



# Nestavia Home Finance Private Limited



## Fair Practices Code - English



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**Nestavia Home Finance Private Limited**

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**Name of the Policy: FAIR PRACTICES CODE**

**Policy Number: FPC-ENG-02/2025**

## **PREAMBLE**

Nestavia Home Finance Private Limited (hereinafter referred to as "the Company" or "Nestavia") is committed to providing the best possible customer experience through the customer first approach.

The Company recognizes its responsibility to promote good and fair practices by setting minimum standards in dealing with customers and thus has implemented this Fair Practices Code to establish clear guidelines and processes to promote fair and cordial relationship between the Customer and the Company and thus foster Trust and Confidence of the Customer in the Company.

This Policy is framed in compliance with National Housing Bank's Master Circular – Fair Practice Code dated July 01, 2019, and Chapter XIII of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ("**RBI Master Directions**") (as amended from time to time).

<b>Prepared and Proposed By</b>	Chief Business Officer
<b>Reviewed and Recommended By</b>	Managing Director & CEO
<b>Approved By</b>	Board of Directors
<b>Date of Approval</b>	23-Apr-2025

## **RESPONSIBILITY ASSIGNMENT MATRIX**

<b>Responsibility for Implementation</b>	Branch Manager of respective locations
<b>Responsibility for Grievance redressal</b>	Level 1 - Grievance Redressal Officer Level 2 - Nodal Officer

## **VERSION CONTROL**

<b>Version No.</b>	<b>Date of Approval by Board of Directors</b>	<b>Key Highlights/Changes</b>
1.0	13-Dec-2024	Roll-out of policy
2.0	23-Apr-2025	Annual review of policy

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## 1. Objective

The objective of this Fair Practice Code (FPC) is to establish a framework of ethical, transparent, and customer-centric practices in the lending activities of **Nestavia Home Finance Private Limited**. This code is designed to ensure that the rights of customers are protected, and all transactions are conducted with integrity, fairness, and in compliance with regulatory guidelines.

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## 2. Scope and applicability

This Code applies to all employees, officers, agents, and representatives of **Nestavia Home Finance Private Limited** involved in all aspects of operations including marketing and customer relationship, the origination, servicing, collection, and management of housing finance products.

It covers all products and services, which are presently being provided by the Company in the course of its business across the counter, over the phone, by post, through electronic devices, on the internet or by any other method.

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## 3. Transparent Loan Products & Terms

### Loan Information Disclosure

We ensure that all housing finance products, including home loans, loan against property, and other financial products, are clearly explained and communicated to the customers in the vernacular language or a language as understood by the borrower. We further ensure to disclose to our customers 'all in cost' inclusive of all charges involved in processing and sanctioning of loan in a transparent manner.

The most important terms and conditions will be fully disclosed to customers before entering into any agreement including:

- Fees / charges payable for processing the loan application
- Amount of refunds, if applicable, in case of non-approval / non-sanctioning of loans
- Interest rates, and method of calculation
- Conversion charges for switching loan from fixed to floating rates or vice-versa, if applicable
- Repayment terms, and EMI, penalties for default or late payments, or non-compliance with the terms of loan agreement pre-payment options and charges, existence of any interest reset clause, etc.

### Loan Agreement

A written loan agreement, in a language understood by the customer, will be provided. It will include all relevant details, such as the loan amount, tenure, EMI, interest rate, applicable charges, penalties for default or late payments, prepayment options and charges etc. We have a suitable clause in the loan agreement confirming that any changes in the terms of loan agreement will be effective only prospectively.

### No Hidden Charges

We ensure that there are no hidden charges, and all applicable fees such as processing charges, prepayment fees and others will be communicated clearly at the time of loan origination.

### Advertising, Marketing and Sales

We ensure that our advertising and promotional materials including brochures, posters, flyers, newsletters, and advertising and promotional messages that are displayed in our website and social media platforms pages including but not limited to facebook, linkedin, twitter and X are clear, unambiguous and not misleading.

If any such advertising literature or platform which draws attention to a financial product and includes a reference to an interest rate, we will ensure to mention whether other fees and charges will apply.

We ensure to provide information on interest rates, fees and charges through display of notices in office premises / branches, helpline numbers, company's website or designated staff. Any information on promotional offers in respect of company's products will be conveyed to customers only with their consent to receive such information / service either by email or by registering for the same on the website or on customer service number.

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## 4. Fair Lending Practices

### Assessment of Repayment Capacity

**Nestavia Home Finance Private Limited** will assess the borrower's repayment capacity based on income, credit history, and other financial commitments. We will lend only where we are confident that the customer possesses the intention and ability to repay the loan.

