

BACL- FAIR PRACTICE CODE

(Adopted at the Board of Directors meeting held on 29th May 2013)

- A) This code may be known as “**BACL- Fair Practice Code**” hereinafter referred to as “the Code”.
- B) This Code has been made pursuant to Reserve Bank of India Circular DNBS (PD) CC No. 80/03.10.042/2005-06 dated 28th September, 2006 and amended in terms of New Circular No. DNBS.CC.PD.No.266/03.10.01/2011-12 dated 26th March, 2012 and further amended in terms of circular no. DNBS.CC.PD.No. 320/03.10.01/2012-13 dated 18th February 2013.
- C) The Board of Directors have approved and adopted this Code on 1st day of August, 2012.

D) **Objective**

To establish practices designed to ensure that our operations reflect our strong commitment to fair business and corporate practices.

E) **Applicability**

This Code applies to the following areas:

1. **Request for loans from the borrower and processing thereof**

- a) The loan requests shall *inter-alia* include the following information/ documents to be submitted by the prospective borrower.
- (i) The loan amount and purpose of loan.
 - (ii) Memorandum & Articles of Association of the Company.
 - (iii) Copy of last Audited Annual Report of the Borrower Company- (Balance Sheet, Profit & Loss Account and Cash Flow).
 - (iv) List of Directors.
 - (v) Copy of PAN of the Borrower.
 - (vi) Whether the Company is an NBFC, if yes, their Registration Number with RBI and date of registration, and also the terms and conditions on which registration has been granted.
- b) The Company would consider the loan request within a reasonable period of time. If additional details/documents are required, it would intimate the borrowers immediately.

2. **Loan appraisal and terms/conditions:**

- a) The Company would convey in writing to the prospective borrower the status of the loan application by means of sanction letter or otherwise. In case of sanction of loan, the sanction letter shall contain the following:
- (i) Amount of loan sanctioned.
 - (ii) Rate of interest, whether fixed or variable.

- (iii) Period of loan.
 - (iv) Rate of interest may undergo change depending upon the changes in Bank Rate prescribed by RBI or market conditions.
- b) The Company will obtain confirmation from the borrower Company for acceptance of the terms & conditions of the loan sanctioned and keep record thereof.

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

The Company would inform to the borrower in case of:

- (i) any changes in the terms & conditions including disbursement schedule, interest rates, service charges, prepayment charges etc.
- (ii) recall/acceleration of payment.

4. General:

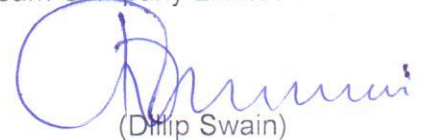
- (i) The Company would not interfere in the affairs of the borrower except for the purpose provided in the terms and conditions of the sanctioned letter.
- (ii) The Company will not resort to undue harassment for recovery of the loan from the borrowers.
- (iii) The Company will favourably consider request of the borrower for transfer of their accounts.
- (iv) The Company will provide loans at a reasonable rate of interest to its borrowers, keeping in view the prevailing lending rates.
- (v) The Company will consider release of any specific security as requested by the borrower and in normal course release all securities on repayment of all dues or on realization of outstanding amount of loan subject to any right or lien for any other claim the Company may have against borrower.
- (vi) The Board will periodically review the compliance of the Fair Practice Code and the functioning of the grievances redressal mechanism at various levels of management.

Shri UK Gupta, Manager of the Company has been appointed by the Board of Directors as the Grievance Redressal Officer of the Company for resolution of Complaints against the Company. His Contact Details are: **Link House, 3 Bahadur Shah Zafar Marg, New Delhi -110002. Tel No.011-30179808 Email: ukg@jkm.com.**

In case the Complaint is not redressed by the Company, within a period of one month from the date of Lodgment, the Customers may appeal to **General Manager, Department of Non-Banking Supervision, Reserve Bank of India, 6, Parliament Street, New Delhi – 110001 Tel No.: 011-23714456 Email: dnbsnewdelhi@rbi.org.in**

- (vii) The Board of Directors are authorised to resolve disputes, if any, arising in the case of lending/recovery of loan.
- (viii) Issuance of cheque should be properly authorised.

For Bengal & Assam Company Limited


(Dilip Swain)
Company Secretary