



VAIBHAV VYAPAAR LIMITED

LoanFront

www.loanfront.in
www.vaibhav-vyapaar.com

Fair Practices Code

Document Summary

Version Number	Version 1.0
Approved by	Board of Directors
Last date of renewal/ Version No.	NA
Current revision date/ Version No.	12.06.2026/V1.0
Revision	Any revisions or modifications to this charter to be approved by the Chief Compliance Officer/Company Secretary and submitted to the Board for approval.

Introduction

The Fair Practices Code will apply to any loan and/or associated service that Vaibhav Vyapaar Limited (“the Company” or “VVPL” or “LoanFront” or “us” or “our” or “we”) may sanction, and/or disburse. Vaibhav Vyapaar Limited has adopted the Fair Practices Code (the “FPC” or “Fair Practices Code” or “Code”) pursuant to the following Reserve Bank of India (“RBI”) Directions, as updated from time to time: (i) Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025 (“RBC Directions, 2025”); (ii) Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Directions, 2025; and (iii) Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025.

The Fair Practices Code is aimed at providing loan applicants with an effective overview of practices that will be followed by the Company concerning the credit facilities and associated services offered. The Company is committed to ensuring that our services to our clients is ethical and dependable. The Company will update the FPC to conform to the standards prescribed by the RBI from time to time. The Company will abide by this FPC, following the spirit of the RBC Directions, and its applicability to the Company’s business.

Objective of the Code

This FPC has been developed to:

1. Conduct the business in accordance with prevailing rules and regulations and corporate governance principles.
2. Enhance transparency to enable borrowers/customers to have a better understanding of what they can reasonably expect from the services.
3. Ensure and sustain a fair and cordial relationship between customers and the Company.
4. Create and maintain adequate mechanisms for the redressal of customer grievances.

Key Commitments

1. Act fairly and reasonably in all dealings with customers by:
 - a. Adhering to the commitments and standards outlined in this Code for the products and services offered by the Company, as well as in the procedures and practices followed by its staff/employees.
 - b. Ensuring that the Company's products and services comply with the relevant laws and regulations enforced in India.
 - c. Conducting all interactions with customers based on ethical principles of integrity and transparency.
2. Assist customers in understanding how the Company's loan products work, by explaining their financial implications.
3. Address issues promptly and empathetically by:
 - a. Rectifying mistakes swiftly.
 - b. Handling customer grievances with urgency.
 - c. Providing guidance to customers on how to escalate their complaint further if they remain unsatisfied with the resolution.

4. Promote awareness of this Code by prominently displaying it on the Company's website and making copies available to customers upon request.

Advertising, Marketing, and Sales:

1. We shall ensure that all advertising and promotional material is clear and not misleading.
2. While advertising in any media and/or sending promotional literature that draws attention to a service or product and includes a reference to an interest rate, we shall also indicate whether other fees and charges, if any, will apply and that full details of the relevant terms and conditions are available on request.
3. We shall provide information on interest rates, and charges through our website/mobile application/any other suitable mode at the discretion of the Company.
4. If we avail of the services of third parties (duly authorized by the Company) for providing support services to the customers, we shall ensure that such authorized third parties handle customer personal information (if any available to such third parties) with the same degree of confidentiality and security as the Company would do.
5. We may, from time to time, communicate various features of our products availed by customers. Information about our other products or promotional offers in respect of products/services may be conveyed to customers only if they have given their consent to receive such information/service either by mail, phone, or by registering for the same on the website or through the application form or any other form of written communication.
6. We prescribe a code of conduct for the Direct Selling Agencies (DSAs)/Direct Selling Teams (DSTs)/Tele-callers whose services are availed to market products/services of the Company, which, amongst other matters, requires them to identify themselves when they approach customers for selling products personally or through phone.
7. In the event of receipt of any complaint from the customer that our representative or DSA has engaged in any improper conduct or acted in violation of this Code, appropriate steps shall be initiated to investigate and to appropriately close the complaint.

Loan Application Processing

1. The company shall make all communications to the borrower in the English language. The borrower will be provided an option by the Company to choose a language as understood by the borrower. The borrower may intimate the Company about its preferred language at the time of the loan application.
2. The Company shall provide all necessary information to the borrowers required in relation to the loan products/ credit facilities/ services offered by the Company so that the borrower can make a meaningful comparison with the terms and conditions offered by other NBFCs and can make an informed decision.
3. The loan application form shall indicate the documents required to be submitted along with the application form.
4. The Company shall give an acknowledgment of receipt for all loan applications digitally, with no discrimination based on caste, creed, or religion. The Company shall endeavor to provide the timeframe within which loan applications shall be processed.

The Company shall also comply with the instructions related to Key Facts Statement (“KFS”) for Loans & Advances’ under the RBC Directions, 2025, as updated from time to time. A copy of the loan agreement along with a copy each of all enclosures quoted in the loan agreement, including the KFS shall invariably be furnished to all borrowers at the time of sanction/disbursement of loans. **Disbursement of Loans and Changes in Terms And Conditions**

1. The Company shall give notice to the borrower in the English language or a language as understood by the borrower of any change in the terms and conditions including the disbursement schedule, interest rates, service charges, penal charges prepayment charges, etc. The Company shall ensure that changes in interest rates and charges are effected only prospectively. A suitable condition in this regard shall be incorporated in the loan agreement. The changes shall only be made if the loan agreement executed between the Company and the borrower permits such changes.
2. The Company shall take any decision to recall/accelerate payment or performance under the loan agreement only if the same is in consonance with the loan agreement.
3. The Company shall release all securities on repayment of all dues or on realization of the outstanding amount of the loan, subject to any legitimate right or lien for any other claim they may have against the borrower. 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 until the relevant claim is settled/paid.

