



Fair Practices Code

Enterprise wide-applicable to the entire company

Fair Practice Code provides the customers an effective overview of the practices followed by CF in respect of the financial facilities and services offered to customers.



Introduction

Pursuant to RBI vide Circular DNBS.CC.PD.No.266/03.10.01/2010-11 dated March 26, 2012 and vide Circular DNBS.CC.PD.No.320/03.10.01 /2012-13 dated February 18, 2013 (“**Guidelines**”), issued to Non-Banking Financial Companies (NBFCs), the Board of Directors have adopted a Fair Practices Code for Zen Lefin Private Limited (“**Company**”).

The Fair Practices Code, as adopted herein below, is in conformity with the Guidelines on Fair Practices Code for NBFCs as contained in the aforesaid RBI Circular.

The Board had approved the earlier policy on 14th November 2013.

The Company's business will be conducted in accordance with prevailing statutory and regulatory requirements, with due focus on efficiency, customer-orientation and corporate governance principles. In addition, the Company will adhere to the Fair Practices Code in its functioning, the key elements of which are as follows:

Objectives

- To ensure Fair Practice while dealing with the customers;
- To enable customers to take informed decisions about our financial products and services; and
- To ensure customer satisfaction.

Application for Loan and Processing

- Loan application forms issued to prospective customers includes necessary information, 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 the borrower can make an informed decision). Loan application form also clearly indicates documents required to be submitted along with the application form.
- The Company has a system of acknowledging receipt of all loan applications.

Loan Appraisal and Terms & Conditions

- In accordance with the Company's appraisal norms, loan application will be considered and loan amount will be approved after applying internal credit appraisal norms. The Company shall convey in writing to the borrower by means of approval letter or otherwise, the amount of loan approved along with the terms and conditions, including the annualized rate of interest and method of application thereof. Additionally, Penal Interest on late repayment is clearly highlighted in written offer letter and loan agreement. The Company shall keep record of customer's acceptance of all these terms and conditions.
- Company shall at the time of sanction / disbursement of the loan, furnish a copy of loan agreements and related enclosures to the customer.

Disbursement of Loans and Changes in Terms & Conditions

- The Company shall give notice to all its borrowers of any change in the terms and conditions – including disbursement schedule, interest rates, service charges, prepayment charges etc. The Company shall also ensure that changes in interest rates and charges are effected only prospectively. A suitable provision in this regard is incorporated in the loan agreement.
- Decision to recall / accelerate payment or performance under the agreement shall also be in consonance with the loan agreement.
- The Company shall release all securities on repayment of its full 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 its borrowers. If such right of set off is to be exercised, the borrower shall 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.

General

The Company will refrain from interference in the affairs of the customer except for the purposes provided for in the terms and conditions of the loan agreement (unless new information, not earlier disclosed by the customer, has come to the notice of the Company).

The Company will not discriminate loan applications based on grounds of sex, caste and religion.

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 – shall be conveyed to the borrower within 21 days from the date of receipt of any request. Such transfer shall be as per transparent contractual terms in consonance with law.

In the matter of recovery of loans, our Company staffs are adequately trained to deal with customers and shall not resort to any harassment – such as persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans, etc.

Grievance Redressal Mechanism

Please refer to the Grievance Redressal Policy.

The Company has a Customer Complaint Helpline number as a first level complaint mechanism.

The Company has designated Mr. Gaurav Hinduja, and Mr.Sashank R Rishyasringa as Nodal Officers for receiving and resolving complaints from customers.

The contact details of Nodal Officer are:
Mr. Gaurav Hinduja / Mr.Sashank R Rishyasringa
Zen Lefin Private Limited

No 222/14, 2nd Floor, Gokaldas Chambers
5th Main Sadashivanagar
Bengaluru - 560080
Phone: 080-41465000

The customers having grievance/ complaint about our services/ product may inform in writing to Nodal Officer for immediate resolution of the same. Nodal Officer will provide the highlights of the complaints received and redressal to the Board of Directors for their review and compliance at each subsequent meeting.

In case customers are not satisfied with the resolution provided by the company, they may further approach:

Regional Director – Bengaluru
Reserve Bank of India,
10/3/8, Nrupathunga Road,
Bengaluru - 560 001, India.

Regulation of Interest Rates charged by the Company

The Company has laid down appropriate internal principles and procedure in determining interest rates, processing fees and other charges. The Company has adopted an interest rate model taking into account relevant factors such as, cost of funds, margin and risk premium, etc. and determine the rate of interest to be charged for loans and advances. The rate of interest and the approach for gradations of risk and rationale for charging different rate of interest to different categories of customers shall be communicated explicitly in the sanction letter.

Repossession of Hypothecated Assets Financed by the Company

The Company has a built in re-possession clause in the loan agreement with the customer which is legally enforceable. To ensure more transparency, the terms and conditions of the loan agreement contains 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 the sale/auction of the security;
- the procedure for giving repossession to the borrower and
- the procedure for sale / auction of the property.