

Barclays Investments & Loans (India) Ltd. (BILIL)

Fair Practices Code

Document Management

Document Name	Fair Practices Code
Original Date of approval	11-11-2014
Review Version & Date	V 3.0 dated May 23, 2017

Table of Contents

1. Background	3
2. Introduction	3
3. Guiding Principles, Key commitments and Declarations	3
4. Applicability	4
5. Non-Discrimination Policy	4
6. Key Principles on Applications for Loans and their processing	4
7. Key Principles on Loan appraisal and terms / conditions	4
8. Key Principles on Disbursement of loans including changes in terms and conditions	5
9. General	6
10. Grievance Redressal Mechanism	6
11. Policy for determining Interest Rates charged to the clients	7
12. Force Majeure	7

1. Background

The Reserve Bank of India, (RBI), vide its earlier notification number DNBS (PD) CC No.80/03.10.042/2005-06 dated September 28, 2006 and subsequently through various other notifications has prescribed the broad guidelines on fair practices that are to be framed and approved by the Board of Directors of all Non-Banking Financial Companies (NBFCs). All of this has been consolidated in last Master Direction – Non Banking Financial Company – Systematically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 **(RBI Directions 2016)**.

The requirement further prescribes that the Fair Practices Code (FPC) so framed and approved by the Board of Directors should be published and disseminated on the web-site of the company, if any, for the information of the public.

As a result, Barclays Investments & Loans (India) Ltd (“BILIL” or the “Company”) has framed the comprehensive Fair Practice Code which is covered in this document.

2. Introduction

BILIL is a company incorporated under the Companies Act, 1913 having Corporate Identification Number (CIN) U93090MH1937FLC291521 . BILIL is a non-deposit taking systemically important non-banking financial company registered and regulated by the Reserve Bank of India (RBI) as a Non Banking Finance Company (NBFC), bearing Registration no. B-13.02176. The registered and administrative office of BILIL is at Nirlon Knowledge Park, 10th Floor, Block B-6, Off Western Express Highway, Goregaon (East), Mumbai – 400063 , India. Telephone No: +91 22 61754000 . The branch offices of BILIL are located at 1st Floor, Eros Corporate Tower, Nehru Place, New Delhi – 110019 and Regus Chennai Citi Centre, Level 6, 10/11 Dr Radhakrishnan Salai, Mylapore, Chennai – 600004. .

3. Guiding Principles, Key commitments and Declarations

BILIL’s policy is to treat all its clients fairly at all times. BILIL has adopted all the best practices prescribed by RBI from time to time and shall make appropriate modifications, if any, necessary to this Code to conform to the standards so prescribed. The employees/representatives of BILIL will offer assistance, encouragement and service in a fair, equitable and consistent manner. BILIL will also communicate its FPC to its clients by uploading the FPC on its web-site.

The Board of Directors and the management team of BILIL are responsible for implementing the FPC and also to ensure that its operations reflect its strong commitment to all the stakeholders for offering in a fair and equitable manner, the various financial services and products including lending as BILIL may provide from time to time and that all BILIL employees/representatives shall be aware of this commitment.

4. Applicability

BILIL will ensure that the implementation of the FPC is the responsibility of the entire organization. BILIL's fair lending practices shall apply across all aspects of its operations including loan origination, processing, servicing and collection activities. Its commitment to FPC will be demonstrated in terms of accountability, training, counseling, monitoring, auditing programs and internal controls and optimal use of technology.

Additional guidelines on fair practices mandated vide RBI Directions 2016 for NBFC-MFI and for NBFCs engaged in lending against collateral of gold jewellery are not applicable to BILIL, since it does not engage in such activities.

5. Non-Discrimination Policy

BILIL shall offer all financial products, to eligible qualified applicants, without discrimination on the basis of caste, colour, creed, race, religion, marital status, sex, age or handicap, directly or through associates.

6. Key Principles on Applications for Loans and their processing

- (a) All communications to the borrower shall be in a language as understood by the borrower. BILIL will obtain a written application from the client/borrower and ascertain the language of their understanding. In case the application is made in a language other than English, BILIL will obtain a written confirmation from the client/borrower about their understanding of the English language and acceptance of English as the preferred language for all correspondence with BILIL. In case the client applies to BILIL in a language other than English, BILIL will endeavor to communicate in the said vernacular language as understood by the client.
- (b) BILIL will offer credit to eligible qualified applicants who express their need to borrow through their loan request letter.
- (c) Upon receipt of the request letter, for the credit facility, BILIL shall give acknowledgement for receipt of the facility request. The acknowledgement letter will indicate the documents required to be submitted by the client/borrower for processing the request. The acknowledgement shall indicate the time frame within which the request will be disposed, from the date of receipt of all information/ documents.

7. Key Principles on Loan appraisal and terms / conditions

- (a) BILIL shall conduct a due diligence on the credit worthiness of the borrower, which will be an important parameter for taking decision on the application. The assessment would be in line with the

Company's credit policies, norms and procedures in respect thereof. The Know Your Customer (KYC) guidelines issued by RBI shall be complied with.

