

## **Application for availing Factoring Services and their processing**

a. The Client Application Form of SBI Global Factors Limited (hereinafter referred to as "SBIGFL") (for availing of the factoring limit by SBIGFL's Borrowers) includes the complete information which may affect the interest of the Borrowers, so as to enable both SBIGFL and its Borrowers to make meaningful comparison with the similar terms and conditions offered by other Non Banking Finance Companies (NBFCs). It will also enable the Borrowers to take an informed decision based on the said comparison. The Client Application Form also gives an indicative list of documents required to be submitted. SBIGFL has in place an adequate system and mechanism of giving an acknowledgement for receipt of Application from its Borrowers for availing Factoring limits. Also, the said acknowledgement contains the process flow from receipt of Client Application Form till issue of Sanction Letter for Factoring Facility with indicative time frame to complete each stage of process.

## **Loan Appraisal and Terms / conditions**

a. SBIGFL conveys in writing to the Borrowers by way of a sanction letter, the amount of limits sanctioned along with all the terms and conditions thereof, including therein the annualized rate of Discount/ interest and method of application, and keeps the acceptance of these terms and conditions by the Borrowers on SBIGFL's record

b. SBIGFL has devised an adequate system and mechanism of giving an acknowledgement for receipt of Application from its Borrowers for availing Factoring limits. Also, the said acknowledgement will contain the detailed time frame within which various activities right from making the Application by the Borrowers till the disposal of the same (viz. (i) In-principle offer by SBIGFL to the Client, (ii) Preparation and submission of Client Field Survey by SBIGFL, (iii) pre sanction due diligence of Client by SBIGFL, and (iv) Remittance of Funds by SBIGFL to the Client will be completed by SBIGFL. SBIGFL would inform the Borrowers about its decision within 21 days from the date of receipt of Field Survey Report and after submission of required documents & clarifications.

c. SBIGFL shall furnish a copy of the loan agreement in a language as understood by the borrowers along with a copy each of all enclosures quoted in the loan agreement to any the borrowers at the time of sanction / disbursement of loans, in case the is required by the borrowers.

d. SBIGFL shall adopt an interest rate model taking into account relevant factors such as, cost of funds, margin and risk premium, etc and determine the rate of interest to be charged for the trade finance facilities sanctioned. The rate of interest and the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers shall be disclosed to the borrowers or customer in the application form and communicated explicitly in the sanction letter.

#### **Disbursement of Loans including changes in terms and conditions**

a. SBIGFL will give Notice to all its Borrowers, of any change in the terms and conditions of the Factoring, including disbursement schedule, interest/ discount rates, service charges, prepayment charges etc. SBIGFL will also ensure that changes in discount/ interest rates and charges are effected only prospectively. Separate information in writing regarding the same would be sent to the Clients

b. Decision to recall/ accelerate payment or performance under the Factoring Agreement will be in consonance with the Agreement.

c. SBIGFL will release all securities of its Borrows only on repayment of all dues by such Borrowers, or only on realization of the outstanding amount of the Borrower's availed limit, subject to any legitimate right or lien for any other claim which SBIGFL may have against its Borrower. If such right of set off is to be exercised, the Borrower will be given notice about the same by SBIGFL with full particulars about the remaining claims and conditions under which SBIGFL will be entitled to retain the securities till the relevant claim is settled or paid by the Borrower.

## **General**

- a.** SBIGFL does not interfere in the affairs of its Borrower except for the purpose provided in the terms and conditions of the Factoring Agreement (unless new information, not earlier disclosed by the Borrower, comes to the notice of SBIGFL).
- b.** In case of receipt of request by SBIGFL from the Borrower for transfer of Borrowal account, the consent or otherwise i.e. Objection of SBIGFL, if any, is generally conveyed to such Borrower within 21 days from the date of receipt of the Borrower's request. Such transfer will be as per transparent contractual terms in consonance with all the applicable laws.
- c.** In the matter of recovery of outstanding dues of its Borrower, SBIGFL does not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans etc.
- d.** SBIGFL shall ensure that the staff are adequately trained to deal with the customers in an appropriate manner to render best customer service.

## **Grievance Redressal Mechanism**

For the benefit of the customers, SBIGFL at their Corporate Office and Branches/ places where business is transacted will display the name and contact details (Telephone / Mobile No. as also Email address) of the Grievance Redressal officer who can be approached by the public for resolution of the complaint against the Company. Chief Operating Officer Shri. Dilip Kumar be designated as Grievance Redressal Officer of the Company and Clients and others who have grievances in respect of decisions of SBIGFL's functionaries may address their grievances to him at [redressal@sbiglobal.in](mailto:redressal@sbiglobal.in) His contact no. is **(022) 48890300 / 66946000** and the same will be displayed on the website.

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 of DNBS of RBI, under whose jurisdiction the registered office of SBIGFL falls. The contact detail of Reserve Bank of India is as follows:

General manager  
Department of Non Banking Supervision  
Mumbai Regional Office, 3rd Floor,  
Opp. Mumbai Central Railway Station,  
Byculla, Mumbai – 400008  
T.No: [\(022\) 23084121](tel:02223084121)  
Email: [dnbsmro@rbi.org.in](mailto:dnbsmro@rbi.org.in)

The Board will also periodically review the compliance of this Fair Practices Code and the functioning of the grievances redressal mechanism at various levels of management. A consolidated report of such reviews will be submitted to the Board at quarterly intervals.