

BAJAJ FINANCE LIMITED

FAIR PRACTICE CODE

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COMPLIANCE DEPARTMENT

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1. Introduction

Bajaj Finance Limited, ekta Non-Banking Finance Deposit Taking Company Reserve Bank of India ("RBI") logot registered ase etiya loan diya business te ase tai khan alag alag type of loans diye jinika Consumer Durable Loans, Personal Loans, Two-Wheeler loans, Loan against Property, Loan against Shares etc., alag alag customers ke diye. Inika credit facilities alag alag customers ke diya jai, jinika Individuals, Partnership Firms, Companies aru alag Legal entities.

Bajaj Finance Limited ("the Company") para Fair Practice Code (FPC) tu RBI directives hisab para bonai se aru etu tu Board of Directors para approved hua ase. Fair Practice Code para principles for fair practices/ standards tu set kure customer khan logot deal kura time te.

Company para Fair Practices Code ("the Code") adopt korise aru itu cholai bhi ase. Etu Code sob products aru services categories jitu company para offer kure(etiya aru future te ahibolaga) apply hobo.

2. Key Commitments

Company laka customer karone key commitments:

- i. customer logot buji kina aru niyom pora deal koribo lage:
 - Code te likha commitments aru standard tu mani bo lage, products aru service Company para offer kora aru staff para procedures aru practices follow koribo lage ;
 - Company laka products aru services to relevant niyam aru kanoon mani kina cholibo laka ;
 - Company customer logot deal kura time te company laka ethical principles hisab para aru khula khuli kuri kina deal koribo
- ii. Company laka product khan kinika kam kore eitu customer khan ke bujibole modad koribo:
 - eitu khan laga financial notija tu buja bule
- iii. Galti hua time te joldi aru morom pora deal koribo lage:
 - Galti thik kora ;
 - Customer khan laka complaints handle kora ;
 - Customers ke kobo 'kinika complaint tu aage loi jabo jodi taikhan satisfied nohoi
- iv. Code tu publicize koribo lage, company laka website te aru customer request te copies available hobo lage.

3. Jankari

- a) Customers ke products aru services choose koribole modad koribole, taikhan laga needs hisab para clear information jaruri features khan bhi bujabo lage jot customer para interest dikhai.
- b) Customer ke inform koribo lage Company para ki ki documents lage customer laka asli identity aru address janibole aru alag kiba documents legal aru regulatory requirements hisab para lage jodi.

4. Loans laka application aru processing

- a) sob communications borrower logot nijor laga local bhasa ba kuntu bhasa customer buji pai te a hobo.
- b) Company laka Loan application forms te jaruri information interest uparte thakibo loan lua customer karone, tetiya tai dusra NBFC logot terms and conditions tu compare koribo paribo aru tai pora ekta informed decision lobo paribo. Loan application te likha thake ki ki documents application logot joma dibo lage.
- c) Company para loan applications laka acknowledgement of receipt diya system thakibo. Acknowledgement te kiman time te loan applications laka disposal hobo etu likha thakibo.

5. Loan appraisal aru terms/conditions

Company para local bhasa te likhi kina dibo borrower ke ekta sanction letter te, kiman loan amount sanction hoise aru terms and conditions bhi jonabo jote annualised rate of interest bhi mention thakibo aru etu kinika apply hobo. Borrower para terms and conditions accept kora laka record company para maintain koribo. Company para agreement te bold para mention koribo ki ki penal charges customer para dibo late repayment ba kiba alag default hole.

Company para ekta loan agreement loan lua manhu laka bhasa te dibo, enclosures laka ekta copy bhi dibo jitu loan agreement te quoted ase loan lua time ba sanction time te.

Loan laka exact repayment dates, repayment laka frequency, principal aru interest laka breakup , SMA/NPA classification laka dates. etc laka example, borrower ke communicate kora hobo loan sanction hua time te aru jodi kiba change hoi sanction terms/loan agreement tetia bhi jonabo loan repayment khotom nuhua tok. Jodi loan tu moratorium te thake payment of principal aru be interest, exact date jetia para repayment start hobo borrower ke jonua hobo.