- (b) BILIL shall convey in writing to the prospective borrower the status of the loan application by means of sanction / offer letter or otherwise. In the case of sanction of loan, the sanction / offer letter shall contain the terms and conditions which, inter alia, should include the annualized rate of interest and method of application thereof.
- (c) BILIL shall mention the penal interest charged for late payment in bold in the offer letter / agreement.
- (d) BILIL shall obtain an acceptance from the borrower and the security provider on the said sanction/ offer letter with the borrowers' and the security providers' signature under the caption "Agreement by the Client" which states that the Client, confirms having read, understood and agreed to the terms of the Offer Letter and the Lending and Finance Terms and Conditions and acknowledges that the document has been provided in a language of the Client's choice. The Company shall maintain a record of such acceptance.
- (e) BILIL shall furnish a copy of the loan agreement along with a copy of each of enclosures quoted in the loan agreement to all clients post execution of the same by all parties to the agreement.

8. Key Principles on Disbursement of loans including changes in terms and conditions

- (a) Prior to disbursement of loans, the rate of interest shall be mutually agreed by the company and the borrower. The client will communicate the terms of disbursement including loan amount, rate of interest, tenure of loan, next interest re-set date, frequency of interest payment in his / her disbursement instructions letter to the Company and the same shall be confirmed by BILIL post disbursement of the loan along with the schedule of interest and principal amount payment.
- (b) The disbursement will be done as requested by the client and upon compliance of all the terms and conditions of the sanction by the client.
- (c) BILIL has an internal Interest Rate Policy in place. The Company shall, at the time of disbursement, consider the parameters of the Interest Rate Policy while determining all commercial terms including interest rate on loan and advances to ensure that the commercial terms agreed with the borrower are not excessive.
- (d) BILIL shall give notice to the borrower in the language as understood by the borrower of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. BILIL shall also ensure that changes in interest rates and charges are affected only prospectively. A suitable condition in this regard has been incorporated in the terms and conditions of the loan agreement.
- (e) BILIL shall ensure that the decision to recall / accelerate payment or performance under the agreement would be in consonance with the loan agreement.
- (f) BILIL shall release all securities on repayment of all dues or on realisation of the outstanding amount of loan subject to any legitimate right or lien for any other claim that BILIL may have against 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 BILIL is entitled to retain the securities till the relevant claim is settled / paid.

9. General

- (a) BILIL will refrain from interfering in the affairs of the borrower except for the purposes provided in the terms and conditions of the loan documents, unless new information not disclosed earlier, deliberately or otherwise by the borrower has come to its notice.
- (b) In case of receipt of request from the borrower for transfer of a borrower account to other NBFC, bank or financial institution, the consent or otherwise of BILIL shall be conveyed within 21 days from the date of receipt of such request in writing. Such transfer shall be in accordance with the contractual terms entered into with the borrower and in consonance with the statutes, rules, regulations and guidelines as may be applicable from time to time.
- (c) In the matter of recovery of loans, BILIL shall strictly adhere to the guidelines of Policy on Collection of Dues and Repossession of Security. The debt collection policy of BILIL is built around dignity and respect to customers. BILIL will not follow policies that are unduly coercive in collection of dues. The policy is built on courtesy, fair treatment and persuasion. BILIL believes in following fair practices with regard to collection of dues and repossession of security and thereby fostering customer confidence and long-term relationship. BILIL will ensure that relevant staff is adequately trained in this regard.
- (d) The policy recognizes fairness and transparency in repossession, valuation and realisation of security in consonance with the law.

10. Grievance Redressal Mechanism

- (a) BILIL is committed to providing a high standard of service.
- (b) BILIL will guide clients who wish to lodge a complaint and also provide guidance on where to escalate the complaints. The grievances of the customers will be redressed in the following manner:
 - i. The customer can register grievances through email id: barclaysfinance.customerservice@barclays.com or write to the BILIL office at Barclays, 10th floor, Block B-6, Nirlon Knowledge Park, Opp. Western Express Highway, Goregaon (East), Mumbai – 400063
 - ii. After examining the matter, BILIL will send a response as soon as possible and intimate the customer how to escalate the complaint to higher level, if he is not satisfied with the response;
 - iii. The customer can escalate his / her complaint to the following e-mail id. bililcompliance@barclayscapital.com.

If the complaint / dispute is not redressed within a period of one month, the customer may appeal to the Officer-in-Charge of the Regional Office, Department of Non-Banking Supervision, Reserve Bank of India, Mumbai Regional Office, 3rd Floor, Byculla Office Building, Opp. Mumbai Central Station, Byculla, Mumbai – 400 008.

- (c) The Grievance Redressal policy is available on www.barclays.in/bilil. BILIL has designated an officer for the redressal of grievances of the clients including the borrowers, in connection with any matter pertaining to business practices, lending decisions, credit management and recovery. The name and contact details of the designated Grievance Redressal officer is :
Mr. Ruzbeh Sutaria, Contact Number.: + 91 22 61754244 E-mail: bililcompliance@barclayscapital.com.
The details of Grievance Redressal Officer have been displayed in the BILIL branches.

11. Policy for determining Interest Rates charged to the clients

To ensure that the Customers are not charged excessive interest rate and charges on loans and advances by the Company, the Board of the Company has adopted an Interest Rate Policy which is within the Credit Policy of BILIL. The same can be accessed on the Company's website www.barclays.in/bilil.

12. Force Majeure

The various commitments outlined and made by BILIL are applicable under the normal operating environment. In the event of Force Majeure, BILIL will not be able to fulfill the commitments under the FPC to the entire satisfaction of the client(s), the other stake holders, and the public in general.
