
FAIR PRACTICES CODE

Kalyani Commercials Limited

FAIR PRACTICES CODE OF KALYANI COMMERCIALS LIMITED

I. PREAMBLE

It is, and shall be the policy of Kalyani Commercials Limited (**KCL**) to treat all the clients consistently and fairly. The employees of KCL will offer assistances, encouragement and services in a fair, equitable and consistent manner.

KCL will ensure that the implementation of the Fair Practices Code is the responsibility of the entire organization KCL's fair lending practices shall apply across all aspects of its operations including Equipment Leasing, Hire Purchase Finance, Loan Finance and Investment in Companies. Its commitment to Fair Practices Code will be demonstrated in terms of employee accountability, training, counseling, and monitoring, audited programs and internal controls and optimal use of technology.

The Reserve Bank of India (RBI) has issued guidelines on Fair Practices Code for Non Banking Financial Companies (NBFCs) thereby setting standards for fair business and corporate practices while dealing with their customers. The Company shall adopt all the best practices prescribed by RBI from time to time and shall make appropriate modifications if any necessary to this Code to conform to the standards so prescribed.

This Fair Practices Code applies to the products and services offered by us (currently offered or which may introduced at a future date). The fair Practices Code is applicable to the above irrespective of whether the same is provided physically over the phone, on the internet or by any other method whatsoever, existing or futuristic.

KEY COMMITMENTS

The key commitments which KCL promises to follow in its dealings with its customers are:

1. To act fairly and reasonably in all dealings with its customers by ensuring that;
 - a. Its products, services, procedures and practices will meet the commitments and standards in this Fair Practices Code.
 - b. Its products and services will meet relevant laws and regulations as applicable.
 - c. Its dealings with its customers will rest on ethical principles of honesty, integrity and transparency.
2. KCL will make every attempt to ensure that its customers have a trouble -free experiences in dealing with it; but in the case of errors or commissions and omissions, KCL will deal with the same quickly and sympathetically
 - a. Mistakes will be corrected quickly
 - b. Companies will be handled quickly.
 - c. In case Customers is not satisfied with the way a complained is handled, KCL will guide the customers on how to take the complained forward.

- d. KCL will reverse any charges including interest applied to a customer's account due to an error or oversight on its part.

SALES ORIGINATION

KCL will guide its customers in choosing products and services which meets his/her requirements.

- a. Before the customer relationship is established,KCL will:
 - give the customer information explaining the key features of the services and products the customer has shown interest in.
 - give information on accounts, products and services which may suit the customer's needs.
 - Clearly state the information that KCL require to collect from the customer to fulfill its 'Know Your Customer' norms and to comply with legal and regulatory requirements force from time to time.
 - Request for additional information about the customer and his/her family to build a database; but this information may be furnished by the customer only if she/he wishes to do so.
- b. KCL will provide information on the various channels that can be used to access its products and services. The customer will also be informed on where further information on this is available.
- c. Once a Customer has chosen a product, KCL will tell the customer how it works.
- d. KCL will guide its customer on rights and responsibilities specific to the mode of operation under which the product is taken.

LOANS AND ADVANCES

- a. Before offering any kind of fund based or non fund based non-banking facility KCL will assess the ability of the customer (prospective borrower) to repay.
- b. Loan application forms of KCL will include necessary information which are likely to affects the interests of the prospective borrower, so that a meaningful comparison with the terms and conditions offered by any other NBFC's can be made an informed decision taken by the prospective borrower.
- c. KCL shall provide to the prospective borrower an acknowledgement for receipt of all loan applications. An indicative time frame within which loan applications will be disposed of will be mentioned in such acknowledgement.
- d. KCL shall give notice to Borrower of any changes in the terms and conditions including disbursement schedule, interest rates, service charges prepayment charges etc.KCL shall ensured that changes in interest rates and other charges are effected only prospectively.

- e. The decision of KCL to recall/accelerate payment or performance shall be in consonance with the terms of the loan agreement. KCL shall release all securities upon repayments of all dues or on realization of the outstanding amount of loan subject to any legitimate right or lien for any other claim it may have against borrower. The borrower shall be given due notice with full particulars about the outstanding claims in case such right of set off is to be exercised.
- f. KCL will refrain from interfering in the affairs of the borrowers except for the purpose provided in the terms and conditions of the loan agreement, unless new information, not earlier disclosed deliberately or otherwise by the borrower, has come to its notice.
- g. In case of receipt of request from the borrower for transfer of a borrower account to other NBFC, bank or financial institution, the consent or otherwise shall be conveyed within 21 days from the date of receipt of such request. Such transfer shall be in the accordance with the contractual terms entered into with the borrower and in consonance with the statutes, rules, regulations and guidelines as may be applicable from time to time.
- h. In the matter of recovery of loans, KCL shall resort only to remedies which are legally and legitimately available to it and will avoid using recovery measures during odd hours of the day.

TERMS AND CONDITIONS

- a. When a Customer accepts a product or services for the first time, KCL will provide the customer with the Rules and Regulations that are relevant to the product/services.
- b. All Terms and Conditions will be fair and will set the customer's rights and responsibilities clearly and in plain language. KCL will use legal or technical language only where necessary.
- c. KCL will make available any charges applicable to products and services applicable at the time a customers signs up for the same.
- d. KCL will provide the terms and conditions in respect of any product or service whenever a customer requests for the same.
- e. If KCL increases any charges or introduces a new charge, KCL will notify the same to the customers.

MARKETING AND PRODUCT SYNERGY

- a. KCL will ensure that all advertising and Promotional material is clear, fair, reasonable and not misleading.
- b. KCL will provide the customers with a full range of financial products the customer is eligible for. Some of these products/services will be its own; some others may be the products of the group or associate companies and also companies with which KCL may have arrangements with.
- c. It will be the endeavour of KCL to bring synergy between the various financial services, financial products, by cross selling these products to its clientele.

CONFIDENTIALITY

- a. Unless authorised by the customer KCL will treat all personal information as private and confidential.
- b. KCL will not reveal transaction details to any other entity including within the group other than the following exceptional cases:
 - If KCL have to provide the information by statutory or regulatory laws.
 - If there is a duty to the public to reveal this information
 - If its interest requires us to provide this information (e.g. fraud prevention).KCL will not use this reason for giving information about customers to anyone else for marketing purpose.
 - If KCL have taken the customers permission (for instance at the time of loan sanctioning) to provide such information to its group/associates/entities or companies for providing other products and services.

GRIEVANCE REDRESSAL MECHANISM

- a. KCL will guide customers who wish to lodge a complaint and also provide guidance on what to do in case the customer is unhappy with the outcome.
- b. After examining the matter, KCL will send a response as soon as possible; KCL will also guide a customer on how to take the complaint further if the customer is not satisfied.
- c. A nodal officer has been appointed for the redressal of grievances of the customers including the borrowers, in connection with any matter pertaining to business practices, lending decisions, credit management and recovery. The name and contact details of the nodal officers shall be displayed in the website of KCL.

FORCE MAJEURE

The various commitments outlined and made by KCL are applicable under the normal operating environments. In the event of Force Majeure, KCL will not be able to fulfill

the commitments under the Fair Practices Code to the entire satisfaction of the customers, the other stake holders and the public in general.

**By the order of the Board
For Kalyani Commercials Limited**

Sd/-
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