

KALYANI COMMERCIALS LIMITED

Fair Practice Code

FAIR PRACTICE CODE

Applications for loans and their processing:

(a) All communications to the borrower shall be in the vernacular language or a language as understood by the borrower.

(b) Loan application forms would include necessary information which affects the interest of the borrower, so that a meaningful comparison with the terms and conditions offered by other NBFCs can be made and informed decision can be taken by the borrower. The loan application form would indicate the documents required to be submitted with the application form.

(c) The Company would give acknowledgement for receipt of all loan applications. The time frame within which loan application shall be disposed of shall also be indicated in the acknowledgement. The company would verify the loan applications within a reasonable period of time. If additional details / documents are required, it would intimate the customers immediately.

Loan appraisal and terms/conditions:

(a) The Company would ensure that there is proper assessment of credit application made by borrowers. The assessment would be in line with the Company's credit policies and procedures.

(b) The Company shall convey in writing to the borrower in the vernacular language as understood by the borrower by means of sanction letter, the amount of loan sanctioned along with the terms and conditions including annualized rate of interest and method of application thereof and keep the acceptance of these terms and conditions by the borrower on its record. The Company shall also communicate to the borrower if the loan is rejected. The Company should mention the penal interest charged for late repayment in bold in the loan agreement.

(c) The Company shall furnish a copy of the loan agreement preferably in the vernacular language or a language as understood by the borrower along with a copy each of all enclosures quoted in the loan agreement to the borrowers at the time of sanction / disbursement of loans.

(d) The Board of the Company has adopted an interest rate model taking into account relevant factors such as, cost of funds, margin and risk premium, etc and determines the rate of interest to be charged for loans and advances. The rate of interest and the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers shall be disclosed to the borrower or customer in the application form and communicated explicitly in the sanction letter.

(E) The rates of interest and the approach for gradation of risks shall also be made available on the web-site of the companies or published in the relevant newspapers. The information published in the website or otherwise published should be updated whenever there is a change in the rates of interest.

Disbursement of loans including changes in terms and conditions:

(a) The Company would ensure timely disbursement of loans sanctioned in conformity with the terms and conditions governing such sanction. The Company shall give notice to the borrower in the vernacular language as understood by the borrower of any change in the terms, including disbursement schedule, interest rates, service charges, prepayment charges etc.

(b) The Company shall ensure that changes in interest rates and charges are affected only prospectively. A suitable condition in this regard should be incorporated in the loan agreement.

(c) Decision to recall / accelerate payment or performance under the agreement should be in consonance with the loan agreement.

(d) The Company shall release all securities 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 the 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 the Company is entitled to retain the securities till the relevant claim is settled/paid.

General:

(a) The Company should refrain from interference in the affairs of the borrower except for the purposes provided in the terms and conditions of the loan agreement (unless new information, not earlier disclosed by the borrower, has come to the notice of the Company).

(b) In case of receipt of request from the borrower for transfer of borrowal account, the consent or otherwise i.e. objection of the Company, if any, should be conveyed within 21 days (Twenty One) from the date of receipt of request. Such transfer shall be as per transparent contractual terms in consonance with law.

(c) In the matter of recovery of loans, consistent with its policy over the years, the Company shall not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans etc. The Company's staff are adequately trained (including not to behave rudely with customers) to deal with customers in an appropriate manner. The contract/loan agreement with the borrower shall contain the repossession clauses in line with RBI circular no. RBI/2008-09/454 DNBS (PD) CC No. 139/03.10.001/2008-09 dated 24th April 2009.

(d) Company shall not charge foreclosure charges/ prepayment penalties on all floating rate term loans sanctioned to individual borrowers, with immediate effect.

Grievances:

Mr. Sourabh Agarwal, Whole Time Director of the Company is the Grievance Redressal Officer under the Fair Practices Code who can be approached by the public for resolution of complaints against the Company at the below mentioned address:

KALYANI COMMERCIALS LIMITED
B G 223 Sanjay Gandhi Transport Nagar
G,T, Karnal Road

New Delhi- 110 042

Email ID: kalyanicommercialslimited@gmail.com

If the complaint / dispute is not redressed within a period of one month, the customer may appeal to the Officer-in-Charge of the Regional Office of Department of Non-Banking Supervision (DNBS), Reserve Bank of India, 6, Sansad Marg, New Delhi- 110 001 under whose jurisdiction the registered office of the Company falls.

For the benefit of our customers, the above information on “grievances” will be displayed at our branches / places where business is transacted.

For KALYANI COMMERCIALS LIMITED

Sd/-

Sourabh Agarwal

Whole Time Director