



Bharat Financial Inclusion Limited ("BFIL" or "We" or "Our") believes that access to basic financial services can significantly augment economic opportunities for families in economically weaker section of the society and in turn help the said section to improve their lives. BFIL provide financial services to the said families and use its network to give them access to goods and services that they need and generate income to improve standard of living. BFIL pursues its business objective by adhering its following core values:

- ✓ **Right Focus - Customer first:** Our products, processes and people are all focused on creating the highest value for the Customer. This includes being respectful to Customers, understanding the needs of Customers and being transparent with Customers.
- ✓ **Right Means - Ethics always:** We will follow ethical practices in all our relationships at all times, including following the law both in letter and spirit. This includes not offering bribes, not paying or taking commissions, or any other short-cuts
- ✓ **Right Way - Consistent quality:** We will have standardized processes as this will enable us to reach out to the most Customers cost effectively. We will foster innovation but in a way that ensures consistent quality.

Adherence to the highest standards of integrity, transparency, fair practice and ethical behavior are fundamental to our business model.

BFIL's Fair Practices in rendering services to its Customers:

- BFIL will treat all its Customer with all fairness and respect;
- All communications (Verbal or Written) with the Customers is in vernacular language or in a language as understood by the Customer;
- BFIL will not discriminate its Customers based on caste and religion;
- BFIL shall not tolerate inappropriate behavior of its staff in their interaction with the Customers and takes appropriate disciplinary action.
- BFIL will ensure that all transactions are done in transparent manner including sanction and disbursement of loans will be done only at a central location;
- BFIL provides training and makes the Customers fully aware of the procedure and systems related to loan/ other products, prior to disbursement of loans;
- BFIL will ensure non cumbersome procedure for loan application, for the convenience of Customer;
- BFIL shall provide a moratorium for loan repayment equivalent to the period of one installment spell selected by the Customer in the loan application;
- BFIL will not hold any type of asset as collateral/ security deposit/ margin money against any loan in the Joint liability Group (JLG) model;
- BFIL includes all necessary information in the loan application form in clear and transparent manner so that it can be understood by the Customer;
- BFIL discloses the rate of interest, processing fee, insurance premium and all other terms and conditions in the loan application form, loan card etc.;
- BFIL provides every Customer, copy of loan agreement and a passbook/ loan card containing repayment schedule and terms and conditions for the loans disbursed;
- BFIL currently charges an interest rate of 19.75% per annum on diminishing balance method for Income Generation Loans. For FUL loans, the interest rate varies based on EWI but does not exceed 19.75% per annum on diminishing balance method;
- BFIL charges an amount not more than 1% of the loan amount disbursed as a non-refundable loan processing fee at the time of disbursement of each loan which is exclusive of applicable tax;
- BFIL collects non-refundable applicable term insurance premium as charged by the insurer for the insurance cover of the Customer and her spouse;
- BFIL provides an acknowledgement for receipt of all loan applications and will furnish a copy of the loan agreement as understood by the Customer during disbursement of loans;
- BFIL gives notice to the Customer of any change in the terms and conditions including disbursement schedule, interest rates, service charges, etc., if any;
- BFIL does not indulge in coercive practices during the collections or resort to harassment of Customers under any circumstances viz.; persistently bothering the Customers at odd hours (after 8 p.m. before 7 a.m., use of abusive language, use muscle power for recovery of loans etc.;
- BFIL does not use outsourced recovery agents for recovery of loans;

- BFIL does not interfere in the affairs of the Customers except for the purposes provided in the terms and conditions of the loan agreement;
- BFIL field staff will be allowed to make recovery at the place of residence or work of the Customer only if borrower fails to appear at central designated place on two or more successive occasions.
- BFIL will not charge foreclosure charges/ pre-payment penalties on all floating rate term loans sanctioned to individual Customers;
- BFIL will keep the Customer information confidential and the same will not be shared with anybody without prior permission of the Customer except in cases of legal compliance;
- BFIL has a multi-level grievance redressal mechanism;

GRIEVANCE REDRESSAL MECHANISM

In case of any complaints/ grievances, the Customers can make use of the following Grievance Redressal Mechanism set up by BFIL, as per the escalation matrix mentioned below:

Level 1:

Customers can approach the Branch concerned and discuss the complaint/ grievance.

Level 2:

If the Customer is not satisfied with the response received from the Branch or if the issue is not resolved within five (5) working days, please call the Toll Free Customer Care No. 1800-300-10000 between 7.30 a.m. to 9.00 p.m. on week days (Monday to Friday) and 7.30 a.m. to 3.30 p.m. (1st, 3rd and 5th Saturday).

Level 3:

If the issue is not resolved within 15 days, Customers can escalate the complaint/ grievance to:

Ombudsman on the Toll Free No. 1800-300-60000 between 7.30 a.m. to 9.00 p.m. on week days (Monday to Friday) and 7.30 a.m. to 3.30 p.m. (1st, 3rd and 5th Saturday).

Or

Nodal Officer - Mr. Ritesh Chatterjee, Bharat Financial Inclusion Limited, 6-3-1192, 3rd Floor, My Home Tycoon, Kundanbagh, Begumpet, Hyderabad - 500016. Contact No. 9959955233 between 7.30 a.m. to 9.00 p.m. on week days (Monday to Friday) and 7.30 a.m. to 3.30 p.m. (1st, 3rd and 5th Saturday) or can also mail to nodalofficer@bfil.co.in on any day.

Level 4:

If the issue is not resolved within three (3) working days of call to Ombudsman or Nodal Officer, Customers can escalate the complaint/ grievance to:

Microfinance Institutions Network (MFIN) Toll Free No. 1800-2700-317 between 9.30 a.m. to 5.30 p.m. on week days (Monday to Friday).

Level 5:

Customers can write to the following Officer of Reserve Bank of India, if the issue is not resolved within one month or if they are not satisfied with the Company's response:

The General Manager
 Department of Non-Banking Supervision,
 Mumbai Regional Office,
 3rd Floor, Garment House,
 Dr. Annie Besant Road, Worli,
 Mumbai - 400 018
 Ph: 022-24939930-38
 Fax: 022-24964910/ 24914755
 E-mail: helpdnbs@rbi.org.in