

KUMBHAT FINANCIAL SERVICES LIMITED

(CIN: L65991TN1993PLC024433)

Regd. Off.: No. 144, N.S.C. Bose Road, Sowcarpet, Chennai – 600 079.

Corp. Off.: 5th Floor, Kumbhat Complex, No. 29, Rattan Bazaar, Chennai – 600 003.

Tel: +91 95660 99991 / 95000 21161

Email ID: raju@kumbhatco.in

LOAN POLICY OF KUMBHAT FINANCIAL SERVICES LIMITED

In order to meet the objective of the Company of providing various types of Credit facilities and to comply with the requirements of **Non banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007**, the Board of Directors propose the following Loan Policy:

1. The Company shall stipulate a cut-off date within which the repayment of the loan will be due in the loan document.
2. If the cut-off date is beyond one year, specific reasons are to be recorded by the sanctioning authority.
3. The Company shall also stipulate the rate of interest in the loan document.
4. The interest on such loans, as stipulated shall be payable either at monthly or quarterly rests.
5. The Company shall see that all demand and call loans remaining overdue for six months, where interest remains due for a period of 6 months from the due date would be classified, as non-performing assets.
6. The term loans would become NPAs when installment is overdue for six months.
7. The Lease and HP assets would also become NPAs, if payments are overdue for a period of twelve months.
8. The Company shall make a review of performance of the loan, not exceeding six months commencing from the date of sanction.
9. The Company shall not renew such demand or call loans unless the periodical review has shown satisfactory compliance with the terms of sanction.

The above draft loan policy is hereby accepted, approved and adopted by the Board and the same is signed by the Chairman of the meeting held on 18th April, 2017

For KUMBHAT FINANCIAL SERVICES LIMITED

For KUMBHAT FINANCIAL SERVICES LIMITED


Chairman

Managing Director