Fair Practices Code

1. Introduction

Barota Finance Limited, through its digital lending platform **Paisa24Finance**, is committed to conducting its lending activities in a fair, transparent and responsible manner. This Fair Practices Code (FPC) sets out the principles and practices that the Company follows in its dealings with borrowers and other relevant stakeholders.

The Code is intended to promote transparency, responsible lending, fair treatment of borrowers and effective grievance redressal, in accordance with applicable laws and regulatory directions issued by the Reserve Bank of India (RBI).

2. Objectives

- Ensure fair and transparent dealings with borrowers.
- Provide borrowers with clear information regarding loan products, costs, terms and repayment obligations.
- Promote responsible lending and appropriate credit assessment.
- Maintain fair and professional recovery and collection practices.
- Protect borrower privacy and confidential information.
- Provide an effective grievance redressal mechanism.
- Ensure compliance with applicable RBI directions and other legal requirements.

3. Applications for Loans and Processing

Loan application forms and related communications shall contain relevant information necessary for borrowers to understand the product, applicable charges, terms and conditions and other material aspects of the loan.

The Company may specify the documents and information required for processing an application. The Company shall endeavour to acknowledge receipt of loan applications and process applications within a reasonable period, subject to applicable procedures and verification requirements.

The borrower may be informed of the status of the application and any additional information or documents required for processing.

4. Loan Appraisal and Terms and Conditions

The Company shall assess loan applications based on its applicable credit, risk and underwriting policies.

Where a loan is sanctioned, the borrower shall be informed of the sanctioned amount, applicable interest rate, fees and charges, repayment terms and other material conditions through the appropriate loan documentation or electronic communication.

The Company shall endeavour to provide borrowers with clear and understandable information so that they can make informed decisions.

5. Key Fact Statement and Loan Documentation

Where applicable, the Company shall provide the borrower with a Key Fact Statement (KFS) and other disclosures required under RBI directions before execution of the loan contract.

The KFS shall disclose applicable costs and other required information in the prescribed manner. Charges not disclosed in the KFS shall not be levied except as permitted by applicable regulatory requirements and with appropriate borrower consent where required.

The borrower shall receive the applicable loan agreement and relevant documents in accordance with regulatory requirements.

6. Interest Rate, Fees and Charges

The Company shall maintain appropriate policies and processes for determining interest rates, processing fees and other charges.

Applicable interest rates, fees, charges, penal charges and other material costs shall be communicated to the borrower in accordance with applicable regulatory requirements.

Any changes to applicable terms, rates or charges shall be communicated in accordance with the loan agreement and applicable regulations.

7. Disbursement of Loans and Changes in Terms

Disbursement shall be made in accordance with the terms and conditions of the sanction and loan agreement, subject to fulfilment of applicable conditions.

Any material changes to the terms and conditions of a loan, including interest rate, fees, charges or repayment terms, shall be communicated to the borrower in accordance with applicable requirements.

Changes shall ordinarily have prospective effect unless otherwise permitted or required by applicable law or the contractual terms.

8. Privacy and Confidentiality

The Company shall treat borrower information as confidential and shall protect customer data in accordance with applicable laws, regulatory requirements and the Company's Privacy Policy.

Customer information shall not be disclosed to third parties except where disclosure is required or permitted by law, regulation, court or competent authority, or where necessary for legitimate service and operational purposes in accordance with applicable requirements and consents.

9. Responsible Lending

The Company is committed to responsible lending and seeks to assess customer eligibility and creditworthiness through appropriate processes.

The Company shall endeavour to provide borrowers with sufficient information regarding their repayment obligations and applicable loan costs so that borrowers can make informed borrowing decisions.

The Company shall maintain appropriate controls to support responsible credit assessment and lending practices.

10. Recovery and Collection Practices

The Company shall follow fair, professional and lawful practices for recovery of dues.

Borrowers shall not be subjected to harassment, intimidation, abusive language, coercion or inappropriate recovery practices.

Collection and recovery activities shall be carried out in accordance with applicable laws, regulatory requirements and the Company's internal policies. Authorised representatives and service providers involved in recovery shall be expected to follow applicable conduct requirements.

11. No Undue Harassment

The Company shall not engage in unfair or unreasonable practices while communicating with borrowers regarding overdue amounts or repayment obligations.

Communications shall be conducted professionally and through appropriate channels, subject to applicable regulatory requirements regarding timing, frequency and manner of recovery communications.

12. Grievance Redressal

The Company maintains a grievance redressal mechanism through which borrowers can raise complaints or concerns relating to its products and services.

Complaints shall be handled fairly and within applicable regulatory timelines. Borrowers may use the grievance channels provided on the Paisa24Finance website.

Where a complaint is not resolved within the applicable period, the borrower may escalate the complaint through the Company's prescribed escalation mechanism and, where applicable, the relevant RBI complaint mechanism.

13. Non-Discrimination

The Company seeks to deal fairly and professionally with borrowers and does not support unlawful discrimination in its lending and customer-service practices.

Credit decisions are based on applicable eligibility, credit, risk and underwriting criteria and other factors permitted by applicable law.

14. Digital Lending Practices

For digital lending activities, the Company shall maintain appropriate controls relating to customer onboarding, KYC, consent, disclosures, loan documentation, disbursement, repayment, data protection, grievance redressal and other applicable requirements.

Where third-party digital lending service providers or technology service providers are engaged, the Company shall maintain appropriate oversight and contractual arrangements consistent with applicable regulatory requirements.

15. Engagement of Recovery Agents and Service Providers

Where recovery agents or other service providers are engaged, the Company shall maintain appropriate oversight and require such persons or entities to follow applicable laws, regulatory requirements and the Company's approved conduct standards.

Borrowers shall be provided with applicable information regarding authorised recovery representatives where required by regulation.

16. Security / Collateral and Release of Documents

Where applicable to a particular loan product, the Company shall follow its approved policies and applicable regulatory requirements regarding security, collateral, release of documents and related procedures.

On full repayment or settlement of a loan, applicable securities or documents shall be released in accordance with the contractual terms and applicable requirements, subject to any lawful right or lien available to the Company.

17. General

The Company shall act in accordance with applicable laws, regulatory directions and contractual obligations.

Borrowers are encouraged to carefully review loan documents, KFS, repayment schedules, applicable charges and other disclosures before accepting a loan.

The Company may communicate with borrowers through appropriate digital, electronic or other channels permitted by applicable requirements.

18. Responsibility of the Board and Management

The Company's Board and management shall provide appropriate oversight of the implementation of the Fair Practices Code in accordance with applicable requirements.

The Company may periodically review its lending and customer-service processes to assess compliance with the Code and applicable regulatory directions.

19. Policy Review

This Fair Practices Code shall be reviewed periodically or whenever there are significant changes in applicable laws, RBI directions, products, lending practices or the Company's operating framework.

The Company may amend or update this Code where necessary.

20. Compliance with Applicable Law

In the event of any conflict between this Fair Practices Code and any applicable law, regulation or regulatory direction, the applicable law, regulation or regulatory direction shall prevail.

21. Contact Information

For any queries or complaints relating to the Fair Practices Code, customers and other stakeholders may contact:

Barota Finance Limited
Through Paisa24Finance

Email: care@paisa24finance.com
Website: Paisa24Finance.com
Contact No.: +91 98881 33360

RBI Registration No.: B-06.00606

This Fair Practices Code is subject to applicable laws, regulations and regulatory directions and may be updated from time to time.