6. Penal Charges Loan Khata khan te

- a) Penalty, jodi non-compliance of material terms and conditions hoi loan contract laka borrower para tanehole penalty tu 'penal charges' hobo aru 'penal interest' hisab para nodhoribo jitu rate of interest charged on the advances te charge hoi. Penal charges laka capitilization nohobo i.e., aru interest compute nohobo inika charges te. Hole bhi, itu Compounding of interest laka normal procedures te affect nokoribo.
- b) Company para aru notun eku component nahalibo rate of interest te aru RBI Guidelines Fair Practice Code hisaab para a cholibo.
- c) Penal charges jiman bhi hobo etu tu reasonable aru non-compliance of material terms aru conditions of loan contract logot milibo lage, kunu bhed bhau nohoi kuno ekta particular loan/product category logot.
- d) Buisness charikina 'individual borrowers laka sanctioned loans uparte penal charges tu non-individual borrowers para bisi nohobo jodi non-compliance material terms aru conditions logot similar ase.
- e) Loan agreement aru jaruri terms & conditions / Key Fact Statement (KFS) te penal charges laga amount aru karon tu customers ke jonabo. Etu Company website te bhi display hobo Interest rates and Service Charges tab niche te.

- f) Jetiya bhi borrowers ke non-compliance of material terms aru conditions of loan laka reminder pothabo, jiman penal charges hobo etu bhi borrower ke jonabo. Aru, kiba penal charges lagaise kole etu laka reason tu communicate koribo.

Ekta alag Fair Lending Practice laka policy - Penal Charges on Loan accounts ase aru etu Board of Directors para approved ase taikhan laka meeting October 17, 2023 te bonai dia ase.

7. Loan diya aru charges aru terms and conditions bhi milaikina

- a) Company para borrower ke nijor bhasa te notice dibo jodi terms and conditions change hoi jinika loan disbursement laka schedule , interest rates, service charges, prepayment charges etc. Company para make sure koribo je interest rates laka changes tu khali prospectively effect koribo koi kina. Ekta suitable condition itu karone loan agreement te thakibo.
- b) Loan agreement hisab para decision lua jabo je recall / accelerate payment ba performance.
- c) Ji kunu legitimate right ba lien alag para Company borrower against te thaka tetia Company para sob securities release koribo jetiya sob dues laka repayment hobo ba sob outstanding amount loan laka diya hoi jabo,. Jodi right of set off use koribo tetia borrower ke notice diya jabo jote full details thakibo kiman remaining claims ase aru ki condition te Company para securities ke rakhibo paribo jetiya tok claim tu settled/paid nohoi.

8. Responsible Lending Conduct –movable/immovable property laka release repayment laka documents/ personal loans laka settlement

Ekta Standard Operating Procedure (SOP)- Property Documents Handover & Charge Release Process RBI guidelines hisab para rakha ase original movable/immovable property documents release karone sob cases jitu due ase December 01, 2023 pichete.

- a) Movable/immovable property documents laka release
 - i. Company para sob original movable / immovable property documents wapas koribo aru charges registered tu hatai dibo registry para 30 days laka time bhitor te full repayment/settlement pua pasot loan account laka.
 - ii. Loan lua manhu logot option thakibo tai original movable/ immovable property documents tu kot para lobo banking outlet/branch jote loan account tu service hoi ba jikinu office Company laka jote documents khan available ase, tai laka khusi para.
 - iii. Original movable/immovable property documents laka timeline are return place tu loan sanction letters te mention thakibo effective date te ba utu pichete.
 - iv. Jodi hai sole borrower jan muri jai tanehole Company usorte procedure ase ji para original movable/immovable property documents tu tai laka legal heirs ke diya jabo. Etu procedure tu Company laka website te display thakibo.
- b) Movable/immovable property documents laka release te delay hole compensation dibo lagibo
 - i. Jodi 30 days para bisi deri hoi original movable/immovable property documents laka release te ba file charge satisfaction form tu relevant registry logot file nohoi full repayment/settlement loan pasote, Company para borrower ke communicate koribo delay laka karon khan. Jote Company laka galti ase, Company para borrower ke compensata koribo per day of delay hisaab para at the rate of ₹5,000.

- ii. Original movable/immovable property documents jodi loss/damage hoi, partly ba pura, Company pora borrower ke modad koribo duplicate/certified copies movable/immovable property laka documents obtain koribole aru khorcha tu Company para a dibo, aru compensation bhi dibo as per clause (i) uparte diya nisina. Hole bhi, inika cases te, additional time 30 days Company ke diya hobo procedure complete koribole aru delayed period penalty tu pichete calculate koribo (i.e., total 60 days pichete).
- iii. Inika compensation diya toh borrower laga rights te eku prejudice nathakina dibo jodi tai dusra compensation bhi pai ase alag jagah para law hisab para.

