Fair Practices Code
(February 2026)

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All the staff members, officials and authorized representatives of the Company shall strictly comply with the code while dealing with the customers.

1. Objective & Application:

1.1 Objective of the Code

Bajaj Housing Finance Limited has set its objective to pursue the best corporate practices and to bring about transparency in business practices and thereby foster customer confidence. Accordingly, a Fair Practices Code has been set with an objective to:

i) promote good and fair practices by setting minimum standards in dealing with customers;
ii) increase transparency so that the customers can have a better understanding of what he/she can reasonably expect of the services provided by the Company;
iii) encourage market forces, through competition, to achieve higher operating standards; and
iv) promote fair and cordial relationship between the Customer and the Company and thus foster confidence of the former in the latter.

1.2 Application of the Code

All parts of this code apply to all the products and services, which are presently being provided or which may be introduced hereafter. It also applies to all employees of BHFL.

2 Our commitments to the customers:

2.1 To act fairly and reasonably in all dealings with customers by ensuring that:

The Company meets the commitments and standards in this code for the products and services it offers as well as in the procedures and practices its employees follow. All our products and services meet relevant laws and regulations; and dealings with customers shall rest on ethical principles of integrity and transparency.

2.1.1 While dealing with the customers, the Company refrains from interference in the affairs of the borrower except for the purpose(s) provided in the terms and conditions of the loan agreement.

2.2 To help customers understand our financial products and services by ensuring that:

(i) the contents of advertisements and promotional literature will be as far as possible clear and not misleading.

(ii) the customers shall be explained and provided with relevant documents etc. containing information about the products and services in any one or more of the following languages: English, Hindi or the appropriate vernacular/local language. To ensure absolute transparency, the customers shall be provided clear information about the nature of products and services, their terms and conditions, the interest

rates per annum , service charges, penal and other charges, EMI payable for servicing of the loan product, documents to be submitted to the Company for the products etc., as may be applicable.

(iii) the customers shall be fully informed about the benefits which would accrue to them, how they could avail such benefits, their financial implications and whom to contact in the event of any doubt for addressing his queries.

(iv) the Company shall provide help line thereby providing customer appropriate guidance in the matter. Besides the above, customers would be provided with name of the Designated Officer(s) with his/their contact details who is/ are responsible for redressing their grievances.

2.3 To help customers to use our products and services:

(i) The Company shall arrange and provide the customers regular, appropriate updates by means of interactive meeting, through display on website, messaging through appropriate modes of communication or by mailing printed letters.

(ii) The Company shall disseminate information about changes in the interest rates, disbursement schedules, various charges, terms and conditions, etc.

(iii) The change in the interest / charges shall be intimated with due prior notice before its application. The revision of interest rate or charges shall be applicable only prospectively.

2.4 To deal quickly and sympathetically with matters that may go wrong at any stage, by:

(i) taking prompt and appropriate action to mitigate the impact of the mistake, if any, on the part of the Company.

(ii) handling customers' complaints promptly.

(iii) informing customers about the systems and procedures existing within the Company by following which customers can approach higher authorities in the Company if their grievances are not adequately redressed by their initial interface with the officials of the Company.

(iv) making suitable arrangements to counter any problem that may arise due to any technological failure.

2.5 To treat all personal information of customers as private and confidential.

The Company is committed and shall treat all personal information of the customers as private and highly confidential, however, subject to paragraph 6 herein below.

2.6 To publicize the code, the Company shall:

i) inform its existing and new customers about this Code;

ii) make this Code available on request either over the counter or by electronic communication or mail;

iii) make available this Code at every branch of the Company and also on the website of the Company; and

iv) ensure that the staff of the Company are well trained to provide relevant information about this Code and to put the Code into practice.

2.7 To adopt and practice a non - discrimination policy.

The Company shall not discriminate on the basis of age, race, caste, gender, marital status, religion or disability.

2.8 Special care to senior citizen and physically challenged persons.

The Company shall take special efforts to make it easy and convenient for customers like senior citizens, physically challenged persons and illiterate persons in their dealings with itself.

