

NATIONAL TRUST HOUSING FINANCE LIMITED

FAIR PRACTICE CODE

Following is the Fair Practice Code (Code) of the Company which is based on the National Housing Bank Circular No. NHB/ND/DRS/POL-NO 34/2010-11 dated October 11, 2010 and further modification vide Circular No. (1) NHB(ND)/DRS/Pol-No.38/4672/2010-11 dated April 25, 2011 & (2) NHB(ND)/DRS/Misc. Circular No.7/2012 (297) dated January 3, 2012.

1. Purpose of Code

- a) Promote good and fair practices by setting minimum standard in dealing with customers.
- b) Increase transparency so that the customer can have a better understanding of what he/she can reasonably expect of the services.
- c) Encourage market forces, through competition, to achieve higher operating standards.
- d) Promote a fair and cordial relationship between customer and NATRUST.
- e) Foster confidence in the housing finance system.

2. Applicability

This code is applicable to all products and services provided by NATRUST staff members or authorized representatives across the counter, over the phone, by post, through our company website.

3. Commitment to customers

- a) NATRUST should not discriminate between its customers on the basis of gender, physical ability, race or religion.
- b) To act fairly and reasonably in all dealings with customers, by ensuring that:
 - i) NATRUST meets the commitments and standards in this Code for the products and services we offer and in the procedures and practices our staff follows.
 - ii) NATRUST products and services meet relevant laws and regulations in letter and spirit.
 - iii) NATRUST dealings with customers rest on ethical principles of integrity and transparency.
- c) To help customers understand how their financial products and services work, by:
 - i) Giving customers information about our products and services in English and in local language, wherever possible.
 - ii) Ensuring that customers are given clear information about our products and services, the terms and conditions, the interest rates and service charges, which are applicable to them.
 - iii) Giving customers information on what are the benefits to them; how they can avail of the benefits; what are their financial implications; and whom they can contact for addressing their queries and how.
- d) To help customers to use the products and services by:
 - i) Providing them regular, appropriate updates.
 - ii) Keeping them informed about changes in the interest rates, charges or terms and conditions.
- e) To deal quickly and sympathetically with things that go wrong, by:
 - i) Correcting mistakes promptly and canceling any charges applied due to the NATRUST mistake.
 - ii) Handling customers' complaints promptly.
 - iii) Telling customers how to take their complaint forward if they are still not satisfied.

- iv) Providing suitable alternative avenues to alleviate problems arising out of technological failures.
- f) To treat all personal information of customers as private and confidential NATRUST should treat all personal information as private and confidential subject to matters mentioned in paragraph number 9 below.
- g) To publicise the code NATRUST should:
 - i) make available this Code at every branch and on the website; and
 - ii) ensure that their staff are trained to provide relevant information about the Code and to put the Code into practice.

4. Advertising, Marketing & Business Promotion

NATRUST should ensure that all advertising and promotional materials are clear and not misleading.

If any of our advertisement, promotional material that draws attention to a service or a product and also referring to interest rate, charges, we should also mention that full details of the relevant terms and conditions are available on request to enable customers to make an informed decision.

Information on interest rates, charges, guide on services on all our branches will be displayed and also in our website.

All information of customers should be kept confidential. If any third party/vendor is utilized for services, it should be ensured that same level of confidentiality are extended by vendors too.

The Company could communicate / contact customers for any product promotional reasons only if customer has given his consent to receive such information.

Products should not be sold through any Direct Selling Agencies (DSAs). If any of NATRUST staff members approach customers he/she should identify themselves as staff members of the company by displaying their identity cards with photographs.

In the event of receipt of any complaint from the customer against our representatives regarding improper conduct or violation of this code, the same should be investigated immediately and appropriate action should be taken.

5. Applications for Loan and its processing

a) All relevant information pertaining to the loan will be made available in the relevant loan application forms/ agreements. This will include information on the loan, its terms i.e. rate of interest, period of loan, security documents and the documents that are required to be submitted for the loan. A list of documents required should accompany all our application form to enable our customers to arrange for the same with ease. We should inform customers that he/she should be contacted if we identify that the documents submitted are insufficient or need clarifications.

b) Receipt of completed application forms will be duly acknowledged by us and will also indicate the approximate time frame (maximum 30 days) within which the client can expect to hear from NATRUST regarding his/her loan application.

