



**BABA LEASE AND INVESTMENT
PRIVATE LIMITED**

(R.B.I. Registered NBFC)

FAIR PRACTICE CODE

Version	Approval Date	Approved By
V1	31 st May 2023	Board of Directors

In accordance with RBI Master Direction No.

DNBR.PD.007/03.10.119/2016-17 dated September 01, 2016

**BABA LEASE AND INVESTMENT PRIVATE LIMITED
FAIR PRACTICE CODE**

PREAMBLE

The purpose of this document is to define the Fair Practice Code (herein after referred as “FPC”) of the Company in accordance with Reserve Bank of India (herein after referred as “RBI”) directions for Non-Banking Financial Company (herein after referred as “NBFC”). This has reference to RBI Master Direction No.DNBR.PD.007/03.10.119/2016-17 dated September 01, 2016 as may be updated by the RBI from time to time, wherein the RBI has reviewed the guidelines on Fair Practice Code for NBFCs to implement the same.

The Fair Practice Code, as mentioned herein below, is in conformity with the guidelines on Fair Practices Code for NBFCs as contained in the aforesaid RBI direction. This sets Minimum Fair Practice Standards for the company to follow when dealing with the customers. It provides information to the customers and explains how the company is expected to deal with them on day to day basis.

The Fair Practices Code is aimed to provide to the customer effective overview of the practice which will be followed by **M/s. BABA LEASE AND INVESTMENT PRIVATE LIMITED** (herein after referred as the “Company”) in respect of financial services/product offered by the Company to its Customers. The Code will facilitate the customers to take informed decisions in respect of the financial facilities and services to be availed by them and will apply to any loan that the Company may sanction and disburse.

This is active document and supposed to be updated as and when required. Any regulatory change would impact the FPC aspects of the Company would be reflected here.

APPLICATION OF THE CODE:

This Fair Practices Code applies to the following categories of products and services offered by us (currently offered or which may be introduced at a future date):

1. Loan and other products in the nature of financial assets; and
2. Third Party products offered through a Company’s Agent or Partner.

The FPC is applicable to the above irrespective of whether the same is provided physically, over the phone, on the internet or by any other method whatsoever, existing or futuristic.

OBJECTIVES OF FPC:

The code has been developed with an objective:

- To promote good, fair and trust-worthy practices by setting minimum standards in dealing with customers;
- To enable greater transparency for customers in having a better understanding of the product, taking informed decisions and reasonably expect of the services;
- To ensure compliance with legal norms in matters relating to recovery of advances;
- To ensure building customer confidence in the Company;
- To promote a fair and cordial relationship between customer and the Company;
- To strengthen mechanisms for redressal of customer grievances.

KEY COMMITMENTS

The Company's key commitments to customers are as follows:

- A. Act fairly and reasonably in all their dealings with customers by:
 - a) Meeting the commitments and standards in this Code, for the products and services the Company offers and in the procedures and practices its staff / employees follows;
 - b) Making sure that Company's products and services meet relevant laws and regulations in force in India;
 - c) Company's dealings with customers will rest on ethical principles of integrity and transparency.
- B. Help customers understand how Company's product work by explaining their financial implications; and
- C. Deal quickly and sympathetically with things that go wrong by:
 - Correcting mistakes quickly;
 - Handling customer's grievances quickly; and
 - Telling customers' how to take their complaint forward if they are still not satisfied with the resolution.
- D. Publicize this Code by displaying it on Company's website <https://www.babalease.com> and have copies available for customer on request.

INFORMATION

- A. The Company shall help customer choose products and services, which meet their needs and give them clear information explaining the key features of the services and products of the Company they are interested in.
- B. Inform customers about the documentary information the Company needs from them to establish customer's true identity and address and, other documents to comply with legal and regulatory requirements vis-à-vis "Know Your Customer".
- C. The Company would provide information on interest rates, common fees and charges through:
 - i. Through telephones or help lines.

- ii. Through designated staff/help desk at its office.
- iii. Publishing on the website of the Company.

