

CODE OF CONDUCT FOR DIRECT SELLING AGENTS/ DIRECT MARKETING AGENTS OF NAVI FINSERV LIMITED

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Owner	Managing Director
Approved by	Board of Directors
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Date of review / amendment	Particulars	Next date of review
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1. BACKGROUND & APPLICABILITY

- 1.1 Navi Finserv Limited (the “**Company**”) is a Non-Banking Financial Company - Investment and Credit Company (“**NBFC-ICC**”), placed in the Middle Layer of the Reserve Bank of India’s (“**RBI**”) regulatory structure. The Company currently offers various lending products, including housing loans, loans against property, and personal loans to individuals.
- 1.2 The Company either directly or through its lending service provider(s) proposes to appoint and engage various service associates – Direct Selling Agents (“**DSAs**”), Direct Selling Executives (“**DSEs**”), and Direct Marketing Agents (“**DMAs**”) (both individual and corporate) for availing their services for marketing/selling its products to prospective customer(s) (“**Prospect**”) for its various products.
- 1.3 In terms of Section I of Chapter III of the Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025 (the “**Business Conduct Directions**”), the Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025 (the “**Outsourcing Directions**”) and the Company’s Outsourcing Policy, the Company is required to put in place a Board approved Code of Conduct for DSAs and DMAs.
- 1.4 Therefore, in accordance with the Business Conduct Directions, the Outsourcing Directions and the Outsourcing Policy of the Company, the Company has adopted this Code of Conduct for Direct Selling Agents / Direct Marketing Agents (the “**Code**”). This Code covers all employees, and third party agents involved in marketing and distribution of any loan (including housing loan) offered by the Company (“**Direct Selling Executives**”), including DSA, DSE, tele-marketing executives, and business development executives of the Company. For the purposes of this Code, any agency employed by the Company for the purposes of direct selling / direct marketing activities shall be referred to as a “**Service Provider**”.
- 1.5 This Code is built around dignity, fair treatment, and respect for customers, and prospective customers of the Company.

2. AGREEMENT

- 2.1 The Code is and is deemed to be adopted and included in any agreement executed between the Company and the Service Provider/ Direct Selling Executive (to the extent, such executive is not an employee of the Company, and the Company has a direct agreement with such Direct Selling Executive).
- 2.2 The Service Providers and their Direct Selling Executives shall agree to abide by this Code prior to undertaking any direct marketing operations and distribution on behalf of the Company. For this purpose, a declaration cum undertaking annexed as **Annexure I** to this Code shall be obtained by the Service Provider from the Direct Selling Executives proposed

to be deputed by the Service Provider for undertaking activities on behalf of the Company.

- 2.3 Any Direct Selling Executive / Service Provider Code may be blacklisted or terminated by the Company, at its sole discretion, if found to be violating or breaching this Code, or the other policies of the Company.
- 2.4 The Company shall ensure that its agreements with Service Providers/ Direct Selling Executives (who are not employees of the Company, and with whom the Company has a direct agreement) include the terms outlined in its Outsourcing Policy, including.
- (i) The contract shall clearly define what activities are going to be performed by the Service Provider / Direct Selling Executive, including appropriate service and performance standards;
 - (ii) The Company shall ensure it has the ability to access all books, records and information relevant to the direct selling activity available with the Service Provider/ Direct Selling Executive;
 - (iii) The contract shall provide for continuous monitoring and assessment by the Company of the Service Provider/ Direct Selling Executive so that any necessary corrective measure can be taken immediately;
 - (iv) A termination clause and minimum period to execute a termination provision, if deemed necessary, shall be included;
 - (v) The controls to ensure customer data confidentiality and Service Providers'/ Direct Selling Executive's liability in case of breach of security and leakage of confidential customer related information shall be incorporated;
 - (vi) There must be contingency plans to ensure business continuity;
 - (vii) The contract shall provide for the prior approval/consent by the Company of the use of subcontractors by the Service Provider/ Direct Selling Executive;
 - (viii) It shall provide the Company with the right to conduct audits on the Service Provider/ Direct Selling Executive and the frequency at which such audits will be conducted; whether by the Company's internal or external auditors, or by agents appointed to act on its behalf and to obtain copies of any audit or review reports and findings made on the Service Provider/ Direct Selling Executive in conjunction with the services performed for the Company
 - (ix) The agreements shall include clauses to allow the RBI, or persons authorised by it to access the Company's documents, records of transactions, and other necessary information given to, stored or processed by the Service Provider/ Direct Selling Executive within a reasonable time;
 - (x) The agreement shall also include a clause to recognise the right of the RBI to cause an inspection to be made of a Service Provider/ Direct Selling Executive of the Company and its books and account by one or more of its officers or employees or

other persons;

- (xi) The agreement shall cover the penal / disciplinary action to be taken in case any the Service Provider/ Direct Selling Executive is/are found to be in violation of this Code;
- (xii) The agreement shall also provide that confidentiality of customer's information shall be maintained even after the contract expires or gets terminated;
- (xiii) The Company shall have necessary provisions to ensure that the Service Provider/ Direct Selling Executive preserve documents as required by law and take suitable steps to ensure that its interests are protected in this regard even post termination of the services.

