

**CHARTERED FINANCE & LEASING
LTD. (CFL)**

(“NBFC/ B-13.02480”)

DEMAND CALL LOAN POLICY

SUMMARY OF POLICY

Particular	Details
Policy Name	Demand Call Loan Policy
Version	V3
Latest Approval/Review Date	07 th April, 2026
Review Cycle	Annually
Approver	Board of Directors of Chartered Finance & Leasing Ltd

VERSION HISTORY

VERSION NO.	APPROVAL	VERSION DESCRIPTION	REGULATORY REFERENCE	REMARKS
I	07 th April, 2022	2022	RBI Regulation	Policy adopted by the Board
II	20 th May, 2025	2025	RBI Regulation	Reviewed By Board
III	07 th April, 2026	2026	RBI Regulation	Reviewed By Board

DEMAND CALL LOAN POLICY

Norms	Description
Borrower Category	Company or LLP
Nature of Loan	Unsecured line of credit
Tenure	Demand loan - Line of Credit for 12 months
Renewal	Line of Credit – 12 months
Sanctioned Amount	Up to Rs. 100 Crores
Sanctioned Authority	Up to Rs 50 Cr - Executive Director Up to Rs 100 Cr- MD and one Executive Director Demand / call loans to related parties above the materiality threshold specified in CFL's policy on lending to related parties shall be sanctioned by the Board or its Committee (other than the Audit Committee), and interested directors / KMP shall recuse themselves.
Borrower Existence in business	Minimum vintage of 6 months
Borrower eligibility	Borrower should have positive net worth at time of loan disbursement. Borrower should have adequate profit / sources to service the interest and principal amount. Non-individual borrowers with aggregate exposure of ₹5 crore and above shall obtain an LEI code, failing which no new exposure, renewal or enhancement shall be granted.

CIBIL Score/Other Due diligence	CMR < 5 – of customer Customer should not be reported as wilful defaulter/Sub-standard/ SMA /NPA by any bank or NBFC. Company and Promoters FCU report should not be negative. Directors/guarantors to be checked against the RBI List of Wilful Defaulters (LWD) via DIN/PAN prior to sanction. Credit information of demand / call loan borrowers, including CIN and directors' DIN, shall be reported to all Credit Information Companies as on the 9th, 16th, 23rd and last day of each month, the full file as on the last day of the month being submitted by the 5th day of the following month and the incremental accounts as on the 9th, 16th and 23rd day being submitted within four calendar days of those dates.
On Boarding Documents Required (Self-Attested)	Documents for Borrowers/Co-Borrowers Loan Application Form PAN Card Bank Statement of last three months Address Proof (Any one) :Bank Statement/Company Master Data/Electricity Bill Board Resolution on Company's Letterhead MOA & AOA along with Certificate of Incorporation List of Director(s) on Company's Letterhead along with DIN List of Shareholder(s) on Company's Letterhead List of Authorized Signatory(s) on Company's Letterhead PAN Card Copy and Address Proof of all the Director(s) and Authorized Signatory(s) (Any One) : Aadhar Card / Voter ID / Passport / Driving License ITR of latest 2 Years of Borrower Audited Balance Sheet of Last two years. KYC of company borrowers shall include certified copies of the certificate of incorporation, Memorandum and Articles of Association, PAN, Board resolution, documents specified in the KYC Directions relating to beneficial owners and authorised signatories, names of senior management, and the registered office and principal place of business.

Documents required Post on boarding	Signed Loan Agreement Facility: schedule of terms Demand promissory note Acknowledgement copy of Sanction Letter. One PDC Cheque Request letter/Email from registered email id for disbursal. The loan agreement shall contain a covenant that the borrower shall not induct a person whose name appears in the List of Wilful Defaulters on its board or as a person in charge of its management; no credit facility shall be granted to persons / entities classified and reported as fraud, or entities associated with them, for five years from full repayment of the defrauded amount. The loan agreement shall contain clauses for conduct of an external or internal audit at the behest of CFL in case of suspicion of wrongdoing or fraudulent activity.
Mode of Communication post disbursement	Email / Telephone Call / SMS / Letter or any other mode Demand / call loan accounts shall be classified as SMA on default and reported to CRILC, including weekly reporting of defaults, for borrowers with aggregate exposure of ₹5 crore and above.
Penal Charges	Penal charges, if any, for non-compliance of material terms and conditions shall be levied in accordance with CFL's Interest Rate Policy, only on the amount under default, without capitalisation and not in the form of penal interest added to the rate of interest, and shall be disclosed in the loan agreement.
Renewal	Renewal will be done on annual basis with clients request and as per client's track record
Enhancement	Enhancement based on: a) Enhancement Request from client's end/Enhancement Letter. b) Latest Financials Enhancement will be approved based upon: CIBIL Score, Client repayment behaviour
Interest Frequency	Interest on demand / call loans, as stipulated, shall be payable either at monthly or quarterly rests.
Pricing	Interest Rate and upfront Processing fees will be determined on case to case basis after considering credit and risk matrix No pre-payment charges shall be levied on floating rate demand loans to Micro and Small Enterprises with sanctioned limit up to ₹50 lakh; in other cases pre-payment charges, if any, shall be as per CFL's Interest Rate Policy, and their applicability shall be disclosed in the sanction letter and loan agreement.

Other	(i) The repayment of demand or call loan shall be demanded or called up within 12 months (ii) The sanctioning authority shall, record specific reasons in writing at the time of sanctioning demand or call loan, if the cut-off date for demanding or calling up such loan is stipulated beyond a period of one year from the date of sanction. (iii) 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. (iv) A cut-off date, for review of performance of the loan, not exceeding six months commencing from the date of sanction. (v) Such demand or call loans shall not be renewed unless the periodical review has shown satisfactory compliance with the terms of sanction. (vi) A demand or call loan which remains overdue for more than 90 days from the date of demand or call, or on which interest remains overdue for more than 90 days, shall be classified as NPA.
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