### Non-Discriminatory Practices

The Company will follow fair and non-discriminatory practices in its lending decisions, ensuring that all applicants are treated fairly, regardless of caste, religion, gender, or socio-economic background. Also, we will not discriminate visually impaired or physically challenged applicants on the ground of disability in extending products.

### Loan Application Processing

The loan application process will be simple, transparent, and prompt. The loan application will contain all the required information which affects the interests of the customer, and the customer will be able to compare the terms and conditions and make informed decisions. We will arrange for assistance at the request of customers in filling up and understanding the terms of loan application. We will also provide the indicative list of documents required to be submitted along with the loan application. Acknowledgement for receipt of loan application will be given to all applicants including the timeframe with which the loan application will be disposed of.

We will ensure timely and efficient processing of applications and communicate the status to the customers at every stage.

### Loan Appraisal:

We will ensure to collect all particulars and documents required for processing the application at the time of application and the customers will be told immediately that they would be contacted again, in case of additional requirements.

Every borrower will be furnished with a copy of the loan agreement along with a copy of each of the enclosures quoted in the loan agreement at the time of sanction / disbursement of loans, against acknowledgement.

### Disbursement:

We will ensure to disburse the loan amount as per the disbursement schedule given in the Loan Agreement / Sanction Letter.

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## 5. Interest Rates and Charges

### Interest Rate Disclosure

The Company will adopt an interest rate model as approved by its Board of Directors considering relevant factors such as cost of funds, margin and risk premium and determine the rate of interest to be charged for loans and advances.

The interest rates offered will be competitive and disclosed clearly at the time of loan application. The interest rate charged will be based on the applicable market rate and will be communicated transparently to the borrower including the APR, which will be inclusive of interest rates, fees and charges.

The rate of interest and approach for gradation of risk and rationale for charging different rate of interest to different categories of borrowers will be disclosed to the customer in the application form and communicated explicitly in the sanction letter and the same will be displayed in the Company's website and updated whenever there is a change.

The instalments to be collected from borrower will clearly indicate the bifurcation between interest and principal. We will ensure not to introduce any additional component to the rate of interest.

### Types of Interest Rates

Nestavia Home Finance Private Limited will clearly specify whether the loan is at a fixed or floating rate and the conditions under which the rates may be revised.

### Reset of Interest Rates

The company will ensure to communicate any increase in EMI or loan tenor or both due to change in interest rates. We will provide the option to the borrowers to switch over to a fixed rate as per the Board approved policy and the number of times the borrowers are allowed to switch during the loan tenor will be clearly specified to them.

## Clear Disclosure of Fees and Charges

All applicable fees and charges, such as processing fees, instrument bounce charges, penalties, etc. will be disclosed to customers upfront. No additional charges will be levied without the customer's prior knowledge.

### Pre-closure charges

The company will not charge any pre-closure charges on loans where:

- a. the loan is on floating interest rate basis and pre-closed from any source or
- b. the loan is on fixed interest rate basis and the loan is pre-closed by the borrower out of their own sources.

### Penalties

Penalty, if any, charged for non-compliance of material terms and conditions of loan contract by the borrower will be treated as 'penal charges' and will not be levied in the form of 'penal interest' that is added to the rate of interest charged on the advances and there will not be any capitalization of penal charges.

The quantum and reason for penal charges will be clearly disclosed to the borrowers in the loan agreement and most important terms & conditions / Key Fact Statement (KFS) as applicable, in addition to being displayed in website.

Whenever reminders for non-compliance of material terms and conditions of loan are sent to borrowers, the applicable penal charges shall be communicated. Further, any instance of levy of penal charges and the reason therefore shall also be communicated.

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## 6. Customer Communication & Service

### Clear Communication

We will ensure that all communication with the customer is clear, comprehensive, and in an easy-to-understand language. Customers will be informed about loan terms including but not limited to , interest rates, service charges, prepayment charges, disbursement schedule, repayment schedule penalties for non-compliance of material terms and conditions, other applicable charges/fees and any possible impact of change in interest leading to changes in EMI and/or tenor or both at the time of sanction.

We will ensure to intimate the customers, any change in the above-mentioned loan terms and that the changes in the interest rates and charges will be effective only prospectively. If any such change is disadvantageous to the customer, the customer will be given a time period of 60 days to switch their account without having to pay any extra charges or interest.

