL employees or representatives has engaged in any improper conduct or acted in violation of this Code appropriate steps will be initiated to investigate and to handle the complaint and to make good the loss.

Processing the application for Loans

1. All required information would be provided along with the Loan application forms, so that a meaningful comparison with the terms and conditions offered by other HFCs can be made and informed decision can be taken by the borrower.
2. The loan application form will give an indicative list of documents, required to be submitted with the form. Given the nature of NHFL customer segment who are mainly from the self-employed and informal segment and may not have normal documentation especially to prove incomes, NHFL may conduct personal verification and checks in addition to collecting available documentation.
3. NHFL will have a system of giving an acknowledgement for receipt of all loan applications.

Loan appraisal and terms/conditions

1. Normally all particulars required for processing the loan application will be collected by NHFL at the time of application or at the time of personal verification conducted by NHFL (especially in the case of customers from the informal sector). In case NHFL needs any additional information, the customer will be told that he would be contacted immediately again.
2. NHFL will convey in writing to the borrower by means of sanction letter or otherwise, the amount of loan sanctioned along with all terms and conditions including rate of interest, EMI Structure, prepayment charges and keep the written acceptance of these terms and conditions by the borrower on its record.
3. NHFL will furnish a copy of the loan agreement along with an acknowledgement of the list of documents provided to every borrower after the disbursement of loans.

Processing Fees and Charges

1. All information about fees / charges payable for processing the loan application, prepayment charges if any, penalty for delayed payment if any, or any other matter which affects the interest of the borrower will be disclosed to the applicant by the Sales Officer and Credit Officer at time of application and will also always be printed on the NHFL Sanction Letter.
2. However, NHFL shall reserve the right to change fees and charges from time to time

based on market conditions, customer track record etc. Any changes to the basic charges will communicate fully and transparently to all customers.

3. NHFL requires that all fees are generally to be paid by the Applicant either through a cheque or a demand draft. Only in exceptional cases, NHFL may permit the applicant to pay fees in cash.

4. NHFL's current policy is not to levy any charges other than the processing fee, in terms of legal fees, technical inspection fees, or charges for any other out of pocket expenses. However, NHFL will charge customers late payment & ECS / cheque bouncing charges.

5. NHFL's objective is to support applicants own a primary residence, and the loan is not intentioned to help investment or speculative buyers. Thus, NHFL shall reserve the right to change the terms and conditions of the loan including but not limited to a 2% increase in the rate of interest if found at a later date that property being purchased from the loan sanctioned by NHFL is put to use for commercial or rental purposes

Communication of rejection of Loan Application

If NHFL cannot provide the loan to the customer, it will communicate in writing that the loan has been declined and to the extent possible explain to the customers the reasons for decline

Complaints and Grievances

i). Internal Procedures

a. NHFL has a system and a procedure for receiving, registering, and disposing of complaints and grievances in each of its offices. The grievance redressal would be monitored by the Corporate Office. The mechanism for this purpose is in accordance with the guidelines laid down by the Board.

b. Customers would be told as do where to they can find details of the Company's procedure for handling complaints fairly and quickly.

c. If the customer wants to make a complaint, he/she would be told:

i. How to do this

ii. Where a complaint can be made

iii. How a complaint should be made

iv. When to expect a reply

v. Whom to approach for redressal

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

vii. NHFL's staff shall help the customer with any questions the customer has.

d. If a complaint has been received in writing from a customer, NHFL would send him/her an acknowledgement / response within a week. The acknowledgement would contain the name & designation of the official who will deal with the grievance. If the complaint is relayed over phone, the customer shall be provided with a complaint reference number and be kept informed of the progress within a reasonable period of time.

e. After examining the matter, NHFL shall send the customer its final response or

explain why it needs more time to respond and shall endeavor to do so within 21 days 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.

f. NHFL's grievance redressal procedure is available on its website and will be displayed in its offices / branches.

g. If the complaint does not receive response from the company within reasonable time or is dissatisfied with the response received, the complainant may approach the National Housing Bank at the following address:

National Housing Bank,
Grievance redressal Department (GRD),
4th Floor, Core 5A, India Habitat Centre, Lodhi Road,
New Delhi – 110 003.
The complaint can also be e-mailed at crcell@nhb.org.in

IX. GENERAL

NHFL shall give the customer information:

1. In order to verify the details mentioned by him/her in the loan application by contacting him/her at his/her residence and / or on business telephone numbers and / or physically visiting his/her residence and/or business addresses through agencies appointed for this purpose, if deemed necessary by the HFC.
2. If NHFL needs to investigate a transaction on the customer's account and with the police/ other investigative agencies and if the Company needs to involve them.
3. NHFL would 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.
4. About the products and services provided by NHFL in any one or more of the following languages: Tamil, English or the appropriate local language.
5. NHFL will not discriminate on grounds of sex, caste and religion in the matter of lending.
6. NHFL shall process requests for transfer of a loan account, either from the borrower or from a bank/financial institution, in the normal course.
7. NHFL shall publicize:
 - a. provide existing and new customers with a copy of the Code
 - b. make this Code available on request either over the counter or by electronic communication or mail;
 - c. make available this Code at every branch and on their website; and
 - d. ensure that their staff are trained to provide relevant information about the Code and to put the Code into practice.
8. The Board has provided for a half yearly review of the compliance of the Fair Practices Code and the functioning of the grievance's redressal mechanism. The consolidated report of such reviews may be submitted to the Board every half year.