APPLICATION FOR LOAN AND THEIR PROCESSING:

1. All communications to the borrower will be made in English or any vernacular language.
2. The loan application forms of the Company include necessary information which affect the interest of the borrower, so that a meaningful comparison with the terms and conditions offered by other NBFCs or lenders can be made, and informed decision can be taken by the borrower.
3. The loan application form will clearly indicate the documents required to be submitted with the application form.
4. In case of digital lending products, the sanction letter will be accompanied by the standardized Key Fact Statements (KFS), providing information about the APR, recovery mechanism, details of grievance redressal and the various applicable charges and fees in respect of the proposed loan.
5. The Company, before sanctioning the loan would assess the ability of the borrower to repay the loan.
6. It issues acknowledgement over an email to the borrower for each application after the disbursement of the loan amount subject to receipt of the complete information as per standard application format. Additional information and support documents may occasionally be found necessary in course of processing a customer / borrower application.
7. Applications complete in all respects would be processed within a reasonable time frame but within a period of 30 days from the date of receipt of duly completed Loan Application Forms together with the requisite documents complying with the prevailing rules and regulations by the borrower. In case the proposal is not approved by the Company, the borrower would be intimated accordingly.

LOAN APPRAISAL AND TERMS AND CONDITIONS:

- The Company shall convey in writing to the borrower in the English or any vernacular language as understood by the borrower by way of sanction letter or otherwise the amount of loan sanctioned along with all the terms and conditions including annualized rate of interest, overdue interest, late payment charges and method of application thereof and shall keep on record the acceptance of these terms and conditions by the borrower;
- The Company shall mention the penal interest charged for late repayment in the loan agreement and any interest, charges or fees other than those specified in the sanction letter or KFS shall not be levied and binding upon the borrower;

- The Company shall furnish a copy of the loan agreement in the English or any vernacular language as understood by the borrower along with a copy of all enclosures quoted in the loan agreement to all the borrowers at the time of sanction/ disbursement of the loans.

DISBURSEMENT OF LOANS INCLUDING AND CHANGES IN TERMS AND CONDITIONS

- A. The borrower shall enter into a loan agreement containing all standard and specific terms and conditions with Company, execute the requisite documents, create security for the assistance as may be mentioned in the loan agreement / sanction letter, before seeking disbursement.
- B. The Company will give notice in writing or through electronic means to the borrower in a vernacular language or English language as understood by the borrower of any change in the terms and conditions including Repayment schedule, interest rates, service charges, overdue interest charges etc.
- C. Unless otherwise permitted or required under applicable regulations or statute, complete disbursal of the loan amount shall be made strictly to the borrower's bank account without any pass through accounts or to such specified account, in case of any specific purpose of the loan proceeds.
- D. The Company shall also ensure that changes in interest rates and other charges are effected only prospectively. A suitable condition in this regard should be incorporated in the loan agreement.
- E. Decision to recall / accelerate payment or performance under the arrangement will be inconsonance with the loan agreement.
- F. The Company will release all securities (if any) on repayment of all 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 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 the Company is entitled to retain the securities till the relevant claim is settled/paid.

COLLECTION OF DUES

- A. Whenever loans are given, Company would explain to the customer the repayment process by way of amount, tenure and periodicity of repayment mentioned in the Repayment Schedule. However, if the customer does not adhere to repayment schedule, a defined process in accordance with the laws of the land shall be followed for recovery of dues. The process will involve reminding the customer by sending the borrower notices over email or through calls or SMS or Whatsapp or by making personal visits and / or repossession of security, if any.
- B. Company staff or any person or any third party authorized to represent the Company in collection of dues or/and security repossession shall identify himself / herself and display

the authority letter issued by the Company and upon request, display his/her identity card issued by the Company or an authorized person under authority of the Company. Company shall provide the customers with all the information regarding overdue. The staff shall be adequately trained to deal with the customers in an appropriate manner.

- C. During visits to customer's place by the person authorized by Company for dues collection or/and security possession/repossession the following guidelines shall be followed:
- a) Customer would be contacted ordinarily at the place of his / her choice absence of any specified place at the place of his / her residence and if at his / her residence, at the place of business / occupation.
 - b) Identity and authority to represent the Company shall be made known at the first instance.
 - c) Customer's privacy should be respected.
 - d) Interaction with the customer shall be in a civil manner.
 - e) The Company or its authorised person will not use threatening or abusive language and will not threat of use of violence or other similar means to harm the borrower or borrower's family/assests/reputation. The Company or its authorised person will not harass the relatives, friends or co-worker of the borrower.
 - f) The Company representatives shall contact the customers between 0700 hrs and 1900 hrs unless the special circumstances of the customer's business or occupation may otherwise so require.
 - g) The Company will not mislead the borrower about the extent of the debt or the consequences of non- repayment.
 - h) The Company will not publish the name of the borrowers.
 - i) Time and number of calls and contents of conversation would be documented.
 - j) All assistance should be given to resolve disputes or differences in a mutually acceptable and orderly manner.
 - k) During visits to customer's place for dues collection, decency and decorum shall be maintained.
 - l) The board approved collections policy of the Company shall be adhered in the collection process.