All loan applications will be assessed in accordance with NATRUST's internal credit appraisal process.

A copy of the loan agreement along with a copy of each of all enclosures quoted in the loan agreement to every borrower at the time of sanction / disbursements of loans will be furnished.

If we reject a loan, we should communicate the same in writing with reason/s. If we sanction the loan requested, we should provide a sanction letter/loan agreement to our customer with all material information and terms and conditions under which the sanction is subject to. The acceptance of the terms and conditions will be taken from the borrower.

We should adhere to the disbursement schedule and ensure that loan is disbursed under the conditions mentioned in our Sanction letter and Loan agreement. Our decision to recall/accelerate payment or performance/seeking additional securities should in line with the loan agreement.

c) Changes in interest rates

NATRUST should inform their customers when Company changes interest rates on their products.

d) Fees & Charges

1) NATRUST should display in their branches:

- i. A notice about the tariff schedule.
- ii. A list of services which are rendered free of charge.
- iii. NATRUST should transparently disclose to the borrower all information about fees/charges payable for processing the loan application, the amount of fees refundable if loan amount is not sanctioned/disbursed, pre-payment options and charges, if any, penalty for delayed repayment if any, conversion charges for switching loan from fixed to floating rates or vice-versa, existence of any interest re-set clause and any other matter which affects the interest of the borrower. In other words, NATRUST must disclose 'all costs' inclusive of all charges involved in processing / sanction of loan application in a transparent manner.

2) NATRUST should provide their customers information about the penalties liable to be levied in case of non-observance / violation of any of the terms and conditions governing the product / services chosen by them.

3) All such charges / fees are non-discriminatory.

e) Changes in fees & charges

If NATRUST increases any of these charges or introduce a new charge, it will be notified well in advance to all the existing customers.

f) Terms and conditions

a) Customer availing a product / service for the first time should be advised the relevant terms and conditions for the service he / she has asked NATRUST to provide.

b) All terms and conditions should be fair and will set out respective rights.

6. Disbursement of loans including changes in terms and conditions of NATRUST products:

a) Any changes in the terms and conditions, adverse to the borrower, including interest rates, service charges, prepayment charges etc. should be informed to the client in writing.

b) Decision to recall any loan should be done in accordance with the terms and conditions of the loan agreement.

We should release all securities on repayment of all dues and realization of the outstanding as per loan agreement including overdue interest, incidental charges, recovery charges or as the case may be. If the securities are subject to exercise of any right of set off, a notice should be given to the borrower with full particulars about the claims and conditions under which we are entitled to retain the securities till the relevant claim is settled/paid to our satisfaction.

7. Guarantors

When a person is considering to be a guarantor to a loan, we should inform him/her about:

- his/her liability as guarantor;
- the amount of liability he/she will be committing him/herself to the company;
- circumstances in which NATRUST will call on him/her to pay up his/her liability;
- whether NATRUST has recourse to his/her other monies in the company if he/she fail to pay up as a guarantor;
- whether his/her liabilities as a guarantor are limited to a specific quantum or are they unlimited; and
- time and circumstances in which his/her liabilities as a guarantor will be discharged as also the manner in which NATRUST will notify him/her about this

NATRUST should keep him/her informed of any material adverse change/s in the financial position of the borrower to whom he/she stands as a guarantor.

8. Privacy and Confidentiality.

NATRUST will treat all its customer's personal information as private and confidential and will not reveal details of customers dealings with us to a third party, except as provided herein and in the following exceptional cases:

- a) If NATRUST have to give the information by law.
- b) If there is a duty towards the public to reveal the information.
- c) When NATRUST has tie up arrangements for providing other financial products related to the loan such as various forms of insurance to protect company's interest.
- d) If Company interest expects to share the information to protect the company or our group companies.
- e) Where Company receives a request received from the customer by letter/email.
- f) To credit reference agencies, lawyers, other third parties if the customer has delayed or defaulted his/her payments or the amount owed is in dispute.

The Company should not share customer information to any third party including group companies for marketing purposes.

9. Credit Reference Agencies:

When a customer opens an account, NATRUST should inform him/her when it may pass his / her account details to credit reference agencies and the checks NATRUST may make with them.