3 Disclosure & Transparency

3.1 The Company believes in complete disclosures and transparency in dealing with its customers. The Company shall provide all relevant information which may have a bearing on the transactions between itself and its customers including but not limited to the interest rates, fees and charges (including Penal charges, if any), terms & conditions, etc. through all possible means including:

(i) putting up notices in the branches;

(ii) through telephone or help-lines;

(iii) through the company's website and/or email communications;

(iv) through designated staff / help desk;

(v) providing service guide / tariff schedule / MITC; and

(vi) as far as possible, all the relevant details will be incorporated in the prescribed application form for the product.

3.2 In respect of prospective customers, the Company shall:

(i) provide clear information explaining the key features of the services and products that customers may be interested in;

(ii) assist the customers in selecting products and services that may suit the customers' needs;

(iii) apprise the customers about various means through which products and services of the Company are offered [for example, on the Internet, over the phone, in branches and so on] and inform them about the sources and means to get more information about these products and services; and

(iv) inform the customers about the requisite information and documents required from him / her to prove his / her identity and address, for complying with legal, regulatory and internal policy requirements.

3.3 To those who have become customers, the Company shall:

(i) provide further, new and updated information that may be developed, generated or derived by the Company in relation to key features of the products, including applicable interest rates / fees and charges;

(ii) provide extra and updated information on rights and responsibilities of the customers; and

(iii) customers shall be given an option to opt-out of promotional or marketing related telephone calls / SMSs / emails about any new product / service on Company website and Customer Portal.

3.4 Interest rates

The Company shall give requisite information to the customers on:

(i) the interest rates calculated on an annualized rate which applies to his/her loan accounts:

(ii) how interest is applied to his / her account and method of calculation of interest as well as EMI payable by the customer.

3.5 Change in Interest Rates

The Company shall inform well in advance to the customers about its decision to make changes in interest rates on the products offered by the Company and the changes so made in interest rates shall be made applicable prospectively. A suitable condition in this regard shall be incorporated in the Sanction Letter, loan agreement, etc.

<u>For reset of floating interest rate on EMI based Personal Loans# (including Housing Loans):</u>

At the time of sanction, the Company shall communicate to the borrowers about the possible impact of change in benchmark interest rate on the loan leading to changes in EMI and/or tenor or both through a simulation. The Company shall also communicate

the applicable conversion charges from Floating to Fixed or vice-versa in the sanction letter. Any changes thereafter shall also be communicated to the applicable borrowers.

At the time of reset of Interest Rates the Company:

i.) may, at its option, provide choice to the borrowers to switch over from Floating rate loan to a fixed rate loan as per it's policy.

ii.) shall provide option to give effect on EMI amount, or a combination of EMI Tenor and EMI Amount, or switch the loan to Fixed rates of interest subject to maximum times of switch allowed as per Company's Policy and

iii.) Fully/Partly Prepay the loan (subject to charges as mentioned under the latest MITC on Company's website).

Applicable fees and charges will be communicated to the borrowers in the Sanction Letter and at the time of revision of such fees and charges.

Subsequently, any increase in the EMI / tenor or both on account of the above shall be communicated to the borrower immediately / in-advance through appropriate channels.

The Company shall make accessible the Loan Statements and / or Repayment Schedules of the borrowers on a quarterly basis enumerating the principal and interest recovered till date, EMI amount, number of EMIs left and annualized rate of interest / Annual Percentage Rate (APR) for the entire tenor of the loan.

The Company shall ensure that the elongation of tenor in case of floating rate loan does not result in negative amortisation.

In case of loans linked to an external benchmark, the Company shall put in place adequate information systems to monitor transmission of changes in the benchmark rate to the lending rate.

 # As defined under RBI circular No. DBR.No.BP.BC.99/08.13.100/2017-18 on "XBRL Returns – Harmonization of Banking Statistics" dated January 04, 2018 as amended from time to time.