GENERAL CLAUSES:

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 Company).

B. The Company will be accountable for inappropriate behavior by its employees or employees of the outsourced agency and shall provide timely grievance redressal.

C. In case of receipt of request from the borrower for transfer of borrowed account, the consent or otherwise, 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.

D. 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. To avoid rude behavior from the staff of the Company, the Company shall ensure that the staff are adequately trained to deal with the customers in an appropriate manner.

E. The Company may not reveal transaction details of the borrowers to any other persons except under the following circumstances:

- a) The information is required to be disclosed by any applicable law, any direction, request or requirement of Government authority.
 - b) The information is required by the auditor, professional advisors, agents or any third party service providers of the lenders who are under duty of confidentiality.
 - c) The information is required by any person with which the lender may enter into any transfer, assignment, participation or other agreements.
 - d) If the information is required by other banks if the borrower has availed any facility from them or any credit information bureau.
- F. In case of loans sourced through digital lending platforms, the company shall ensure the following –
- a) Names of the Digital Lending Platforms engaged as agents shall be disclosed on the website of the company;
 - b) Digital lending platforms engaged as agents shall disclose upfront to the customer that they are interacting with the customer on behalf of the Company;
 - c) Immediately after sanction but before execution of the loan agreement, the sanction letter shall be issued to the borrower on the letter head of the Company;
 - d) Effective oversight and monitoring shall be ensured over the digital lending platforms engaged by the Company;
 - e) The Company shall take steps to create awareness about its grievance redressal mechanism.

REGULATION OF RATE OF INTEREST

- A. The Board of Directors has adopted an interest rate model for determining the rate of interest to be charged on loans and advances, processing and other charges taking into account relevant factors such as, cost of funds, margin and risk premium, etc. The rate of interest and the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers shall be as per the Interest Rate Policy and shall be disclosed on the Company website.
- B. The Company provided to the Borrower annualized rates so that the borrower is aware of the exact rates that would be charged to the account.

GRIEVANCE REDRESSAL MECHANISM AND CUSTOMER RELATIONSHIP MANAGEMENT:

It shall be the endeavour of the Company to improve the quality of service and redress complaints and grievances, if any, of the customers as part of Customer Relationship Management. The Company has provided for three tier Grievance Redressal Mechanism to resolve any of its customers query / grievance.

Level 1:

The customer may register his/her query/ complaint to the Company which shall be addressed to the Grievance Redressal in connection with any matter pertaining to business practices, lending decisions, credit management, recovery and complaints relating to updation/alteration of credit information.

The details of the Grievance Redressal Officer are given as follows:

Name of the Grievance Redressal Officer: **Vipin Kumar**

Address: House No-17, Basement Floor, BLK-F-11,

Model Town Delhi North West DI 110009 IN

Tel: +91-9355871314

E-mail ID: grievance@taplend.in

Level 2:

If the complaint is not resolved within 30 days, the customer shall complaint to the Nodal officer of the Company on below mentioned details:

Name of the Nodal Officer: **Ramit Kumar**

Address: House No-17, Basement Floor, BLK-F-11,

Model Town Delhi North West DI 110009 IN

Contact: 9355871315

Email: nodal@taplend.in

Level 3:

If the complaint / dispute is not redressed within a period of Two month from date of its receipt, the customer may appeal to:

Deputy General Manager,

Department of Non-Banking Supervision,

Reserve Bank of India,

6, Sansad Marg, P.B.No.696, New Delhi-110001

Contact Details: 011- 23710538-42

Telex No.: 011-23711250

Fax No.: 031-66361, 031-66453

BOARD OF DIRECTOR MEETINGS AND REVIEW:

Fair Practice Code Committee shall oversee the implementation of the code and shall review its functioning periodically.