Interest Rate

1. The Company has laid down appropriate a detailed interest rate and penal charges policy for determining interest rates, processing fees, and other charges, taking into account relevant factors such as the cost of funds, margin, and risk premium.
2. The Company would intimate the rate of interest to be charged from the borrower at the time of application/sanctioning of the loan in the KFS as well as the sanction letter.
3. The rate of interest and the approach for the gradation of risks are also available on the company's website. In case of any change in interest rates by the Company, the same shall be updated on the Company's website.
4. The rate of interest would be an annualized rate so that the borrower is aware of the exact rates that would be charged to her/his account.
5. The Company shall ensure that it will not unduly charge excessive interest rates to its borrowers. The interest rate for its customers/borrowers would be arrived at taking into account broad parameters such as the risk profile of the customers/borrowers, interest rate trends prevailing in the money market, cost of borrowings, primary and collateral security offered by customers/borrowers, structure of the deal, and the historical credit track record of the customers/borrowers.

Penal Charges

Penal charges, if applicable, shall be levied only on the overdue amount and not on the entire loan outstanding, shall not be capitalized, and shall be disclosed upfront in the KFS, sanction letter, as well as the KFS and loan agreement. Penal charges shall be applied as per the interest rate and penal charges policy approved by the Board and updated on the website from time to time.

Loans to Physically / Visually Challenged Applicants

The Company shall not discriminate in extending loan facilities to physically/visually challenged applicants on grounds of disability. Applications from physically or visually challenged borrowers shall not be rejected solely on the basis of disability; reasonable assistance in documentation shall be provided, subject to standard credit assessment. The Company shall ensure redressal of grievances of persons with disabilities under its Grievance Redressal Mechanism detailed hereinbelow.

Information

1. The Company is committed to assisting customers in selecting products and services that align with their needs. Clear information detailing the key features of the Company's services and products of interest will be provided to customers in the KFS, loan documents, and otherwise on the Company's website.
2. Customers will be informed about the documentary information required by the Company to establish their true identity and address, along with other documents necessary to comply with legal and regulatory "Know Your Customer" requirements.
3. Information regarding interest rates, common fees, and charges will be disseminated through
 - a. Telephones or help lines.
 - b. Designated staff/help desk at the Company's office.
 - c. Publication on the Company's website.
 - d. KFS/ sanction letter
 - e. Loan documents

General

1. The Company shall refrain from interfering with the affairs of the borrower, except for the purposes provided in the terms and conditions of the loan agreement (unless information not earlier disclosed by the borrower has been identified). In case of receipt of a request from the borrower for transfer of the borrowal account, the Company's consent or objection, if any, shall be conveyed within 21 days from the date of receipt of such request. Such transfer shall be as per transparent contractual terms in consonance with law.
2. In the matter of loan recovery, the Company shall not resort to undue harassment, such as persistently bothering the borrowers at odd hours or using muscle power for loan recovery, etc. The Company shall ensure that its employees/staff are adequately trained to deal with customers in an appropriate manner.

Grievance Redressal Mechanism

In case of any complaint/grievance, the borrowers may contact the following Principal Nodal Grievance Redressal Officer of the company:

Name- Mr. Satya Mallidi

Designation- Grievance Redressal Officer

Telephone No. -6366828598

E-mail id- satya@vaibhav-vyapaar.com

The above information shall be prominently displayed at the branches and is also available at the Company's website.

If the complaint/dispute is not redressed within a period of one month, the customer may appeal to :

The Officer-in-Charge,

Reserve Bank of India, Department of Non-Banking Supervision,

15, Netaji Subhas Road, Kolkata- 700 001,

Email to cms.odtkolkata@rbi.org.in,

STD Code: 033 Telephone No : 22304982

The Board of Directors shall review the redressal of grievances at regular intervals. A consolidated report of the grievances shall also be made available to the Board of Directors by the management at regular intervals.

Ombudsman Scheme:

If the grievance is not redressed within 30 days, or if the borrower is not satisfied with the response received, the borrower may lodge a complaint under the RBI-Integrated Ombudsman Scheme, 2021 (where applicable) online through the RBI Complaint Management System (CMS) portal at <https://cms.rbi.org.in>, or send a physical complaint to the “Centralised Receipt and Processing Centre, 4th Floor, Reserve Bank of India, Sector-17, Central Vista, Chandigarh – 160017”. In cases where the RBI-Integrated Ombudsman Scheme, 2021 is not applicable, the borrower may approach the Consumer Education and Protection Cell (CEPC) of the relevant Regional Office of RBI. A link to the RBI CMS portal shall be displayed on the Company’s website.

The Grievance and Redressal Policy is available on the Company's website at the following page: <https://www.vaibhav-vyapaar.com/grievance-redressal-policy.html>.

Privacy and Confidentiality:

We maintain the utmost standards of privacy and confidentiality concerning our customers' personal information. We strictly limit the collection, processing and disclosure of information or data in accordance with the Company’s website at the following page. <https://www.vaibhav-vyapaar.com/privacy-policy.html>

Responsibility of Board of Directors:

1. Oversee the implementation of the FPC, reviewing its effectiveness, and ensuring compliance with regulatory requirements.
2. Allocate resources and support to maintain adherence to the FPC and uphold customer trust and satisfaction.
3. Review the Fair Practice Code at least annually

Compliance with the FPC

An annual review of compliance with the Fair Practice Code would be conducted. A consolidated report of such a review would be submitted to the Board of Directors every year. Company will maintain physical copies of policies at all office premises for customer reference, in addition to availability on the Company's website at the following page: <https://www.vaibhav-vyapaar.com/fair-practices-code.html>