- a. NATRUST should give information to credit reference agencies about the personal debts the customer owes them if:
 - i. The customer has fallen behind with his / her payments;
 - ii. The amount owed is not in dispute; and
 - iii. The customer has not made proposals that NATRUST are satisfied with, for repaying his / her debt, following NATRUST's formal demand.
- b. In these cases NATRUST should intimate the customer in writing that they plan to give information about the debts the customer owes them to credit reference agencies. At the same time, NATRUST should explain to the customer the role of credit reference agencies and the effect the information they provide can have on customer's ability to get credit.
- c. When a person applies for a loan product, we may pass on such details, for purposes of credit reporting, verification and risk management, as may be required. We will exchange information about our customers with reputable reference sources.
- d. We may give information to such credit reference agencies about the loans taken from us, repayment track record and other appropriate details to build credit profile.
- e. We may provide such credit reference agencies information about day to day running of account as per the consent provided by them in our loan agreement terms.

10. Collection of dues:

Whenever loans are given, NATRUST mentions in the sanction letter and in loan agreement, the condition under which loan is given along with the loan amount, repayment schedule, tenure, etc. However if the customer does not adhere to repayment schedule, a defined process in accordance with the laws of the land should be followed for recovery of dues. The process will involve reminding the customer by telephone/courier / speed post / sending him / her notice or by making personal visits and / or repossession of security if any.

- a) The NATRUST collection policy has been built on courtesy, fair treatment and persuasion. NATRUST believe in fostering customer confidence and long-term relationship. NATRUST staff or any person authorized to represent them in collection of dues or / and security repossession should identify himself / herself and display the authority letter issued by the NATRUST and upon request, display his / her identity card issued by the NATRUST or under authority of the company. NATRUST should provide customers with all the information regarding dues and should endeavor to give sufficient notice for payment of dues and shall follow procedures as laid down in the internal guidelines.
- b) All the members of the staff or any person authorised to represent the NATRUST in collection or / and security repossession should follow the guidelines set out below:

Customer should be contacted ordinarily at the place of his / her choice and in the absence of any specified place at the place of his / her residence and if unavailable at his / her residence, at the place of business / occupation.

- i) Identity and authority to represent the NATRUST should be made known to the customer at the first instance.
- ii) Customer's privacy should be respected.
- iii) Interaction with the customer should be in a civil manner

- iv) NATRUST' representatives should contact the customers between 0700 hrs and 1900 hrs, unless the special circumstances of the customer's business or occupation require otherwise.
- v) Customer's request to avoid calls at a particular time or at a particular place should be honored as far as possible.
- vi) Time and number of calls and contents of conversation should be documented.
- vii) All assistance should be given to resolve disputes or differences regarding dues in a mutually acceptable and in an orderly manner.
- viii) During visits to customer's place for dues collection, decency and decorum should be maintained.
- ix) Inappropriate occasions such as bereavement in the family or such other calamitous occasions should be avoided for making calls/visits to collect dues.

11. Grievance Redressal:

- a) In case of any complaint/grievance, the borrowers may contact through any of the following channels:

- 1. Name of the Officer: Mr. B.Vettrivelan
- 2. Designation: Asst. Vice President-Finance & Accounts
- 3. Telephone : 044 -39940707
- 4. Website : www.natrusthome.com
- 5. E-mail : vettrivelan@natrusthome.com

- b) All grievances should be heard and disposed off by a person at least one level higher to the person / designation against / relating to whom the grievance is made. After examining the matter, it will be our endeavor to provide the borrower/applicant with our final or other response, within a period of six (6) weeks from receipt of such complaint / grievance.
- c) The designated officer should periodically review the implementation and compliance with this code including the redressal of grievances periodically and in case at least once in a month. A report to this effect should be provided by the designated officer for perusal of the Board.
- d) If the complainant does not receive response within six weeks from the date of receipt of the complaint by Natrust personnel or dissatisfied with the response received, the complainant may approach the National Housing Bank at the following address:

National Housing Bank
Department of Regulation and Supervision
(Complaint Redressal cell)
4th Floor, Core-5A, India Habitat Centre
Lodhi Road
New Delhi - 110 003

The complainant can also be e-mailed to crcell@nhb.org.in