

BILAKHIA HOLDINGS PRIVATE LIMITED

FAIR PRACTICE CODE

Fair Practice Code

1. Introduction

Bilakhia Holdings Private Limited (BHPL or the Company) a systemically non deposit taking Non Banking Finance Company (NBFC-ND-SI) registered with Reserve Bank of India (the Bank).

BHPL does not deal in active lending business but provides support to its group Companies (subsidiaries, ultimate holding Company is BHPL, joint ventures and associates) in the course of their business however as a part of best corporate practices and in line Fair Practice Code (FPC) guidelines issued by the Bank vide its circular no.DNBS (PD) CC No.80/03.10.042/2005-06 dated September 28, 2006, the Board of Directors (Board) of BHPL in its meeting held on October 27, 2006 has approved and adopted the Fair Practice Code (FPC) which came in to force from October 28, 2006.

The Bank vide its circular no. DNBS (PD) CC No.266/03.10.01/2011-12 dated March 26, 2012, has issued a fresh guidelines on Fair Practice Code for NBFCs and directed to the NBFCs to modify existing FPC in line with the guidelines specified in the referred circular and accordingly BHPL has adopted Fair Practice Code on April 23, 2012.

The Bank vide its circular no. DNBS.CC.PD.No.320/03.10.01/2012-13 dated 18 February, 2013, has issued a fresh guidelines on Fair Practice Code for NBFCs and directed to the NBFCs to modify existing FPC in line with the guidelines specified in the referred circular and accordingly BHPL has adopted Fair Practice Code on November 27, 2014.

In order to have a periodic review of the policy and to align with RBI guidelines in this regards from time to time, this Fair Practice Code (FPC) was approved and adopted by the Board in its meeting held on March 25, 2022 and shall be effective from April 1, 2022. Consequent to this, the existing Fair Practice Code approved and adopted on January 21, 2020 is now inoperative.

This FPC is divided into two categories;

- a)** Loan to the BHPL group Companies
- b)** Loan to the outside the BHPL group.

This FPC deals with promoting (a) good and fair business practices and (b) a fair and cordial relationship between borrowers / customers.

a) Loan to the BHPL group Companies

1. Applications for Loans and their processing

The Company does not have operating lending business and to the extent it does not have any “product” to be offered to the borrowers / customers. The only applicants for loan from the Company are its group Companies which are provided **interest free** loan. Currently there is no standard documentation or time frame of processing applications since these are the loan in the form of Inter Corporate Deposit which is based on appropriate corporate authorization.

2. Loan appraisal and terms / conditions

The Loan to the group Companies are interest free and on mutually agreeable terms and conditions.

3. Disbursement of loans including changes in terms and conditions

The Company is a group holding Company and at its main focus to support its group Companies to strengthen their business. The Company does not offer any retail loans unlike the other Companies. BHPL gives loan to its group Company on request and proper authorization.

4. Regulation of Interest charged

The BHPL gives interest free loan to its group Companies.

b) Loan to the outside BHPL group

1. Applications for Loans and their processing

The Company shall communicate to its borrower in English language however if the borrower is not able to understand the English language, the Company shall communicate either in Hindi or vernacular language whichever is the convenient to the borrower.

The Loan application forms shall include all necessary information which affects the interest of the borrower, so that a meaningful comparison with the terms and conditions offered by other Non Banking Financials Companies can be made and informed decision can be taken by the borrower.

The loan application may also indicate the documents to be submitted with the application form.

The Company shall provide acknowledgement for receipt of all loan applications and an indicative time frame within which loan application will be disposed off will be mentioned in such acknowledgement.

2. Loan appraisal and terms / conditions

The Company shall convey in writing in English or in such language as understood by the borrower by means of sanction letter or otherwise, the amount of loan approved, terms and conditions including the annualized rate of interest and method of application thereof. It would keep the acceptance of these terms and conditions by the borrowers in Company's file. Copy of loan agreement, if any, along with all relevant enclosure will be made available to the borrower.

3. Disbursement of loans including changes in terms and conditions

The Company shall convey in English or in such language as understood by the borrower any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. The Company shall also ensure that changes in interest rates and charges are effected only prospectively. The loan agreement shall contain a specific clause to this effect.

Decision to recall / accelerate payment or performance under the agreement shall be in consonance with the terms and conditions.

The Company shall release all securities on repayment of all dues or on realization of the outstanding amount of loan subject to any legitimate right or lien for any other claim that the Company 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 the Company is entitled to retain the securities till the relevant claim is settled/paid.

4. Regulation of Interest charged

The BHPL will charge such annualized interest rate based on factors like cost of fund, margin, security, risk and customer history etc.

5. General

The Company shall refrain from interference in the affairs of the borrower except for the purposes provided in the terms and conditions of the loan agreement (unless new information, not earlier disclosed by the borrower, has come to the notice of the Company.)

BHPL will not discriminate on the grounds of gender, caste or religion in its lending policy and activity.

In case of request for transfer of borrower's account, the Company's consent or otherwise shall be conveyed within 21 days of the receipt of the request. Such transfer shall be as per transparent contractual terms in consonance with applicable laws.

In the matter of recovery of loans, the Company shall resort only to remedies which are legally and legitimately available to without undue harassment.

All Terms and conditions will be fair and will set the customer's rights and responsibilities clearly. The Company will use legal or technical language only wherever necessary.

6. Confidentiality

All the borrower's personal information shall be treated as private and confidential

The Company will not reveal transaction details to any other entity including within the Group other than the following exceptional cases

- The Company has to provide the information by statutory or regulatory laws
- If there is duty to the public to reveal this information
- If Company have taken the customers permission (for instances at the time of Loan sanctioning) to provide such information to its Group /Associate /entities or Companies for providing other product or services.

7. Grievance Redressal Mechanism and Nodal Officer

Any grievance with regard to this code shall be intimated to Grievance Redressal Forum comprising Mr.Anjum Bilakhia, Director of the Company. Mr.Himmat Lodha, CFO of the Company is appointed as Nodal Officer for the said purpose.

This grievance forum will resolve the dispute arising in this regard. A consolidated report on the complaint received and disposed off may be submitted to the Board on annual basis.

8. Periodic review

The Company shall review and refine this FPC as may be required from time to time based on its own experience and fresh guidelines, if any, issued by the Bank in this regard.

9. Force Majeure

The various commitments outlined and made by the Company are applicable under the normal operating environment. In the event of Force Majeure, the Company will not be able to fulfill the commitments under FPC to the entire satisfaction.

For Bilakhia Holdings Private Limited

Director