

SARASWATI COMMERCIAL (INDIA) LIMITED

CIN: L51909MH1983PLC166605

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DEMAND CALL POLICY

(Effective from 24.07.2017)

(Reviewed On 30.01.2019)

DEMAND/CALL POLICY

INTRODUCTION

Saraswati Commercial (India) Limited is an Investment and Finance company. As per concept of Multiple NBFCs it is categorized as a Systemically Important Non-deposit taking NBFC. The company is engaged in the business of investment and trading in shares and securities & lending activities.

The Reserve Bank of India (RBI) on September 01, 2016 (bearing ref no. **RBI/DNBR/2016-17/45**) **issued** Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 considering it necessary in the public interest and for the purpose of enabling the Bank to regulate the financial system to the advantage of the country and to prevent the affairs of any Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI) from being conducted in a manner detrimental to the interest of investors and depositors.

As per the Directions issued, the Board of Directors of every Non-Banking Financial Company granting or intending to grant demand / call loans shall frame a policy for the company and implement the same. Keeping in view the future activities, the Company framed a Demand/Call Loan Policy as enumerated below:

1. Company will grant the Demand/Call loans to the entities having good track record financial soundness and/or good rating (including group companies);
2. Company can provide a cutoff date up to 365 days within which the repayment of demand or call loan shall be demanded or called up;
3. The sanctioning authority (i.e. the Board) shall, record specific reasons in writing at the time of sanctioning demand or call loan, if the cutoff 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 is applicable as per prevailing market rate on such loans and shall be payable as per agreement.
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 cutoff date, for review of performance of the loan, not exceeding 6 months commencing from the date of sanction;
7. Periodically 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.
8. This Demand/call policy will be reviewed periodically with the Board approval.

The Company shall adopt all the best practices prescribed by RBI from time to time and shall make appropriate modifications accordingly to conform to the standards prescribed.