



One Step towards Prosperity

Most Important Terms & Conditions

Policy Details

Policy Name	Most Important Terms & Conditions		
Adopted By NAFA	01-05-2020		
Owner	Head - Strategy		

Next Rev Due	March 2023
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Responsibility	Compliance
Submitted By	Strategy & Compliance
Approval	Board Of Directors

Date of Approval	03-02-2022
Recommended By	CCO

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This is with respect to Revised Most Important Terms and Conditions (MITC) regarding the Loan between the Borrower/s and Netafim Agricultural Financing Agency Pvt. Ltd. ("NAFA"). The previous version was approved on 4th February 2021. The same is to be read and understood in conjunction with the terms of the Sanction Letter and the Loan Agreement and other documents which you have executed with NAFA. The MITCs mentioned hereinbelow are merely indicative and not exhaustive.

Purpose of the Loan:

- Term Loans For purchase and installation Micro Irrigation System (MIS)/ Automation systems, other farm automation systems & all associated materials/accessories supplied by Netafim Irrigation India Pvt. Ltd (NIPL)/Other Manufacture having tie-up with NAFA.
- Short term working capital loans for channel partners of Netafim Irrigation India Pvt. Ltd. For purchase & stocking of new Micro Irrigation System and other materials manufactured and marketed by Netafim Irrigation India Pvt. Ltd.
- Short term working capital loan for business expenses

A detailed process note on Most Important Terms and Conditions (MITC) regarding the Loan between the Borrower/s and Netafim Agricultural Financing Agency Pvt. Ltd. ("NAFA") is been prepared along with respective department to follow the guidelines as mentioned below. The escalation matrix for this activity is detailed as below for ready reference. The MITC Process needs to be circulated among the NAFA team members.

Recommendations:

Considering the above it is therefore recommended & request your approval of MITC Document.

Recommended for approval.

From:

Bharat Gurnani – Head Customer Service

Prepared by – Jyothi Gowda – Dy. Manager Compliance and Business Strategy _____

The Most Important Terms and Conditions (MITC) regarding the Loan between the Borrower/s and Netafim Agricultural Financing Agency Pvt. Ltd. ("NAFA") are mentioned herein below. The same is to be read and understood in conjunction with the terms of the Sanction Letter and the Loan Agreement and other documents which you have executed with NAFA. The MITCs mentioned hereinbelow are merely indicative and not exhaustive.

Purpose of the Loan:

- Term Loans For purchase and installation of Micro Irrigation System (MIS)/ Automation systems, other farm automation systems & all associated materials/accessories supplied by Netafim Irrigation India Pvt. Ltd (NIPL)/Other Manufacture having tie-up with NAFA.
- Short term working capital loans for channel partners of Netafim Irrigation India Pvt. Ltd. For purchase & stocking of new Micro Irrigation System and other materials manufactured and marketed by Netafim Irrigation India Pvt. Ltd.
- Short term working capital loan for business expenses

Loan Amount

- Determined based on credit appraisal of the profile, income, cash flow and valuation of the security being offered

Rate of Interest

- Interest on the loan is charged between 18-24% per annum basis the product, appraisal of the profile and securities being offered by the borrower.
- The ROI is liable to change from time to time and shall be communicated to customers at the time of sanction through the sanction letter.

Penal Interest

- In the event of a default in payment or any irregularity in the account, NAFA reserves the right to levy a higher rate of interest as it deems fit. Enhanced rate of interest @24% per annum on the overdue amount for the period of overdue, over and above the applicable rate will be charged if the amount due is not paid on or before the due date, for any reason.

Insurance Coverage & Charges:

- Asset insurance (Fire and peril)
- Personal Accidental Cover/ Life cover as negotiated with Insurer from time to time.
- Fire Peril Insurance (Group Insurance) is 0.27% of Sum Insured + applicable GST/levies/taxes on the loan value every year. The customer has an option to procure such insurance on their own and assign the same to NAFA. In case the customer does not opt for the same and requests NAFA to procure such insurance policy/ies generally the same to be collected upfront at the time of disbursement for the entire tenure of the loan granted. For details pls refer to the term of the documentation Kit. The terms are subject to changes depending on the regulations and the charges of the Insurance company. Being group insurance scheme, NAFA and/or the Accident Insurance (Group Insurance) is 0.11% of Sum Insured + applicable GST/levies/taxes on the loan value every year. Insurance Company shall not issue individual policy document to the customers. Insurance charges shall vary basis the change in charges negotiated and finalized with the insurance provider.

