

WILLIAMSON MAGOR & CO. LIMITED

**Four Mangoe Lane, Surendra Mohan Ghosh Sarani,
Kolkata-700001**

Fair Practices Code

The Fair Practices Code, as adopted herein below, is in conformity with the Guidelines on Fair Practices Code for NBFCs as prescribed by the Reserve Bank of India vide its Circular bearing no. RBI/2011-12/470 DNBS.CC.PD.No. 266/03.10.01/2011-12 dated March 26, 2012, DNBS.CC.PD.No. 320/03.10.01/2012-13 dated February 19, 2013 and RBI/2013-14/42 DNBS.CC.PD.No 340/03.10.042/2013-14 dated July 01, 2013.

- The Company shall not act as NBFC – MF1 [vide Non-Banking Financial Company – Micro Finance (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.

Approved by the Board of Directors of the Company at its Meeting held on 9th November, 2017.

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
- c) After the Loan is agreed to, the borrower shall be intimated of probable date of disposal thereof.

2. Approval- Loan Appraisal and Terms/ Conditions:

The terms and conditions of loan will be approved by the Board or Committee thereof 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 or Committee thereof 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 on realization 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. Disclosures about Interest and Approach for Gradation of Risk:

- Rate of Interest:

The Company shall intimate the borrower, the loan amount and annualized rate of interest at the time of sanction of the loan along with the tenure. The rate of interest shall be the annualized rate so that the borrower is aware of the exact rate that would be charged to the account.

The rate of interest and the approach for gradation of risk and rationale for charging different rates of interest to different categories of borrowers shall be informed to the borrower or customer.

- Approach for gradation of risk:

The rate of interest is arrived at based on the weighted average cost of funds, administrative costs, risk premium and profit margin. The decision to give a loan and the interest rate applicable to each loan account is assessed on a case to case basis, based on multiple parameters such as borrower's profile, repayment capacity, borrower's other financial commitments, past repayment track record if any, the security for the loan as represented by the underlying assets, loan to value ratio, tenure of the loan, geography (location) of the borrower. Such information is collated based on borrower inputs and credit bureau. The rates of interest are subject to change as the situation warrants and are subject to the discretion of the management on a case to case basis.

5. General Provisions :

- The Company shall refrain from interference in the affairs of the borrower except for the purposes provided for in the terms and conditions of the loan agreement (unless new information, not earlier disclosed by the borrower, has come to the notice of the Company).
- In case of receipt of request from the borrower for transfer of borrowal account, the consent or otherwise – i.e., objection of the Company, if any- shall be conveyed to the borrower within 21 days from the date of receipt of any request. Such transfer shall be as per transparent contractual terms in consonance with law.
- In the matter of recovery of loans, the Company shall not resort to undue harassment- such as persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans, etc. The Company shall ensure that the staff is adequately trained to deal with the customers in an appropriate manner.

6. Responsibility of Board of Directors:

The Board of Directors of the Company shall lay down the appropriate grievance redressal mechanism within the organisation to resolve disputes arising in this regard, which would include having centralized team catering to the investor complaints. It would be ensured that all

disputes arising out of the decisions of Company's functionaries are heard and disposed under the supervision of the Manager of the Company or at such next higher level as determined by the Board of Directors. The Board of Directors shall also be provided feedback for periodical review of the compliance of the Fair Practices Code and the functioning of the Grievance Redressal Mechanism at various levels of management.

Grievance Redressal Mechanism:

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 the Manager of the Company whose name and contact details shall be made available to the complainant.

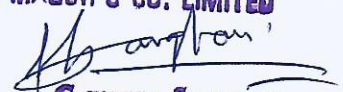
If the complaint/ dispute is not redressed within a period of one month, the customer may appeal to:

The Officer-in-Charge
Regional Office
Department of Non Banking Supervision
Reserve Bank of India
5th Floor,
15 Netaji Subhas Road
Kolkata 700001

7. Periodic Review- Fair Practice Code

The Company shall also review and revise the Code, as may be required periodically based on its own experience and fresh guidelines, if any, to be issued by the RBI in this regard.

WILLIAMSON MAGOR & CO. LIMITED


Company Secretary