9. Equated Monthly Instalments (EMI) Personal Loans laka Floating Interest Rate laka Reset

- a) EMI based floating rate personal loans sanction time te, company pora borrower laka repayment capacity sabo lagei jate customer logot adequate headroom/ margin thake jodi elongation of tenor and/ or increase in EMI dorkar hoi pichete, jodi interest rate ba tenor badhe ttanehole company para ekta policy framework rakhibo lage jot requirement for implementation and compliance tu dhyan te rakhibo.:
 - i. Sanction laka time te, Company para khula khuli borrower ke bujai dibo je jodi loan laka interest rate change hoi tai laka EMI aru tenor te ki change hobo. Pichete, kiba EMI/ tenor te change hoise kole borrower ke immediately communicate kora hobo appropriate channels duara.
 - ii. Interest rate reset kora time te ,Company para loan lua manhu ke option dibo fixed rate choose koribole taikhan laka Board approved policy hisab para. Eitu policy, inter alia, jonai kiman baar ekta borrower change koribo para loan chali thaka time te.
 - iii. The borrowers shall also be given the choice to opt for-
 - (a) EMI tu bodhabole ba tenor tu bodhabole ba duita bhi koribole ; aru,
 - (b) time laka aage pora loan to firabole, ekta part ba pura, kunubi loan chali thaka time te. foreclosure charges dibole/ pre payment laka penalty tu extant instructions upor te depend koribo.
 - iv. Loans tu floating para fixed rate te change korile ba aru kiba service charges/ administrative costs etu change kora time te sanction letter te transparently disclose thakibo aru revision hole bhi Company para mention koribo time time te.
 - v. Jodi Company para tenor tu aru lamba khiche tanehole negative amortisation hobo nalage jodi loan tu floating rate of interest te ase.
 - vi. Company para sob quarter laga end te ekta statement available koribo borrower ke jote kom se kom kiman principal aru kiman interest tetia tok recover kurise likha thakibo, EMI amount, number of EMIs baki aru annualized rate of interest / Annual Percentage Rate (APR) pura baki thaka tenor karone loan laka bhi likha thakibo. Company para simple aru easy para buji pua statements borrower ke dibo. Equated monthly instalment loans charikina, etu instructions, mutatis mutandis, apply hobo sob equated instalment based loans alag alag periodicities laka.

Reset of Floating Interest Rate on Equated Monthly Instalments (EMI) based Personal Loans uparte ekta alag Policy bonuwa ase aru Board of Directors para approve korise taikhan laka meeting dated October 17, 2023 te.

10. General

- a) Company para borrower logot eku interfere nokoribo khali loan te likha terms and conditions hisab para a chalibo (tetia tok jetia kiba notun information borrower para lukai se koi kina company para gom napa tok).
- b) Borrowal account laka transfer request borrower para dile, company para manibo ne reject koribo etu 21 days bhitor te jonai dibo receipt of request pa pichete.
- c) Loan recovery time te company para misa misi harassment nokoribo viz. time na sai kina hodai hodai khuji nathakibo, takat laka istemal nokoribo loan recovery karone, etc. Company staff para customer logot rude behaviour nokoribole company para staff laka bhal para training dibo lage.
- d) Company para eku charge foreclosure charges/ pre-payment penalties nolobo jote floating rate term loans sanction hoise business chari kina individual borrowers ke, alag obligant(s) thakile bhi nathikile bhi.
(Reference: RBI Circular on Levy of Foreclosure Charges/ Pre-Payment Penalty on Floating Rate Loans by NBFCs DNBR(PD) CC.No.101/03.10.001/2019-20 dated August 2, 2019)

11. Grievance Redressal

- a) Alag alag level te management para Fair Practices Code aru itu laka compliance aru grievance redressal mechanism laka functioning to time time te review koribo lage. Time time te ekta consolidated report inika review laka joma koribo lage.
- b) Eitu information tu thik pora dikhibo lage, customer laka benefit karone, company laka sob branch te, jote business kure:
 - i. Naam aru contact details (Telephone / Mobile nos. email address bhi) Grievance Redressal Officer laka jun ke apuni khan company against te complain laka solution bisaribo;e jabo pare.
 - ii. Jodi customer laka complaint 30 din te aram napai, customer para complaint koribo pare RBI CMS portal - <https://cms.rbi.org.in> te

ba niche diya address te complaint form tu pothabi:

