

## NAGA DHUNSERI GROUP LTD.

### MODIFIED FAIR PRACTICES CODE

The Company is registered as a non-deposit taking NBFC u/s 45-IA of the RBI Act, 1934. The Company does not deal with lending money to or borrowing money from outside agency. The guidelines framed by RBI on Fair Practices Code for NBFCs therefore have very limited application on the Company. The Company may however grant short term loans to body corporates from time to time. It does not deal in lending money against pledge of gold jewellery etc.

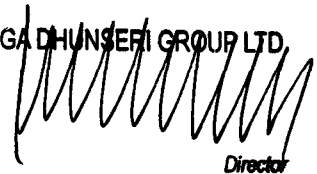
On the background of the above business operation of the Company, the code of conduct for fair practice is formulated on the following lines:-

1. Proposals for loans if and when considered by the Company will be based on financial background and creditworthiness of the body corporates. The PAN CARD of the borrower is verified and a xerox copy thereof is kept on record.
2. Further a copy of the Memorandum & Articles of Association of the borrower Company together with a certified true copy of resolution authorizing the body corporate to borrow money will be verified and kept on record.
3. A case for lending money will be considered only when surplus fund is available.
4. The rate of interest to be charged will be commensurate with the interest rate prevailing in the market on bank deposits.
5. After considering the above aspects the loan is sanctioned by the Company for a short tenure with or without option for extension of the tenure.
6. The Company may also reserve the right to call back the loan in case of extreme necessity of fund, though the Company will make all efforts not to deviate from its commitment.
7. As stated earlier, the Company's regular business not being lending/borrowing of money, no securities are accepted or given. Hence, the Company is extremely cautious in its appraisal of any proposal for loan.
8. For recovery of loan beyond the agreed period the Company may, in its absolute discretion, ask for enhanced rate of interest for the extended period.

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9. In case of failure of recovery of the loan, the Company will take/resort to legal action.
10. It is hereby emphatically stated that in the event of the borrower not adhering to the agreed repayment schedule the Company will never resort to any unfair means nor take recourse to any action beyond legal jurisdiction.
11. The Board of Directors of the Company will review the position of loans/borrowings at its meeting.

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Director