3. DUTIES / OBLIGATIONS OF DIRECT SELLING EXECUTIVES

3.1 Tele-calling a Prospect

A Prospect may be contacted for availing the Company's products under the following circumstances:

- (i) When a Prospect has expressed their desire to acquire a product through the Company's website, call centre, branch, or through any relationship manager of the Company, or has been referred to by another Prospect, business entity, builder, or an existing customer of the Company.
- (ii) When a Prospect's name, telephone number or address is available and has been taken with the Prospect's consent.

3.2 Service Providers/ Direct Selling Executives should not call a person whose name / number is flagged in any "do not disturb" list.

3.3 When a Prospect may be contacted

- (i) Telephonic contact must normally be limited between 09:30 Hrs and 19:00 Hrs. However, it must be ensured that a Prospect is contacted only when the call is not expected to inconvenience them.
- (ii) Calls earlier or later than the prescribed time period may be placed only when a Prospect has expressly authorized the Direct Selling Executives/ Service Provider to do so.
- (iii) Residence / Business / Office visits of a Prospect must normally be limited between 09:30 Hours and 19:00 Hours. Visits earlier or later than the prescribed time period may be made only when the Prospect has expressly authorized the Direct Selling Executive/Service Provider to do so, either in writing or orally.

3.4 Respect Prospect's privacy

- (i) Direct Selling Executives should respect a Prospect's privacy. A Prospect's interest

may normally be discussed only with such Prospect or with any other individual / family member only when authorized to do so by the Prospect.

- (ii) Calls must first be placed to the Prospect. In the event the Prospect is not available, a message may be left for him/her. The aim of the message should be to get the Prospect to return the call or to check for a convenient time to call again. Ordinarily, such messages may be restricted to: "Please leave a message that XXXXX (Name of officer) representing Navi Finserv Limited called and requested to call back at ZZZZZZ (phone number)". As a general rule, the message must indicate: that the purpose of the call is regarding selling or distributing a product of the Company.

3.5 No misleading statements / misrepresentations / mis-selling/coercion permitted

Direct Selling Executives / Service Providers should not:

- (i) Mislead a Prospect on any product / service offered by the Company by providing incorrect/incomplete/misleading information.
- (ii) Mislead a Prospect about the Company's business or organization's name or falsely represent themselves as the Company's employees (if such Direct Selling Executive is not an employee of the Company).
- (iii) Make any false / unauthorized commitment on behalf of the Company for any facility/ service.
- (iv) Mis-sell products / services offered by the Company by misrepresenting interest rates, loan sanction amounts, details on the security / collateral that may be required.
- (v) Coerce/force the Prospect to purchase/avail any product/ service offered by the Company.
- (vi) Force the customer to avail/purchase any additional or add-on services/products that have to be mandatorily purchased/availed along with any of the services/products of the Company that are being offered.

3.6 Telemarketing Étiquettes

Direct Selling Executives/ Service Providers should ensure that:

- (i) PRE-CALL
 - (a) Calls are made to Prospects during the hours indicated in Section 3.3.
 - (b) No serial calling is undertaken.
- (ii) DURING CALL
 - (a) They identify themselves, their employing entity, and their principal (the Company);
 - (b) They request permission to proceed;

- (c) Always offer to call back on landline, if call is made to a cell number
 - (d) If denied permission, they must apologize and politely disconnect;
 - (e) They state the reason for their call;
 - (f) They never interrupt or argue with the Prospect;
 - (g) To the extent possible, they talk in the language which is most comfortable to the Prospect;
 - (h) They keep the conversation limited to business matters;
 - (i) Check for understanding of "Most Important Terms and Conditions" by the Prospect if he plans to avail the product;
 - (j) They reconfirm next call or next visit details;
 - (k) They provide their telephone number, their supervisor's name, or contact details of the concerned employee / personnel of the Company if asked for by the Prospect;
 - (l) They thank the Prospect for their time.
- (iii) POST CALL
- (a) Prospects who have expressed their lack of interest for the offering should not be called for the next 3 months with the same offer;
- (iv) be flagged "Do Not Disturb";
- (a) Never call or entertain calls from customers regarding products already sold. Advise them to contact the Customer Service Staff of the Company.

3.7 Gifts or bribes

Direct Selling Executives/ Service Providers must not accept gifts from Prospects or bribes of any kind. If a Direct Selling Executive/ Service Provider is offered a bribe or payment of any kind by a Prospect, then they must report the offer to their management/ the Company.

