



Fair Practices Code

(i) **Applications for loans and their processing**

NABSAMRUDDHI is communicating the details of interest and principal to be paid by the borrower in vernacular language or a language understood by the Borrower.

NABSAMRUDDHI has devised a detailed loan application format incorporating all the required details/information as also documents/ cheques, undertakings, etc., to be submitted by the borrower to facilitate the borrower to take an informed decision on availing loan facility from NABSAMRUDDHI.

The format of acknowledgement receipt and disposal of application is suitably incorporated as a part of the Loan Application.

(ii) **Loan appraisal and terms/conditions**

NABSAMRUDDHI is adopting the practice of issuing a sanction letter to the borrower, incorporating the various aspects relating to quantum of finance, rate of interest, penal interest and other regular and special terms and conditions etc., furnishing of postdated cheques towards loan installments/signed undated cheque (as applicable) towards recalling of loan together with an undertaking authorizing NABSAMRUDDHI to recall the loan (either separately or as part of the Sanction letter), for acceptance by the borrower in writing. The company is furnishing the loan agreement and all its enclosures along with the sanction letter post acceptance of the Sanction by the Borrower to the borrower. The company is also indicating all the terms and conditions in the sanction letter.

(iii) **Disbursement of loans including changes in terms and conditions**

NABSAMRUDDHI is communicating changes in the terms and conditions including disbursement schedule, interest rates, service/processing charges to the borrower. Change in the interest rate is effected prospectively in normal circumstances. The above aspects are suitably incorporated in the terms and condition of sanction and also the loan agreement.

Willingness of the borrower to furnish an undertaking for recall of the entire loan outstanding in case of default/non-compliance with terms and conditions/mis-utilization is suitably incorporated in the loan agreement. Agreeing to submit a signed un-dated cheque along with undertaking by the borrower to make use of the cheque for recall of the entire loan outstanding in case of default, non-compliance of terms & conditions etc., is suitably incorporated in the terms & conditions of sanction

NABSAMRUDDHI is releasing and will release of all securities on repayment of all dues or on realization of the outstanding amount of loan.



(iv) General

Monitoring of the projects is being undertaken to verify the progress of implementation of the project as per the terms & conditions/to assess the health of the borrowing entity and safeguard the interests of the Company.

NABSAMRUDDHI is not interfering and will not interfere in the affairs of the borrower except for the purposes provided in the terms and conditions of the loan agreement and Sanction letter.

With respect to project accounts, in case of receipt of request from the borrower for transfer of borrowal account, NABSAMRUDDHI will give the consent or otherwise i.e., objection of the NABSAMRUDDHI, if any, within 21 days from the date of receipt of request. Such transfer shall be as per transparent contractual terms in consonance with law.

The company is not resorting to undue harassment viz., persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans etc.,

(v) An appropriate grievance redressal mechanism has been put in place to resolve disputes arising out of the decisions relating to loaning in NABSAMRUDDHI. Further, a public notice has been displayed in our premises, indicating the name and contact details of Grievance Redressal Officer as well as local RO of DNBS, RBI for the information of the public for resolution of complaints against the company. The officials of NABSAMRUDDHI are bringing the grievances of the Borrowers if any to the notice of the Chairman or the Board as the case may be. Company will consolidate the grievances received and a note will be submitted to the Board at regular intervals

(vi) The company is adopting interest rate model taking into account the relevant factors such as Cost of Borrowing, Minimum margin spread for NABSAMRUDDHI, as specified by the Board of Directors plus premium, wherein the premium is dependent on internal risk assessment, tenure, primary and collateral securities offered, and market conditions, amongst others and determining the rate of interest to be charged for loans. The rate of interest being charged by the company is indicated in the sanction letter and any change in interest rates are being communicated to the clients.

(vii) The interest rate, processing and other charges to be collected from the borrowers is fixed based on approved policies and procedures and is being placed before the Board for approval. On approval, the revised interest rates and other charges are communicated to the existing clients, if applicable.

(viii) The Interest Rate policy is also made available on the web-site of our company. The company is also updating whenever there is any change in policy. The minimum and maximum interest rate being charged are displayed on the website.