

**ROSELABS FINANCE LIMITED  
FAIR PRACTICES CODE**

(As amended and adopted in the Board Meeting held on February 28, 2013)

**INTRODUCTION**

RBI has drafted the guidelines on Fair Practices Code for Non Banking Finance Companies which sets the fair practices standards when dealing with individual customers and to serve as a part of best corporate practice.

It is, and shall be, our policy to make loan products available to all qualified applicants without discrimination on the basis of race, caste, colour, religion, sex, marital status or handicap. Our policy is to treat all the customers consistently and fairly. Our employees will offer assistance and service in a fair, equitable and consistent manner. We will also communicate our Fair Practices Code to our customers.

We shall ensure that charges / fees are appropriately informed to the borrower(s). Terms and conditions pertaining to the facility will be conveyed to the prospective borrowers. We commit that disputes arising out of the lending decisions will be appropriately resolved by a grievance redressal mechanism.

The Company's Fair lending practices shall apply across all aspects of our operations including marketing, loan origination, processing, and servicing and collection activities. Our commitment to Fair Practice Code would be demonstrated in terms of employee accountability, monitoring and auditing programs, training and technology.

The Company's Board of Directors and the management Team is responsible for establishing practices designed to ensure that our operations reflect our strong commitment to fair lending and that all employees are aware of that commitment. Roselabs Finance Limited is committed to providing service of the highest quality to its clients.

This Fair Practices Code applies to the all categories of products and services offered by us. The Fair Practices Code is applicable to the above irrespective of whether the same is provided at the Branch, over the phone, on the Internet or by any other method.

**KEY COMMITMENTS**

**1) Applications for loans and their processing**

- (a) Loan application forms shall be in English language. However, the same shall be provided in a vernacular language, at the request of the applicant and will include necessary terms and conditions, which affects the interest of the borrower, so that a meaningful comparison with the terms and conditions offered by other NBFCs can be made and informed decision can be taken by the borrower. The loan application form will indicate the documents required

to be submitted alongwith the application form. The loan application form and the sanction letter issued to the customer shall disclose the approach for gradation of risks and rationale for charging different rates of interest to different categories of borrowers. The information shall be updated whenever there is a change in the rates of interest.

- (b) The company will devise a system of giving acknowledgement for receipt of all loan applications. Preferably, the time frame within which loan applications will be disposed of will also be indicated in the acknowledgement.
- (c) Loan Application form will clearly state the information that the company requires to collect from the customer to fulfil the KYC norms and to comply with legal and regulatory requirements. We may request for additional information about the customer and his / her family to build a database; and to evaluate the credentials of the applicant.

## **2) Loan appraisal and terms/conditions**

The company will convey in writing to the borrower by means of sanction letter or otherwise, the amount of loan sanctioned along with the terms and conditions including annualized rate of interest and method of application thereof and keep the acceptance of these terms and conditions by the borrower on its record.

The loan sanction letter and all communications to the borrower shall be in English language only. However, in case where borrower is not well-versed with English Language, at the request of the Borrower, the same shall be provided in a vernacular language which is clearly understood by the borrower.

The Company shall furnish copy of the loan agreement to the borrower at the time of sanction or disbursement of loan.

## **3) Disbursement of loans including changes in terms and conditions**

- (a) The penal interest to be charged by the company for late repayment of loan shall be mentioned in bold letters in the loan agreement.
- (b) The company will give notice to the borrower of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. We will also ensure that changes in interest rates and charges are affected only prospectively only after due notice has been given to the client. A suitable condition in this regard will be incorporated in the loan agreement. Retrospective changes shall, as far as possible, be avoided and may be implemented only within the framework defined in the Loan Agreements. All such notice shall be in English language. However, at the request of the Borrower, the same shall be provided in a vernacular language which is understood by the borrower,
- (c) Decision to recall / accelerate payment or performance under the agreement

will be in consonance with the loan agreement.

- (d) The loan agreement shall contain a built-in re-possession clause and also contain provisions regarding notice period before taking possession, circumstances under which the notice period can be waived, the procedure for taking possession of the security, a provision regarding final chance to be given to the borrower for repayment of loan before sale/auction of the property, the procedure for giving re-possession to the borrower and procedure for sale/auction of the property.
- (e) The company will release all securities on repayment of all dues or on realisation of the outstanding amount of loan subject to any legitimate right or lien for any other claim company may have against 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 company is entitled to retain the securities till the relevant claim is settled/paid.

#### **4) Confidentiality**

- (a) Unless authorized by the customer we will treat all personal information as private and confidential
- (b) Unless authorized by the customer, we will not reveal transaction details to any other entity including other than the following exceptional cases:
  - If we have to provide the information by statutory or regulatory laws
  - If there is a duty to the public to reveal this information
  - If our interest requires us to provide this information (e.g. fraud prevention) to Banks / Financial Institutions /Our Group and Associate Companies.
  - We will not use this reason for giving information about customers to anyone else for marketing purposes.

#### **5) General**

- (a) The company will refrain from interference in the affairs of the borrower except for the purposes provided in the terms and conditions of the loan agreement (unless new information, not earlier disclosed by the borrower, has come to the notice of the lender).
- (b) In case of receipt of request from the borrower for transfer of borrowal account, the consent or otherwise i.e. objection of the company, if any, will be conveyed within 21 days from the date of receipt of request. Such transfer shall be as per transparent contractual terms in consonance with law.
- (c) In the matter of recovery of loans, the company will not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans, etc, and shall provide its field staff appropriate training and guidance in this regards.
- (d) The Company shall ensure that all its employees are provided adequate

training for them to deal with the customers. Training program would include behavioural and technical programs, as deemed necessary by the Company, for ensuring prohibition of adoption of any abusive or coercive debt collection / recovery practices. Penalties would be imposed on Staff in cases of non-compliance with the Code of conduct.

### **Further Assistance**

#### **Complaints:**

In case of any complaint/grievance, the applicant/borrowers will have to inform in writing to the Nodal Officer, 10<sup>th</sup> Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mumbai - 400 011. The Company's Officials shall immediately take up the matter for redressal, under the guidance of the Nodal Officer.

#### **Grievances Redressal Mechanism**

All disputes arising out of the decisions of the Company's official in relation to the products and services shall be heard and disposed off by the Nodal Officer. If the matter still remains unresolved then the matter shall be dealt at Director's level.

A consolidated report of periodical review of compliance of fair practice code and functioning of the grievances redressal mechanism at various levels of management may be submitted to the Board/Committee of Directors by the Nodal Officer, at regular intervals, as deemed necessary.

#### **Feedback and Suggestions**

We request our customers to provide feedback on our service to help us to improve our services.

#### **Monitoring**

We have a Nodal Officer to ensure compliance of the Code.

#### **Nodal Officer:**

Mr. Kanishka Phatak  
Roselabs Finance Limited  
10<sup>th</sup> Floor, Lodha Excelus,  
Apollo Mills Compound,  
N. M. Joshi Marg,  
Mumbai - 400 011  
+91 22 2302 4400  
[roselabsfinance@lodhagroup.com](mailto:roselabsfinance@lodhagroup.com)

Our internal auditing procedures make sure we meet the Code.

A review of the compliance of the Fair Practices Code including the grievances

redressal mechanism would be done by the Management regularly and a consolidated report will be submitted to the Board of Directors periodically.

**More Information about the Code**

The copies of the code will be made available on request by the Customer.