3.8 Precautions to be taken on visits /contacts

Direct Selling Executives/ Service Providers should:

- (i) Respect personal space and maintain adequate distance from the Prospect;
- (ii) Not enter the Prospect's residence / office against their wishes;
- (iii) Not visit the Prospect's residence / office in large numbers;
- (iv) Respect the Prospect's privacy;
- (v) If the Prospect is not present and only family members / office persons are present at the time of the visit, the personnel should end the visit with a request for the

Prospect to call back;

- (vi) Provide their telephone number, supervisor's name, or the contact details of the concerned employee / personnel of the Company, if asked for by the Prospect;
- (vii) Limit discussions with the Prospect to the business and maintain a professional distance.

3.9 Handling of letters and other communication

Any communication sent to the Prospect should only be in the mode and format approved by the Company.

4. RIGHTS AND OBLIGATIONS OF THE COMPANY

4.1 With respect to any Direct Selling Executives / Service Providers who are agents of the Company,

- (i) The Company will have the ability to access all books, records, and information relevant to the direct selling services.
- (ii) The Company will retain control over the information of its customers shared with Direct Selling Executives/ Service Providers.

4.2 The Company shall be responsible for the actions of the Direct Selling Executives/ Service Providers, and the confidentiality of information pertaining to the customers that is available with the Service Provider/ Direct Selling Executive. The Company shall retain ultimate control of the activities of the Service Providers/ Direct Selling Executives.

4.3 The Company shall ensure that the DSAs/DMAAs, whether they are Employees of the Company or are engaged through Service Providers, have obtained the requisite qualification/ certification, if any, prescribed by the respective sectoral regulators.

4.4 The Company shall not engage Telemarketers (DSAs/DMAAs) who do not have any valid registration certificate from DoT, Government of India, as telemarketers, and the Company shall engage only those telemarketers who are registered in terms of the guidelines issued by Telecom Regulatory Authority of India ("TRAI"), from time to time, for all their promotional/ telemarketing activities. The Company shall ensure that all agents presently engaged by them register themselves with DoT as telemarketers.

5. TRAINING TO DIRECT SELLING EXECUTIVES/ SERVICE PROVIDERS AND/OR THEIR EMPLOYEES / REPRESENTATIVES

5.1 The Process Excellence Department of Company shall, on a quarterly basis, conduct training sessions for its Direct Selling Executives, Service Providers and their employees and agents to train them to handle their responsibilities with care and sensitivity, particularly aspects such as soliciting customers, hours of calling, privacy of customer

information and conveying the correct terms and conditions of the products on offer, etc.

- 5.2 The Service Provider and / or their employees / representatives should ensure that they attend training sessions as and when conducted by the Company for the purpose of maintaining high service standards in respect of the services expected to be rendered by the Service Providers.

6. DISCLOSURE

- 6.1 This Code shall be available on the website of the Company.

7. IMPLEMENTATION OF THE POLICY

Managing Director	Approve amendments to the Policy in accordance with <u>Section 8.2</u> of this Policy.
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8. REVIEW AND AMENDMENT

- 8.1 This Code shall be amended or modified with the approval of the Board. This Code shall be reviewed by the Board on an annual basis.
- 8.2 Without prejudice to the foregoing, in the event this Code requires to be amended to take into account any changes (whether on account of repeal of any existing law, or otherwise) in any existing regulation, law or policy (or any clarification with respect to any existing regulation, law or policy), the Managing Director of the Company may approve such changes to the Code as may be required to comply with such changes. Any such changes approved by the Managing Director shall be placed before the Board, in its immediately succeeding meeting, for ratification by the Board.
- 8.3 Notwithstanding anything contained in this Code, in case of any contradiction of the provision of this Code with any existing legislations, rules, regulations, laws or modification thereof or enactment of a new applicable law, the provisions under such law, legislation, rules, regulation or enactment shall prevail over this Code.

ANNEXURE I: UNDERTAKING-CUM-DECLARATION

(to be obtained by the Service Provider from each Direct Selling Executive)

Re: Code of Conduct

Dear Sir,

I am working in your company as a ___. My job profile, inter-alia, includes offering, explaining, sourcing, and assisting documentation of products and linked services to prospects of Navi Finserv Limited.

In the discharge of my duties, I am obligated to follow the 'Code of Conduct' ("**Code**") attached to this document. I confirm that I have read and understood and agree to abide by the Code. I further confirm that the trainer mentioned below has explained the contents in full to me. In case of any violation, non-adherence to the said Code, you shall be entitled to take such action against me as you may deem appropriate.

Signed on this _____ day of 20__

Signatory's Name:

Name of the Agency:

Signature of the Trainer

Name of the Trainer: