

Motilal Oswal Financial Services Limited - Fair Practice Code

Motilal Oswal Financial Services Limited (MOFSL), in pursuance of the directions issued by the Reserve Bank of India for Non-Banking Financial Companies (NBFCs), has adopted the 'Motilal Oswal Financial Services Limited - Fair Practice Code' (hereinafter referred to as 'the Code') while dealing with customers. The Code is intended to cover the following areas:

- 1) Applications for loans and their processing
- 2) Loan appraisal and terms/ conditions
- 3) Disbursement of loans, including changes in terms and conditions
- 4) General provisions and
- 5) Grievance redressal mechanism

1) Applications for loans and their processing:

All relevant information pertaining to the loan will be made available in the relevant loan application form(s), including the necessary loan information and documents required to be submitted together with the duly completed application form. Receipt of completed applications forms will be duly acknowledged.

2) Loan appraisal and terms/conditions:

(a) Loan applications shall be assessed in accordance with the Company's credit appraisal process. The loan application shall indicate the documents required to be submitted along with the application form.

(b) Upon approval of the loan, an agreement/ sanction letter indicating the amount of loan sanctioned, annualised rate of interest applicable, including method of application thereof, along with the terms and conditions, shall be conveyed to the loan applicant in writing. A written acceptance of such terms and conditions shall be retained by the Company.

3) Disbursement of loans, including changes in terms and conditions:

(a) Any changes to the terms and conditions, including disbursement schedule, interest rates, service charges, prepayment charges, etc., shall be informed individually to the borrowers in case of account specific changes, and in case of others, the same shall be made available at the website (www.motilaloswal.com) of the Company.

(b) Changes in the interest rates and charges shall be effected prospectively.

(c) Decision to recall/accelerate payment or performance under the agreement shall be in accordance with the terms and conditions mentioned in the Agreement entered into between the Company and the Borrower.

(d) All securities pertaining to the loan would be released on receipt of full and final payment of the loans, subject to any legitimate right or lien, and set-off for any other claim that MOFSL may have against the borrowers. 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 MOFSL is entitled to retain the securities until the relevant claim is settled / paid.

4) General provisions

- (a) MOFSL shall refrain from interference in the affairs of the borrower, except for the purposes provided in the terms and conditions of the loan sanction documents (unless new information, not earlier disclosed by the borrower, has come to the notice of MOFSL).
- (b) In case of receipt of request from the borrower for transfer of borrower's account, the consent or otherwise, i.e. objection of MOFSL, if any, shall be conveyed within 21 days from the date of receipt of such request.
- (c) In the matter of recovery of loans, the Company shall follow the usual measures as per laid down guidelines and extant provisions and would operate within the legal framework.

5) Grievance Redressal

In case of any complaint/ grievance, the applicant / borrowers may contact the Company through anyone of the following channels:-

Telephone: 022 30801000 / 01

Fax: 022-2844 91 10

E-mail: grievances@motilaloswal.com

Visit us at: www.motilaloswal.com

Post: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai-400 064.

After examining the matter, it will be our endeavor to provide the borrower / applicant with our final or other response, within a period of two (2) weeks and within a maximum period of six (6) weeks from receipt of such complaint / grievance.

This code shall be effective from 25th October, 2006. The Company shall periodically review the compliance of this Code and the functioning of the grievance redressal mechanism at various levels of management.