3.6 Fees & charges

(i) the Company shall display in all its branches a notice about the fees and charges (as part of MITC) which the customers would be allowed to see free of cost.;

(ii) the fees and charges given to the customers in respect of the products and services chosen by him/her shall contain all details about the charges as applicable to, and which the customer shall be liable to pay for availing the products and services so chosen by the customers;

(iii) the Company shall provide the customers with information about the penalties which shall be levied on him/her in case of non-observance / violation of any of the terms and conditions governing the product / services chosen by them. The penal charges in case of loans sanctioned to individual borrowers, for purposes other than business,

shall not be higher than the penal charges applicable to non-individual borrowers for similar breach of material terms & conditions. The List of Penal & other Charges will also be disclosed by the Company in the Sanction Letter, loan agreement and most important terms & conditions in addition to being displayed on the Company's website. The Company shall also communicate the applicable penal charges whenever reminders for non-compliance of material terms and conditions of loan are sent to the borrowers. Further, any instance of levy of penal charges and the reason therefor shall also be communicated.

(iv) There shall be no capitalisation of penal charges i.e. no further interest will be computed on such charges. However, Interest on delayed payment shall be levied on the amount of unpaid Instalment from the due date till the date of remediation and shall be charged at the prevailing rate of interest on the said loan. This interest / charge shall be compounded.

(v) Further, the Company will not introduce any additional component to the rate of interest.

(vi) The quantum of penal charges shall be reasonable and commensurate with the noncompliance of material terms and conditions of loan contract without being discriminatory within a particular loan / product category.

(vii) The Company shall 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 annualised rate of interest and method of application thereof and keep the acceptance of these terms and conditions by the borrower on its records.

(viii) The Company shall impose foreclosure charges/ pre-payment penalties as laid down in the Interest Rate Policy of the Company. The Interest Rate Policy is displayed on the Company's website under Policies and Documents section. The Company shall not levy any charges/ fees retrospectively at the time of pre-payment of loans, which were waived off earlier by the Company.

3.7 Changes in fees & charges

If the Company decides to increase any of the charges or introduce a new charge, it will be notified in advance and prior to the revised charges/new charges being levied / becoming effective.

3.8 Terms and conditions

(i) the Company shall suitably advise the customer availing a product / service for the first time, about the relevant terms and conditions for the products/services he / she has asked the Company to provide; and

(ii) the terms and conditions governing the products and services of the Company shall be fair and shall set out respective rights (including right of nomination). The said terms and conditions shall spell out the liabilities and obligations clearly. Endeavour shall be made to prepare and present these terms and conditions in plain and simple language.

3.9 Changes in the Terms and Conditions

Any change in the terms and conditions shall be communicated to the customers through any of the following channels: -

i) personal intimation

ii) notice board at branches

iii) internet, including email and website or through messaging

iv) newspaper, whenever required

Changes would be made with prospective effect and due notice of such changes would be given to the customers.

If the changes in the terms and conditions become disadvantageous to any customer, then such customer may within 60 days and without giving any notice either close his/her account or switch it without having to pay any extra charges or interest.

3.10 Company shall provide Key Fact Statement (KFS) in the standardised format to all the borrowers availing Retail or MSME term loan products before executing the loan contract. Computation sheet of annual percentage rate (APR), and the amortisation schedule shall also be included in the KFS. KFS summary box shall also be included in the loan agreement.

4 Advertising, Marketing and Sales

4.1 The Company:

(i) shall endeavor to ensure that all advertising and promotional material released by the Company is clear, and not ambiguous/misleading;

(ii) shall endeavor that any advertisement released in media and/or promotional literature that draws attention to any service or product of the Company and includes a reference to an interest rate, shall also indicate other fees and charges, if any, applicable to such product or service and full details of the relevant terms and conditions would be made available on request;

(iii) whenever the services of any third party is used for providing support services, the Company shall ensure that such third party handles customer's personal information (if any available to such third parties) with the same degree of confidentiality and security as the Company would;

(iv) may time to time, communicate to customers various features of its products availed by them. Information about any other products or promotional offers in respect of products / services shall be conveyed to customers only if he / she has given his / her consent to receive such information / service either by mail or by registering for the same on the website or on customer service number;

(v) has prescribed a code of conduct to the Direct Selling Agencies (DSAs) whose services the Company may avail to market products / services which amongst other matters require them to identify themselves when they approach the customer for selling products personally or through phone; and

(vi) shall initiate appropriate steps in the event of proven misconduct upon receipt of any complaint from the customer that Company's representative or DSA has engaged in any improper conduct or acted in violation of this Code, to investigate and to handle the complaint and to make good the loss to customer, if found appropriate.