Centralised Receipt and Processing Centre,
Reserve Bank of India, 4th Floor,
Sector 17, Chandigarh – 160017
Tollfree Number- 14448

12. Non-Banking Financial Companies karone Ombudsman Scheme

(a) Reserve Bank – Integrated Ombudsman Scheme, 2021

Ombudsman Scheme bhitor te, Company pora Principal Nodal Officer (PNO) appoint kure jun pora Company ke represent kore, tai pora Ombudsman ke information dibo company against te complaints khan laka. Nodal Officers (NO) company pora appoint kora tu PNO ke modad koribo.

Customer benefit karone jot business kure tate laga PNO laka, naam aru contact details (Telephone/ Mobile number aru email) aru complaint lodging portal Ombudsman laka (<https://cms.rbi.org.in>) details bhi display koribo lage.

Scheme laka jaruri features tu English, Hindi aru Regional bhasa te bhal para display koribo lage, sob office aru branches te sob time te jate kunba office ja manhu tu scheme laka jaruri information tu pai jai.

Jaruri features ails Ombudsman Scheme laka aru Scheme laka copy aru contact details Principal Nodal Officer laka tu bhal para website te display aru update kora hobo.

(Reference: Reserve Bank - Integrated Ombudsman Scheme, 2021 dated November 12, 2021)

(b) Internal Ombudsman laka appointment

RBI guidelines hisab para ' Internal Ombudsman laka appointment Non-Banking Financial Companies' dated November 15, 2021, Company para Internal Ombudsman appoint korise and tai pora sib guidelines follow koribo.

(Reference: Appointment of Internal Ombudsman by Non-Banking Financial Companies dated November 15, 2021)

13. Website te hosting kora

Fair Practices Code, vernacular bhasa te Company laka website te thakibo jate alag alag stakeholders para information tu pai jai.

14. Besi interest charge kura laga regulation

- a) Factors jinika cost of funds, margin and risk premium, etc khan mon te rakhikina Board of Directors para interest rate laka model bonaise je kiman interest charge koribo loan aru advances te, kiman processing aru alag charges lobo. Alag alag borrower ke alag alag interest rate lua tu borrower ba customer ke jonabo application form te ba sanction letter te, etu gradation of risks te depend kore.
- b) Company web-site te rate of interest gradation risks karone available thakibo lagibo. Jetya bhi rates of interest change hobo website te etu update hobo lagibo.
- c) interest rate tu saal laka hisaab pora hobo.

15. Financed vehicles laka repossession

Company para re-possession clause loan agreement te rakhibo loan lua manhu logot jitu legally enforceable hobo. Transparency rakhibole, loan laka terms and conditions te eitu thakibo : (a) possession lua agote notice period dibo lagibo ; (b) kun karon te notice period tu hatabo pare ; (c) security laka possession lua procedure ; (d) loan lua manhu ke last chance repayment koribole, property laka sale/auction kora agote ; (e) repossession laka procedure, aru (f) property laka sale / auction laka procedure. Loan lua manhu ke terms aru conditions laka ekta copy dibo lake.

16. Sona gohana joma di kina loan diya

upar te diya general guideline charikina, Company para, sona gohona against te loan diya time te, Board of Directors para approve kora policy, etu khan thaka, inter-alia, follow koribo:

