

Fair Practice Code
Version 1.0

Approved by
Board of Directors in their meeting held on May 06, 2019

Effective Date
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1. PREAMBLE

a) Introduction

Bharti Telecom Limited ('BTL' or 'the Company') is an investment holding company. The Company is classified as a Core-Investment Company – Non-Deposit Taking Systemically Important (CIC-ND-SI) by RBI vide its certificate No. N-14.03465 dated January 15, 2019.

BTL is a promoter and an investment holding company of Bharti Airtel Limited ("Airtel"), a leading global telecommunications company with operations in 18 countries across Asia and Africa. Airtel ranks amongst the top 3 mobile service providers globally in terms of subscribers. The shares of Airtel are listed on the stock exchanges viz. NSE and BSE and forms part of both SENSEX and NIFTY index. The market capitalization¹ of Airtel is approx. Rs. 135,000 Crores. Accordingly, the market value of BTL's investment in Airtel on same date is approx. Rs. 67,510 Crores.

Bharti Group and Singtel Group are the major shareholders of BTL holding 98.97% of paid-up of its share capital. Bharti Group is one of India's leading conglomerates with diversified interests in telecom, insurance, real estate, agri and food, in addition to other ventures. Singtel Group, headquartered in Singapore has 140 years of operating experience and is one of the largest listed Singapore companies. The majority stake in Singtel is held by the Government of Singapore.

The sole business of BTL is to hold equity investment in Airtel which is strategic and long term in nature. At present, BTL does not have any NBFC operations also does not have any intent to carry out such activities/operations in future. BTL has obtained the registration as Non-Deposit taking Systemically Important Core Investment Company (CIC ND- SI) because of the requirements set out under the Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 (CIC Directions), where a Non-Banking Financial Company which is a Core Investment Company, having total assets of not less than ₹100 crore and which has "raised or holds public funds" is required to obtain registration from RBI. Once borrowings were raised by BTL, it was technically covered under the above directions and thus had to apply for the registration as CIC ND-SI.

Since, the Company, during the currency of it borrowings, shall be governed by the CIC Directions and other applicable regulations/guidelines/circulars issued by RBI, it is technically required to have this Code for fair practice in place. This code should be read in such limited context only, as there is no NBFC activities involved.

¹ As on May, 06, 2019.

b) Objective

This code has been adopted

- to promote good and fair practices by setting minimum standards in dealing with customers;
- to increase transparency so that the customer can have a better understanding on the key terms & conditions governing the grant of Loan facility;
- to encourage market forces, through competition, to achieve higher operating standards; and
- to promote a fair and cordial relationship between customer and BTL

c) Interpretation

If at any point a conflict of interpretation / information between this code and any Regulations, Rules, Guidelines, Notifications, Clarifications, Circulars, Master Circulars/ Directions by the Reserve Bank of India (“RBI”) arise then, interpretation of such Regulations, Rules, Guidelines, Notification, Clarifications, Circulars, Master Directions issued by RBI shall prevail.

2. Commitments and Declarations

BTL shall:

- act fairly and reasonably with customers, by following all ethical principles of integrity and transparency;
- meet the commitments and standards in this Code for the financial products and services, it offer, and the procedures and practices it’s staff follow;
- ensure that all the financial services comply with all the relevant laws and regulations;
- provide professional, courteous and speedy services;
- give verbal and written information/communication about the financial schemes in Hindi and/or English and/or local vernacular language or a language understood by the borrower;
- not discriminate between customers on the basis of age, race, caste, gender, marital status, religion or disability; and
- explain financial implications of the transactions.