5 Privacy and Confidentiality

5.1 All personal information of customers shall be treated as private and confidential (even when the customers are no longer active customers) and shall be guided by the following principles and policies. The Company shall not reveal information or data relating to customer accounts, whether provided by the customers or otherwise, to anyone, including other entities in the group, other than in the following exceptional cases:

(i) if the information is to be given by law or by the direction of the regulator/s

(ii) if there is a duty towards the public to reveal the information

(iii) if the Company's interests require it to give the information (for example, to prevent fraud) but the same shall not be used as a reason for giving information about customer or customer accounts [including customer name and address] to anyone else including other companies in the group, for marketing purposes.

(iv) if the customer asks the Company to reveal the information, or with the customer's permission

(v) if the Company is asked to give a reference about customers, with his / her written permission.

(vi) the customer shall be informed the extent of his / her rights under the existing legal framework for accessing the personal records that the Company holds about him /her.

(vii) the Company shall not use customers' personal information for marketing purposes by anyone unless the customer specifically authorizes to do so.

5.2 Credit Information agencies

(i) when a customer opens an account / takes any product or service, the Company shall inform him / her that the Company may pass his / her account details to credit reference agencies and the checks that the Company may make with them;

(ii) the Company may give information to credit information agencies about the credit performance of the customer across all credit facilities availed with the Company

(iii) in these cases, the Company shall intimate the customer in writing that it plans to give information about the debts the customer owes to the Company to credit information agencies. At the same time, the Company shall explain to the customer the role of credit information agencies and the effect the information they provide can have on customer's ability to get credit;

(iv) the Company may give credit information agencies other information about the customer's account if the customer has given his / her permission to do so. A copy of the information given to the credit information agencies shall be provided by the Company to the customer, if so demanded.

6 Collection of dues

6.1 Whenever loans would be given, the customer would be explained of the repayment process by way of the amount, tenor, and periodicity of repayment. If the customer fails to adhere to the prescribed repayment schedule, appropriate action for recovery of dues shall be taken under the prevailing laws of the land and no undue harassment will be resorted to. The process will involve reminding the customer by sending him / her notice or by making personal visits and / or repossession of security, if any.

6.2 The Company's Policy on Collection of dues, Repossession of security and Guidelines on engagement of recovery agents is based on courtesy, fair treatment, and persuasion. The Company believes in fostering customer confidence and long-term relationship. The staff or any person 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. He / She shall upon request, display his / her identity card issued by the Company or under authority of the Company. The Company shall provide customers with all the information regarding dues and shall endeavor to give sufficient notice for payment of dues.

6.3 All the members of the staff or any person authorised to represent the Company in collection and/or security repossession shall strictly follow the Codes set out below:

(i) customer would be contacted ordinarily at the place of his / her choice and in the absence of any specified place at the place of his / her residence and if unavailable at his / her residence, at the place of business / occupation;

(ii) identity and authority to represent the Company shall be made known to the customer at the first instance;

(iii) customer's privacy shall be respected;

(iv) interaction with the customer shall be in a civil manner. Utmost care shall be taken in the use of language while interacting, so that at any point of time the customer should not feel hurt/feel any un-courteous treatment. While interacting with women, due respect as per Indian culture and tradition shall be maintained;

(v) the Company's representatives shall contact the customers between 0800 hrs. and 1900 hrs. unless the special circumstances of the customer's business or occupation require otherwise;

(vi) customer's request to avoid calls at a particular time or at a particular place shall be honored, as far as possible;

(vii) time and number of calls and contents of conversation would be documented;

(viii) all possible assistance shall be given to resolve disputes or differences regarding dues in a mutually acceptable and in an orderly manner;

(ix) during visits to customer's place for dues collection, decency and decorum shall be maintained; and

(x) inappropriate occasions such as bereavement in the family or such other calamitous occasions, if comes to the knowledge of the Company, shall be avoided for making calls/visits to collect dues unless the same is required for meeting legal compliance.

