

BHIWANI VANASPATI LIMITED

20, Sir R.N.Mukherjee Road
Rasoi Court, Kolkata 700 001

Fair Practices Code

[Vide RBI Circular: RBI / 2011-12/470 DNBS . CC . PD. NO. 266 / 03.10.01/2011-12 dated 26th March, 2012]

- The Company shall not act as NBFC – MFI [vide Non-Banking Financial Company – Micro Finance Institutions (Reserve Bank) Directions, 2011].
- The Company shall not lend against gold jewellery.
- The Company shall not be engaged in the business of vehicle financing.
- The rates of interest on lending shall strictly be as mutually agreed between the Company and the parties concerned.

1. Application for loans and their processing:

- a) Loan applications will be accepted only from bodies corporate.
- b) There may not be any Loan Application Form [stipulating the standard terms and conditions of a loan] but the terms and conditions of every loan should be discussed with the borrower so that the borrower can take informed decision. The Loan Application Form may indicate the documents required to be submitted with the application form.
- c) After the loan is agreed to, the borrower shall be intimated of probable date of disposal thereof.

2. Loan appraisal and terms / conditions:

The terms and conditions of loan will be approved by the Board and recorded accordingly. The borrower shall be intimated of the approval and the terms and conditions thereof including the annualised rate of interest and method of application thereof, as the case may be.

3. Disbursement of loans including changes in terms and conditions:

- a) The loan will be disbursed as early as possible after the approval of the Board as may be agreed between the Company and the Borrower. Any change in the disbursement schedule, interest rate, service charge, prepayment charge etc., if

any, will be intimated to the borrower. Unless otherwise agreed to by the borrower any change in the interest rate or charges will be effected prospectively.

b) The decision to recall or accelerate payment or any performance regarding the loan, if any, shall be taken subject to the mutual agreement between the parties.

c) All securities, if any, should be released on repayment of all dues or on realisation of the outstanding amount of loan subject to any legitimate right or lien for any other claim that the Company may have against the borrower. If such right of

set off is to be exercised, the Company shall give notice to the borrower 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. Transfer of borrowal account:

If any request is received from the borrower for transfer of the borrowal account, the Company may accept the request within 21 days from receipt of the same. Otherwise, the Company will convey its objection within the said 21 days. Such transfer shall be as per transparent terms as may be agreed between the parties and in consonance with law.

5. Redressal of grievance:

Any dispute between the Company and the borrower in respect of compliance with the terms of the loan shall be attended to and resolved by Mr. Sumit Bhalotia and Mr. Goutam Ghosal, Directors of the Company and in case an amicable settlement is failed to be arrived at, they may refer the matter to the Board for its consideration and decision.

6. Review of this Code :

Mr. Sumit Bhalotia and Mr. Goutam Ghosal, Directors of the Company, will constantly look after the compliance with this Code and they will refer to the Board, if they so deem fit, any observation that requires the Board's consideration.