3. Applications for loans and their processing

The Company does not have operating lending business and to that extent it does not have any “Product” to be offered to customers. The only applicants for loan from the Company are its Group / Associate companies which are provided loans on short term basis on an arm’s length basis. Such

loans are provided based on terms as are agreed between the Company and the Group / Associate Company. Secondly, given the objectives of BTL, currently there is no standard documentation or time frame for processing of the application since there will be loans in the form of inter corporate loans which are based on appropriate corporate authorization. With respect to the loan applications, the Company shall use the vernacular language or a language as understood by the borrower for all communications and shall also state the documents required to be submitted. The Company shall also devise a system of giving acknowledgement for receipt of all loan applications along with time line within which loan applications will be disposed off.

4. Loan appraisal and terms/conditions

The terms of the loans are agreed within the Company and the Group / Associate to the Company and these are also captured in the documentation that is entered into in this regard. The Company shall convey the amount of loan sanctioned along with the terms and conditions, annualized rate of interest and method of application by means of a sanction letter or otherwise in the vernacular language or a language as understood by the borrower. The Company shall mention the penal interest charged for late repayment specifically in the loan agreement. The Company shall furnish a copy of the loan agreement along with each of the enclosures quoted in loan agreement to the borrowers preferably in the vernacular language as understood by the borrower. The Company shall obtain an acceptance from the borrower on the said sanction letter with the borrowers' signature under the caption "I/ WE ACCEPT ALL THE TERMS AND CONDITIONS WHICH HAVE BEEN READ AND UNDERSTOOD BY ME/ US". The Company shall maintain a record of such acceptance

5. Disbursement of loans including changes in terms and conditions

The Company, being an Investment Holding Company, does not have any active lending Products. However, the Company provides/ may provide short term loans in the form of inter-corporate Loans to its Group / Associate /Subsidiary companies. Such short term loans are provided on arm's length basis as per the terms and conditions that may be agreed upon between the Company and the concerned subsidiary / joint venture / associate. Any change in the terms and conditions would be as discussed and agreed upon between the Company and the Group / Associate /Subsidiary companies, since these are the contractual documents and the Company does not offer any off the shelf products unlike other companies who are providing retail loans. The Company shall convey to the borrowers, any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. by means of a notice in the vernacular language or a language as understood by the borrower. Right of set off will only be exercised by the Company after giving notice to borrower along with full particulars about the remaining claims and conditions under which company is entitled to retain the securities till the relevant claim is settled/ paid.

6. Interest Rate

The Company shall put in place appropriate internal principles and procedures to determine interest rates, processing and other charges. The Management has adopted Interest Rate Model taking into account relevant factors such as cost of funds, perceived risk & required margin.

7. General

- a. 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).
- b. The Company shall not resort to any undue harassment, viz. persistently bothering at odd hours, use of muscle power in the matters relating to recovery of loans.
- c. The Company shall ensure that the staff is adequately trained to deal with the customers in appropriate manner.
- d. The Company shall lay down an appropriate grievance redressal mechanism within the organization.
- e. All grievances shall be heard and disposed off by a person at least one level higher to the person/ designation against/ relating to whom the grievance is made. After examining the matter, the Company shall endeavor to provide the borrower/ applicant with its final or other response, within a period of four (4) weeks from receipt of such complaint/ grievance.
- f. The Company may meet periodically to review the compliance of the fair practices code and the functioning of the grievances redressal mechanism at various levels of management.
- g. The Company shall display the information relating to complaint redressal mechanism prominently, for the benefit of its customers, at its branches/ places where business is transacted:

8. Complaint Redressal Mechanism

- a. In case of any complaint/ grievance, the customers may contact:

Grievance Redressal Officer:	Mr. Rohit Puri
Telephone:	91-11-4666 6269
E-mail:	compliance.officer@bharti.in

- b. In case the complaint/ dispute is not redressed within a period of one month, the customer may write to -

General Manager,
Department of Non-Banking Supervision, Reserve Bank of India,
6, Parliament Street, New Delhi - 110001.
Ph. 011-23714456
Email: dnbsnewdelhi@rbi.org.in

The Company shall abide by this Code following the spirit of the Code and in the manner it may be applicable to its business.

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