7 Complaints and Grievance Redressal Mechanism to resolve complaints and grievances

7.1 Internal Procedures

i)If the customer wants to make a complaint, he/she shall be suitably advised as to:

- how he/she can make a complaint i.e., phone, letter, email, etc.
- the office address, email id, phone no., etc. where a complaint can be made and designated authority to whom the complaint can be made.
- the time period within which a suitable reply shall be made to his / her complaint.
- if the complainant is not satisfied with the reply to his complaint, the authority designated by the Company to whom the complainant can approach for redressal of his grievances.
- if the customer is still not satisfied, then the matter would be looked into by a high-level authority/ committee appointed/constituted by the Company in this regard.
- the staff shall help the customer with any questions he/she may have.
- details of Company's procedure for handling complaints fairly and quickly would be made available to the customers on its website. Where a complaint is received in writing from a customer, the Company shall endeavor to send him/her an acknowledgement within two working days. The acknowledgement shall contain the name & designation of the official who will deal with the grievance. If the complaint is relayed over phone at the Company's designated telephone-helpdesk

or customer service number, the customer shall be provided with a complaint reference number and be kept informed of the progress within a reasonable period of time. After examining the matter, the Company shall send the customer its final response, or explain why it needs more time to respond and shall endeavor to do so within 30 days of receipt of a complaint and he/she should be informed how to take his/her complaint further if he/she is still not satisfied.

- the Company has established a system whereby access to the complaint handling process is made available free of charge to complainants. Complaints redress process & decisions to be taken for satisfactory/time bound resolution of complaints at various levels & escalation matrix to be followed by the respective official has been defined in Company's grievance redressal policy.

- After waiting for reasonable time (i.e., thirty days) from the date of his/her complaint, if customer feels his/her grievance has not been resolved to his/her satisfaction, or where he/she has not received response from the Company within a period of one month, he/she may approach the National Housing Bank at their following address:

  To
  The General Manager
  National Housing Bank
  Grievance Redressal Department
  4th Floor, Core 5A, India Habitat Centre
  Lodhi Road, New Delhi-110003

Or, Customer may lodge complaint to NHB through their online grievance lodging system also, called 'GRIDS' (Grievance Registration & Information Database System) though the link at https://grids.nhbonline.org.in

8 Deposit Accounts

No employee of the Company shall seek/accept deposit from public in any manner/form so long the Company maintains its registration status as 'non deposit accepting company'.

9 Loans

9.1 Before lending any money, the Company shall make proper assessment of the creditworthiness and repayment capacity of the customer.

i) Time frame for disposal of Loan Application

The Company shall dispose of fully completed loan application within 30 days from the date of submission of the proposal together with all the requisite documents. If the Company decides not to provide loan to the customer for any reason, it shall communicate in writing the reason(s) for rejection of the loan application.

ii) Acceptance of guarantees on behalf of the borrower

If the customer wants the Company to accept a guarantee or other security from someone for his liabilities, the Company may ask the customer for his/her permission to give confidential information about his finances to the person giving the guarantee or other security, or to their legal adviser. The Company would:

- encourage the customers to take independent legal advice to make sure that the customers understand their commitment and the possible consequences of their decision (where appropriate, the documents the Company asks them to sign will contain this recommendation as a clear and obvious notice);

- tell the customers that by giving the guarantee or other security, guarantors may become liable instead of, or as well as, him/her;

- tell the customers / guarantors what their liability would be; and

- inform the guarantor that refusal to comply with the demand made by the Company, despite having sufficient means to make payment of the dues, such guarantor would also be treated as a willful defaulter.