Other Charges:

SI No	Product	Fee/Charges	When Payable	Frequency	Applicable Charges
1	Processing Fee	Individual Term Loan	Before Disbursement	Once	1.0-2.0% + applicable taxes
2	Processing Fee	Short term working capital loan for Business Partners	Sanction & Renewal	Yearly	1.0-2.0% + applicable taxes
3	Title Search & Technical evaluation Charges of the property offered as collateral	All Products	With application	Once	INR 7500.00 + GST per one property
4	File Handling Charges	All Products	With Application	Once	INR 1000.00 + GST
5	Agreement & Other statutory Charges	All Products	At the time of document execution	No of documentation	At actuals
6	Security Creation Charges	All Products	At the time of security creation	No of security creation	Actuals
7	Cheque dishonour charges/rejection of NACH/ECS mandate	All Products	On Cheque/Mandate Dishonor	Depends on no. of Dishonors	Rs 500.00 + GST for every Cheque dishonor / rejection of ECS/Auto debit/NACH Mandate
8	Customised Statement(other than the statement available on customer portal)	All Products	Upon request	No of Requests	INR 500.0 + GST per request
9	Customer requesting multiple documents or details through customer care	All Products	Upon request	No of Requests	INR 500.0 + GST per request / document/year
10	Collection Agency Charges	All Products	Event	No of Events	At Actuals+ GST
11	Legal recovery Charges	All Products	Event	No of Events	At Actuals+GST
12	Others	All Products	Event	No of Events	At actuals+ GST

Loan Tenure:

The maximum tenure of Short-Term Loan and Term Loan facilities shall be up to 12 months and 48 months respectively from the first date of disbursement

Conditions for Disbursement of the Loan:

- Completion of documentation in line with sanction conditions.
- KYC verification with Original documents and Self-attestation on all the documents by the borrowers and guarantors
- Security creation in line with sanction conditions
- Any other document identified basis the additional documents provided to NAFA

Repayment:

- The loan shall be repaid in monthly/ quarter/ half-yearly/yearly/ or as part/bullet payment in line with sanction terms

Pre-Payment:

- Pre-payment of any amount including principal and/or interest is allowed.
- There are no pre-payment charges.

Mode of repayment

- Payments / re-payments shall be as per the schedule each month through post-dated cheque/ DD/ RTGS/ NEFT/ ECS/ NACH for the period till the complete repayment of the principal, interest and other charges.
- No Cash payment shall be accepted by NAFA or its representatives.
- Borrower to verify the identity of the receiver before handing over the PO/DD/cheques and collecting the payment receipt to ensure that he/she is dealing only with the authorized personnel of either NAFA or Agencies with which NAFA has a formal and strategic alliance.

Brief procedure to be followed for recovery of overdue:

In case of default in payment of due instalment NAFA will

- Report the account as overdue to the Credit Bureaus in line with regulatory guidelines
- Tele-calling by NAFA staff / empanelled agencies for repayment of overdue
- Reminder letters to borrowers/customers for repayment of overdue
- Personal visits along with Collection team/ team of the empanelled agencies will be conducted at the residence and/or any other place of communications for follow up of repayment of Loan outstanding.
- Loan Recall notice after Event of Default with a notice period of 10 days.
- Initiation of legal action after 7 days' notice period for enforcement of mortgage or any other legal action as may deemed fit/ suitable by NAFA.

Customer Services

- Branch visiting Hours:
 - o Mon-Fri: 10.00 a.m. to 7.00 p.m.
 - o Closed on Public Holiday, Saturday and Sunday

- Customer Care Contact details
 - o Write to customercare@nafa.co.in
 - o Contact us @ Toll-free phone no – 1800-26-777-62
 - o WhatsApp us – 89284-93972
- TAT for different services*:
 - o Loan Account Statement: 1 day
 - o Customised Loan account Statement: 14 days
 - o Title Documents Photocopy: 14 days
 - o Return of Original Documents on closure/transfer of the loan: 14 days
 - o Issuance of foreclosure statement: 7 days
 - o Issuance of NOC after account closure with in 7 days
- Process & charges details for customer requesting multiple documents or details.
 - o Customer need to call customer care from registered phone number.
 - o Customer care to update the TAT to customer (7 to 10 working days for such requests)
 - o Customer care will also update the charges to customer (Rs 500 / document/year excluding Statement).
 - o Customer care will also update customer that the total charges will be debited to his account.
 - o Customer needs to provide the acknowledgement on the mail.
 - o Post customer acknowledgement, customer care will share the details as per TAT

*TAT does not include Saturday, Sunday and Holidays.

Grievance Redressal

- **Level 1:** Write in to customercare@nafa.co.in or call the Customer Care no. 18002677762 or whatsapp on 8928493972 from their registered email/ phone no.
- **Level 2:** If you are not satisfied with the resolution provided, you may write to Grievance Redressal Head on below-mentioned address:

Head – Customer Grievances,

Netafim Agricultural Financing Agency Pvt. Ltd,
308, Windfall, 3rd Floor, D Wing, Sahar Plaza Complex,
J B Nagar, Andheri Kurla Road, Andheri East, Mumbai -400059, Maharashtra, India

- **Level 3:** In the event of complaint/dispute remains unresolved for a period more than one month the customer may appeal with Officer-in-Charge of the Regional Office of DNBS of RBI, under whose jurisdiction the registered office of the Company falls Contact detail of Officer-in-Charge of the Regional Office of DNBS of RBI is as follows -

“The General Manager”

Department of Non-Banking Supervision, Reserve Bank of India,
Mumbai Regional Office, Garment House, Dr. A. B. Road, Worli, Mumbai – 400 018