- i. RBI para kua nisina sob KYC guidelines follow hobo lage, thik para due diligence hobo lage customer laga loan diya aagate te.
- ii. Joma diya gohona tu thik pora check kora tarika.
- iii. Sona gohona laka malik janibole internal systems thakibo lage.
- iv. Gohona tu safe custody te rakhibole systems thakibo, aru systems tu time tu time review kori thakibo, staff ke training aru periodic inspection bhi kori thakibo lage internal auditors para aru etu procedures tu strict para follow koribo lage. Jote gohona rakhibole facility ba storage nai utu branch khan para sona collateral loi kina loan dibo naparibo.
- v. Collateral hisab para gohona lua tu bhal para insure koribo.
- vi. Jewellery auction jodi non-repayment hoi laka policy tu pura transparent hobo. Auction date aagate borrower ke notice diya jabo. aru ki procedure hisab para auction hobo etu bhi jonabo. Eku conflict of interest nohobo auction process time te aru sob transaction time te group companies aru alag entities para duri bonai rakhibo company para.
- vii. Auction tu public ke announce koribo at least 2 ta newspaper te advertisement di kina, ekta local bhasa te aru ekta national daily paper te.
- viii. Company para auctions te participate nokoribo.
- ix. Auction kuribo laka Sona tu khali Board approved auctioneers para a kuribo.
- x. Eitu policy tu fraud pora basibole bonai se, duty pora alag hole, mobilization, execution aru approval bhi yate humai ase.
- xi. Sona against te lua loan agreement te auction procedure laka details disclose kora hobo.

17. Company para physically/visually challenged manhu khan ke diya loan facilities

Physically/visually challenged applicants ke company para eku discrimination nokori kina sob products aru facilities extend koribo lage loan bhi facility bhi extend koribo lage taikhan lage disability nasai kina. Company laka sob branches para etu facilities khan inika manhu khan ke dibo lage.

18. Fair Practice Code for Microfinance Loans

Reserve Bank of India (RBI) pora Master Direction issue kora ase - Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022 under reference DoR.FIN.REC.95/03.10.038/2021-22 dated March 14, 2022. These Directions are effective from April 01, 2022 and applicable to all commercial Banks, NBFCs including Microfinance Institutions and Housing Finance Companies.

Uparte sections te mention kura nisina FPC logote, Company para Microfinance Loans laka fair practices bhi follow koribo:

- (i) General
 - a. FPC vernacular language te Company laka sob office aru branch premises te display hobo aru Company website te bhi display hobo.
 - b. Field te kam kora staff ke training diya hobo kinika income aru poila lua dhar ba loan khan enquiry koribo lage koi kina.

- c. Borrowers khan ke jodi kiba training diya hobo etu free of cost hobo.
 - d. Microfinance loans te minimum, maximum aru average interest rates kiman charge hoi eitu bhal para sob office te display koribo lage company para, taikhan laka literature (local bhasa te) aru taikhan laka website te bhi.
 - e. Loan agreement te declaration dibo lake aru FPC te bhi display hobo lake office, branch premises aru Company laka website te bhi je company jimmedar ase tai laka employee behaviour karone aru company para a upai dibo complaint khan laka.
 - f. Borrower para eku security deposit / margin collect nokoribo,
 - g. Company usorte ekta standard form of Microfinance loan agreement thakibo. Loan agreement tu nijor laka bhasa te thakibo.
 - h. Loan agreement te sob terms aru conditions disclose koribo lage.
 - i. Loan card te etu khan details thakibo:
 - Pricing uparte simplified factsheet,
 - Loan te attach hua sob alag terms and conditions,
 - Borrower ke thik pora identify kora information,
 - Company laka acknowledgements sob repayments aru instalments milaikina and aru final discharge bhi,
 - Company para rakha grievance redressal system aru naam aru contact number nodal officer laka loan card te clearly display hobo lage,
 - Borrower laga full manti pise te a non-credit products company para issue koribo aru loan card te fee structure tu likha thakibo bo,
 - Loan card te jiman entry thake sob borrower laka local bhasa nohole jitu bhasa tai buji pai utu te a thakibo.
- (ii) Recovery laka non-coercive tarika:
- a. Khali ekta central designated jagah te a recovery koribo normally. recovery tu field staff para borrower laga ghor ba kam laga jagah para koribi paribo jodi hai borrower dui baar para bisi baar central designated jagah te ahibo para nai kole.
 - b. Employees laka conduct aru taikhan laka recruitment, training aru monitoring system karone Company para ekta Board approved policy rakhibo. Staff laka minimum qualifications etu Code para jonabo aru customer logot deal koribole jaruri training tools bhi thakibo Code te. Employees khan para borrower khan logot bhal para behave koribole training program bhi thakibo lage. Employees laka compensation matrix te taikhan kinika customers logot deal kure bhi thakibo lage.

19. Review of Fair Practice Code

Managing Director para time time te Fair Practice Code tu review aru approve koribo jodi kiba modifications thake.

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