9.2 Applications for loans and their processing

(i) at the time of sourcing a loan product, the Company would provide necessary information about the annual interest rates applicable, applicable fees/charges payable for processing the loan and subsequently, pre-payment options and charges, if any, penal charges for delayed repayment, if any, conversion charges for switching loan from fixed to floating rates or vice-versa, and any other matter which may affect the interest of the borrower, so as to enable the customer to make a meaningful comparison with those of other companies and make an informed decision. The loan application form will indicate the list of documents required to be submitted with the application form;

(ii) the Company shall provide acknowledgement for receipt of all loan applications. The applicant will be informed about the time frame within which loan applications will be disposed while accepting application;

(iii) normally all particulars required for processing the loan application shall be collected by the Company at the time of application. In case any additional information is required, the customer shall be informed that he/she would be contacted again;

(iv) the Company shall convey to the customer the loan sanctioned along with the terms and conditions thereof. The Company shall supply authenticated copies of all the loan documents executed by the customer at the Company's' cost along with a copy each of all enclosures quoted in the loan document at the time of sanction / disbursement of loans; and

(v) no customer shall be discriminated on grounds of sex, caste and religion in the matter of lending. However, this does not preclude the Company from instituting or participating in special schemes framed for different sections of the society.

9.3 Requests for Foreclosure of Loan Account:

In case of any request for foreclosure or transfer of a loan account, either from the borrower or from a bank/financial institution, consent or rejection of request for any reason(s) shall be intimated to the borrower within twenty-one days from the date of receipt of such request.

9.4 Disbursement of loans including changes in terms and conditions

Disbursement shall be made in accordance with the Loan Agreement/ Sanction Letter.

9.5 Decision to Recall or Acceleration of repayment of loan amount:

Before taking a decision to recall / accelerate payment or performance under the agreement or seeking additional securities for any reason, the Company shall give notice to borrowers in consonance with the loan agreement.

9.6 Closure of Loan Account and release of Securities/Documents:

The Company shall release all original movable / immovable property documents and securities within a period 30 days from repayment of all dues and on realization / settlement of the loan accounts along with removal of any charges registered with any registry such as CERSAI, MOE/MODT, ROC charges, etc effective from December 01, 2023, as per terms and conditions stipulated in the Sanction Letter, subject to any legitimate right or lien for any other claim of the Company against the borrower. Where the Company decides to exercise its right of set off, 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.

In order to address the contingent event of demise of the sole borrower or joint borrowers, the Company shall have a well laid out procedure for return of original movable / immovable property documents to the legal heirs. Such procedure shall be displayed on the Company website.

9.7 Investigation of Fraudulent Transactions:

In the event of need for any investigation of a transaction on the customer's account, the customer shall be advised / requested to co-operate in investigation with the Company and with the police/ other investigative agencies, if the Company needs to involve them. The Company shall advise the customer that if the customer acts fraudulently, he/she will be responsible for all losses on his/her account and that if the customer acts without reasonable care and this causes losses, the customer may be responsible for the same.

10 Guarantors

When a person will be considered to be a guarantor to a loan, he/she would be informed about:

- his/her liability as guarantor;

- the amount of liability he/she will be committing him/herself to the company;
- circumstances in which the Company will call on him/her to pay up his/her liability;
- whether the Company has recourse to his/her other monies in the company if he/she fail to pay up as a guarantor;
- whether his/her liabilities as a guarantor are limited to a specific quantum or are they unlimited; and
- the time and circumstances in which his/her liabilities as a guarantor will be discharged as also the manner in which the Company will notify him/her about this.

The Company shall keep him/her informed of any material adverse change/s in the financial position of the borrower to whom he/she stands as a guarantor.

11 General

The Company reserves to itself the right to revise/amend/delete/add/modify this code in consonance of the underlining spirit of RBI guidelines and provide updates from time to time, at any time without prior individual notice and such alterations /deletion/addition shall be binding on the customers.

In case the customer needs any support and/or clarification with respect to the code, practice and procedure adopted by the Company in its normal course of business, the customer can reach the Company either by phone through our toll free Helpline: 022-45297300 or by e-mail at bhflwecare@bajajhousing.co.in

It shall be the general endeavor of the staff members and authorized representatives of the Company to maintain cordial relation with its customers all the time in the best interests of the Company. The customer shall be given all the information about the products till he is fully satisfied with the explanation and accepts all the terms and conditions before entering into a contract/agreement with the Company.