

DEMAND/CALL LOAN POLICY

Legal Framework

This policy has been formulated pursuant to Reserve Bank of India's Directions for Non-Banking Financial Company - Non - Systemically Important Non - Deposit taking Companies, as amended from time to time.

The policy has been adopted by the Board of Directors in their Meeting held on 3rd August, 2015 and revised in its Meeting held on 31st January, 2018.

Scope of the Policy

The Board of Directors of Thacker And Company Limited ('the Company') has framed a Demand/Call Loan Policy as enumerated below:

1. The Company will grant the Demand/Call loans to the entities having good track record, financial soundness and good credit rating.
2. The Company will provide a cut off date i.e. 1 day to 3 months within which the repayment of demand or call loan shall be demanded or called up. The demand or call loan may be renewed for a further period extending upto 3 months at a time, as per decision of the sanctioning authority.
3. The sanctioning authority (i.e. Board or Borrowing & Investment Committee of the Company) shall record specific reasons in writing at the time of sanctioning demand or call loan, if the cut off date for demanding or calling up such loan is stipulated beyond a period of one year from the date of sanction of such loans.
4. The rate of interest payable on the demand and call loans shall be determined by the sanctioning authority within a range of 9% -18% and such interest shall be payable as determined by the sanctioning authority.

Interest on such loans, as stipulated shall be payable either at monthly or quarterly rests.

5. The sanctioning authority shall, record specific reasons in writing at the time of sanctioning demand or call loan, if no interest is stipulated or a moratorium is granted for any period.
6. A cut-off date, for review of performance of the loan, not exceeding 3 months commencing from the date of sanction.
7. Periodic review shall be made for such loans and such loans shall not be renewed unless the periodical review has shown satisfactory compliance with the terms of sanction.

Review of the Demand/Call Loan policy

The Demand/Call Loan policy shall be reviewed at such frequency as may be determined by the Board of Directors.