The most important terms & conditions / Key Fact Statement (KFS) as applicable, will be displayed in the company's website under Interest rates and Service Charges. Any non-compliance of material terms & conditions will be reminded to the customers with the applicable penal charges, if any.



Any instance of levy of penal charges will be communicated to the customers along with the reason.

We will send the customers a statement at the end of each quarter enumerating the principal and interest recovered till date, EMI amount, number of EMIs left and annualized rate of interest / Annual Percentage Rate (APR) for the entire tenor of the loan in a simple and understandable manner.

### Timely Updates

Customers will be informed at each stage of the loan application process, including approval, disbursement, and any changes to their loan terms. The status of the loan application will be communicated promptly. In case of rejection of loan application, we will communicate quoting the reasons for rejection.

### Complaints and Grievance Redressal

A clear, accessible, and effective grievance redressal mechanism will be in place for receiving, registering and disposing of complaints. All customer complaints including complaints received in writing or relayed over phone at the company's designated telephone helpdesk or customer service number, will be acknowledged within 24 hours mentioning the name and designation of the official who will deal with the grievance.

The customer will be provided with a complaint reference number and be kept informed of the progress. The company will ensure to resolve all complaints promptly, typically within 30 working days. Customers will be informed of the resolution process and escalation procedure.

After waiting for reasonable time (i.e. thirty working days) from the date of his/her complaint, if customer feels his/her grievance has not been resolved to his/her satisfaction, or where he/she has not received response from the Company within the said period, he/she may approach the National Housing Bank (NHB) at their following address:

To

The General Manager  
National Housing Bank  
Complaint Redressal Cell  
4th Floor, Core 5A, India Habitat Centre,  
Lodhi Road,  
New Delhi-110003

Alternatively, Customer may lodge complaint to NHB through their online grievance lodging system also, called 'GRIDS' (Grievance Registration & Information Database System) through the link at <https://grids.nhbonline.org.in/>.

We will also ensure to publish in our office premises, all our branches and in our website, the grievance redressal procedure including e-mail id and designated helpdesk number at which the complaints can be lodged, turnaround time for resolving the issue, procedure for escalation to the National Housing Bank, etc.

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## 7. Privacy and Confidentiality

### Confidentiality of Customer Information

We respect the privacy of our customers. All personal and financial data will be kept confidential and will not be disclosed to third parties without the customer's consent, except as required by law or bound by a duty towards the public to reveal the information. We will inform the customers the extent of their rights under the existing legal framework for accessing the personal records that the company hold about them.

### Data Protection

**Nestavia Home Finance Private Limited** will ensure that customer data is protected through robust security measures in line with applicable data protection laws. Sensitive customer data will be handled with the utmost care to prevent unauthorized access or misuse.

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## 8. Recovery Practices

Our collection policy is built on courtesy, fair treatment and persuasion. We believe in fostering customer confidence and long-term relationship. Our staff or any person authorized to represent us in collection of dues or / and security repossession will identify himself / herself and display the authority letter issued by us and upon request display to customer his / her identity card issued by us or under our authority. We will provide customer with all the information regarding dues and will endeavour to give sufficient notice for payment of dues.

### Ethical Collection Practices

In case of loan default, recovery will be pursued in a fair, transparent, and respectful manner. Harassment or coercive tactics will not be used under any circumstances.

### Clear Communication on Recovery Process

Whenever we give loans, we will explain to customer the repayment process by way of amount, tenure and periodicity of repayment. However, if customer does not adhere to repayment schedule, a defined process in accordance with the laws of the land will be followed for recovery of dues. The process will involve reminding customer by sending notices or by making personal visits and/ or possession of security if any.

Customers will be reminded through phone calls / emails / notified in writing of any outstanding payments, and adequate time will be provided to resolve the issue. We will work with customers to find mutually agreeable solutions such as restructuring or refinancing options.

### Debt Collection

All employees will adhere to ethical and legal practices while contacting customers for recovery, and any recovery action will be preceded by a written notice to the customer.

All the employees or authorized representatives of the Company will adhere to the following practices while contacting customers for recovery:

- The customers will be contacted between 07.00 hrs to 19.00 hrs unless the customer requires otherwise.

- Customers' request to avoid calls at a particular time or at a particular place will be honoured.
- Time and number of calls and contents of conversation would be documented.
- The identity and authority to represent the company will be made known to the customer at the first instance.
- Customers will be contacted ordinarily at the place of their choice and in the absence of any specified place at the place of their residence and if unavailable at residence, at the place of business / occupation.
- In all cases, we will ensure that the customers privacy is respected and interaction with them is in a civil manner.

