

**NIIF Infrastructure Finance Limited (NIIF IFL) – Policy for Fair Practice Code**

**Policy Owner:** Chief Risk Officer

**Last reviewed:** November 2019

## NIIF IFL – Policy for Fair Practice Code

### Fair Practice Code

<b>Introduction</b>	<p>Reserve Bank of India (RBI) vide its circular Ref no. DNBS (PD) CC No.80/03.10.042 / 2005-06 dated September 28, 2006 read with DNBS.CC.PD.No.266 /03.10.01/2011-12 dated March 26, 2012, DNBS.CC.PD.No.320/03.10.01/2012-13 dated February 18, 2013, DNBS(PD).CC.No.399/03.10.42/2014-15 dated July 14, 2014 and Master Circular DNBR (PD) CC.No.054/03.10.119/2015-16 dated July 01, 2015 (updated from time to time) has advised all the non banking financial companies to frame a fair practices code ("the Code"). RBI has prescribed broad guidelines on fair practices which include processing of application for loans, loan appraisal, disbursement of loans including changes in terms and conditions and certain other conditions which NBFCs need to follow.</p>
<b>Scope</b>	<p>This code shall apply across all aspects of NIIF IFL's operations including all products and services currently offered by us and those which may be introduced at a later date. NIIF IFL primarily proposes to undertake Infra Debt Fund activity in the IDF – NBFC model.</p>
<b>General:</b>	<ul style="list-style-type: none"><li>• NIIF IFL shall ensure that employees act in an honest and ethical manner while interacting with clients.</li><li>• The Company shall refrain from interference in the affairs of the borrower except for the purposes provided for 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).</li><li>• However, this does not imply that Company's right of recovery and enforcement of security under Law as well as appointment of nominee directors, where required, is affected by this commitment.</li></ul>

	<ul style="list-style-type: none"><li>• In the matter of recovery of loans, the Company shall not resort to any harassment – such as persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans, etc.</li><li>• The company will not discriminate on the grounds of gender, caste, religion or region in its lending policy and activity.</li><li>• Company’s collection policy shall be built on courtesy, fair treatment and persuasion</li><li>• All communications to the borrower shall be in the vernacular language or a language as understood by the borrower</li><li>• NIIF IFL shall not charge foreclosure charges/ pre-payment penalties on all floating rate term loans sanctioned to individual borrowers, with immediate effect.</li></ul>
<b>Applications for loans and their processing</b>	<p>(a) Loan proposal details of NIIF IFL shall include necessary information which affects the interest of the borrower, so that a meaningful comparison with the terms and conditions offered by other lenders can be made and informed decision can be taken by the borrower. The loan proposal form shall indicate the documents required to be submitted with the loan proposal.</p> <p>(b) The indicative time frame within which loan proposals will be processed would be indicated to the prospective borrowers.</p> <p>(c) NIIF IFL shall convey to the borrower by means of sanction letter or otherwise, the fate of the loan proposal. In case of the loan being sanctioned, the sanction letter shall inter alia include amount of loan sanctioned along with the terms and conditions including rate of interest. The acceptance of the terms and conditions by the borrower shall be kept by NIIF IFL for its records.</p>

- (d) NIIF IFL shall give notice to the borrower of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. NIIF IFL shall endeavor that changes in interest rates and charges are effected only prospectively.
- (e) The decision of NIIF IFL to recall / accelerate payment or performance under the agreement should be in consonance with the loan agreement entered into with the borrower.
- (f) NIIF IFL 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 it may have against the 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 NIIF IFL is entitled to retain the securities till the relevant claim is settled/paid.

**Grievance  
Redressal  
mechanism**

- (a) The implementation of the Fair Practice Code shall be the responsibility of the entire organization. NIIF IFL shall make every effort to ensure that its dealing with customers is smooth and hassle free. Any complaint brought to NIIF IFL's notice by a customer will be handled expeditiously.
- (b) All disputes / complaints arising out of the decisions of NIIF IFL's functionaries would be heard and disposed of at least at the next higher level after it is brought to their notice.
- (c) The contact details of the Grievance Redressal Officer ("**GRO**") and the local office of RBI (which can be approached, if the complaint / dispute is not resolved within a period of one month) will be displayed at all the branches / places where NIIF IFL conducts its business.

(d) The grievance redressal mechanism is controlled by the GRO of NIIF IFL.  
Details of the GRO are mentioned as under:

**Details of the GRO**

Name: Mr. Dhananjay Yellurkar

Contact No.: 91 - 9820346859

Email ID: [dhananjay.yellurkar@niiffl.in](mailto:dhananjay.yellurkar@niiffl.in)

**Detail of Local Office of the RBI**

In-charge,

Reserve Bank of India,

Mumbai Regional Office, 3rd Floor, Near Maratha Mandir, Byculla,

Mumbai Central, Mumbai- 400 008

Tel : [022-2308 4121](tel:022-23084121)/2302 8436

Fax : [022-2302 2011](tel:022-23022011)

**E-mail** : [dnbsmro@rbi.org.in](mailto:dnbsmro@rbi.org.in)

**Periodical  
Review**

The Fair Practices Code shall be reviewed once every year and any changes deemed necessary shall be made with the approval of the Board of Directors of NIIF IFL.

**Related  
Documents**

RBI vide their circular DNBS (PD) CC No. 80/03.10.042 / 2005-06 dated September 28, 2006 and DNBS.CC.PD.No.266 /03.10.01/2011-12 dated March 26, 2012 and DNBS.CC.PD.No.320/03.10.01/2012-13 dated February 18, 2013 and DNBS(PD).CC.No.399/03.10.42/2014-15 dated July 14, 2014 and Master Circular DNBR (PD) CC.No.054/03.10.119/2015-16 dated July 01, 2015 (updated from time to time).