## 9. Release of immovable property documents

- The Company shall promptly release all the immovable property documents and remove charges registered with any registry within a period of 30 days after 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 the borrower. If such right of set off is to be exercised, the borrower will 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.
- The Property Owner/Borrower(s) shall have the option of collecting their original title documents either from the branch where the loan was serviced or any other office of the Company where the documents are available, as per her/his preference.

### Process for release of documents in the event of demise of the sole/joint property holder

To address the contingent event of demise of the sole borrower or joint borrowers, the Company has a well laid out procedure for return of original immovable property documents to the legal heirs. Such procedure is displayed on the website of the Company along with other similar policies and procedures for customer information.

### Compensation for delay in release of property documents

The Company shall compensate for the delay, if any as follows:

- In case of delay of releasing of original property documents or failing to file charge satisfaction form with relevant registry beyond 30 days after full repayment/settlement of loan, the Company shall communicate to the borrower reasons for such delay. Where the delay is attributable only to the Company, the company shall compensate the borrower at the rate of ₹5,000/- for each day of delay.
- In case of loss / damage to original immovable property documents, either in part or in full, the Company shall assist the borrower in obtaining duplicate / certified copies of the immovable property documents and shall bear the associated costs, in addition to paying compensation as indicated at sub-paragraph (i) above. However, in such cases, an additional time of 30 days will be available to the Company to complete this procedure, and the delayed period penalty will be calculated thereafter (i.e., after a total period of 60 days).
- The compensation provided under these directions shall be without prejudice to the rights of a borrower to get any other compensation.

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## 10. Responsible Lending

### Prevention of Over-Indebtedness

**Nestavia Home Finance Private Limited** will ensure that loans are offered only after thoroughly assessing the customer's intention and ability to repay in terms of adequate cash flows. Loans will not be disbursed if the customer is already over-burdened with debt or if the loan could lead to financial distress. More particularly, while issuing EMI based floating rate housing loans, we will ensure that adequate headroom/ margin is available for elongation of tenor and/ or increase in EMI, in the event of possible increase in the interest rates during the loan tenor.

### Customer Education

We will proactively educate customers about the financial commitment they are undertaking. Information about loan repayments, risks associated with loans, and the impact of delayed payments will be communicated transparently.

### Loan Terms Flexibility

Where possible, the Company will offer options such as loan restructuring or moratoriums for customers facing financial difficulties, as long as they comply with applicable regulations.

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## 11. Compliance with Regulatory Requirements

### Adherence to Regulatory Guidelines

**Nestavia Home Finance Private Limited** is committed to full compliance with all applicable laws and regulations, including the guidelines set by the Reserve Bank of India (RBI), National Housing Bank (NHB), and any other relevant authorities.

The Company will ensure that all our employees, officers, agents, and representatives involved in the origination, servicing, collection, and management of housing finance products are well trained to provide relevant information about the code and to put the code into practice.s

### Publicizing the Code

The Company will ensure to display this code at the company's website and keep this code at all the branches. We will provide a copy of this code at the request of customers either over the counter or by e-mail.

### Responsibility of Board of Directors

The Board of Directors will provide for periodical review of the compliance of the Fair Practices Code and the functioning of the Grievance Redressal Mechanism at various levels of management. The code will be reviewed annually to ensure its relevance and effectiveness.

### Regular Audits & Reviews

The Company will conduct regular internal audits and periodical review to ensure compliance with this Fair Practice Code and take corrective actions when necessary. A consolidated report

of such audits and reviews will be submitted to the Board of Directors at regular intervals, as may be prescribed by the Board in this regard.

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## 12. Monitoring and Review

### Regular Monitoring

The Company will continually monitor and review the implementation of this Fair Practice Code to ensure that all employees and agents adhere to its principles. Any deviations or complaints will be addressed promptly.

### Annual Review

The Company will review this Fair Practice Code annually and make necessary revisions to reflect changes in laws, regulations, or best practices in the housing finance industry.

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## 13. Contact Information

For any questions, concerns, or complaints regarding our services or the Fair Practice Code, customers can reach us at:

- **Customer Service Email:** [customerfirst@nestaviahomefin.com](mailto:customerfirst@nestaviahomefin.com)
  - **Customer Service Phone Number:** +914446065151 and a separate toll free to be provided upon activation
  - **Contact us Section of the Website:** <https://www.nestaviahomefin.com/contact/>
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**By adhering to this Fair Practice Code, Nestavia Home Finance Private Limited seeks to establish lasting relationships based on trust, fairness, and transparency with all its customers.**

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