



BERAR FINANCE LIMITED
INTER-CORPORATE DEPOSIT POLICY

RECORD OF REVIEW:

Document Number	01
Version Number	01
Document Classification	External
Originally formulated	April 23 2025
Created by	Accounts & Finance Department
Reviewed by	Board of Directors of the Company
Approved by	Board of Directors of the Company

<u>Version No</u>	<u>Created/Modified Date</u>
1	April 23, 2025

I. Background

Berar Finance Limited (“BFL” or “Company”) is a public limited company incorporated under the Companies Act, 1956 and registered with the Reserve Bank of India (“RBI”) as a deposit taking non-banking finance company (“NBFC”). It falls under the Middle Layer as per Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

II. Objectives of the Policy

This policy document on Inter Corporate Deposits (ICD) outlines the guiding principles in respect of formulation of various inter corporate deposit products offered by the Company and terms and conditions governing the conduct of the said deposits. The document recognizes the rights of depositors and aims at dissemination of information regarding various aspects of acceptance of deposits from the members of the corporate entities, payment of interest on various deposit accounts, and closure of deposit accounts. It is expected that this document will impart greater transparency in dealing with the customers and create awareness among customers of their rights.

III. Inter Corporate Deposit offered by the Company

The rates offered by the Company under ICD are as tabulated below:

ICD Cumulative			
Interest payable on maturity	12 M	24 M	36 M
ROI (%)	11%	11.25%	11.50%
Yield (%)	11.46%	12.42%	13.50%
Minimum Amount Rs. 10 Lakhs	10,00,000.00	10,00,000.00	10,00,000.00
Maturity Amount (In Rs.)	11,14,621.00	12,48,439.00	14,05,135.00
Total Interest (In Rs.)	1,14,621.00	2,48,439.00	4,05,135.00

*Interest compounded on quarterly basis

ICD Non- Cumulative			
Interest payable - quarterly	12 M	24 M	36 M
ROI (%)	11%	11.25%	11.50%
Minimum Amount Rs. 10 Lakhs	10,00,000.00	10,00,000.00	10,00,000.00
Quarterly Interest (In Rs.)	27,501.00	28,125.00	28,749.00
Total Interest (In Rs.)	1,10,004.00	2,25,000.00	3,44,988.00

IV. Acceptance of ICD

- ICD will be accepted from Domestic Companies registered under the Companies Act 1956/ 2013, and a co-operative society registered under Co-Operative Societies Act.
- ICD shall not be accepted in cash.
- The Company reserves the right to accept or reject any application received for opening or placing the ICD without assigning any reason whatsoever. The amount in relation to such rejected Application will not earn any interest and the Company will endeavor to refund the said amount within 10 (ten) business days.

V. Application

Application for ICD must be made in the prescribed Form and accompanied by cheques/Bank drafts drawn in favour of **BERAR FINANCE LIMITED** and crossed “Account Payee only”, NEFT/RTGS.

Copy of duly self- attested PAN and KYC is required for fresh ICD and at the time of renewal as per the requirement of the KYC Policy of the Company.

KYC includes certificate of incorporation, Address Proof, Board Resolution for making ICD and the relevant documents of Beneficial owner as per KYC Policy of the Company.

VI. Repayment of Deposits

ICD will be repaid only on maturity and not on demand or notice. The deposit receipt duly discharged should be sent to the office of the Company at least 15 days before the date of maturity to enable the Company to repay the deposit. Where due date of payment falls on Sunday, Bank Holiday or any other day on which the Company’s office remains closed, payment will be made on the next working day.

In case of any rejection of such instruction for NEFT / RTGS due to any reason, the Company will dispatch the cheque of such payment in favour of the Depositor within 10 (ten) days of the receipt of intimation by the Company from its bank about such rejection.

VII. Renewal of ICD

ICD will be renewed only on maturity and not on demand or notice. The deposit receipt duly discharged should be sent to the office of the Company to enable the Company to renew the deposit. In case of renewal, a fresh application form should accompany the discharged receipt.

A deposit can be renewed for lower value than maturity value by giving suitable instructions for repayment of balance amount. A deposit can be renewed for a higher value than the maturity value by remitting the differential amount. Such consideration can be done only on the date of maturity and thereafter, the necessary remittance should reach the Company at least one day before the date of maturity.

The renewal of deposit will be subject to the rate of interest and other terms and conditions prevailing on the date of the said maturity date.

Deposit can be renewed from the next day of the date of maturity only if renewal instructions along with the Deposit Receipt are received within 2 months from the date of maturity. Otherwise the same will be renewed prospectively. Interest on matured deposit ceases on its maturity.

Interest on deposit shall cease to accrue from the date of maturity unless deposit is renewed for further period.

VIII. Intimation before maturity date

The Company shall intimate the details of maturity of the deposit to the depositor at least 14 days before the date of maturity of the deposit.

IX. Tax Deducted at Source

- TDS will be deducted as per the applicable laws of Income Tax Act/Rules.

TDS is applied on aggregate interest income earned by the customer and can be adjusted against interest income of any ICD, which may not be proportionate to interest income on specific ICD. Wherever such adjustment is carried out against cumulative ICD, the interest reinvested is post TDS recovery.

The final amount for these reinvested deposits may change due to TDS deductions and the impact of compounding.

TDS is also deducted on unpaid interest accrued at the end of every financial year viz. 31st March and on the date of maturity.

When interest amount is insufficient to recover TDS, the same will be recovered from the principal of the deposit.

X. Premature withdrawal of ICD

Premature withdrawal of ICD is permitted by the deposit holders before the date of the deposit/ renewal subject to receipt of advance notice by the Company and at the following rate of terms and conditions:

Up to 12 months from the date of Deposit/ Renewal (Lock in Period)	Prepayment is not allowed
After 12 months but before 24 months from the date of Deposit /Renewal	Prepayment is allowed with prior notice of 15 days. Further, the Rate of interest shall be applicable as of 12 months reduced by prepayment charges of 2%.
After 24 months from the date of Deposit /Renewal but before the date of maturity	Prepayment is allowed with prior notice of 15 days. Further, the Rate of interest shall be applicable as of 24 months reduced by prepayment charges of 2%.

Income tax wherever applicable and deducted at source and remitted to the applicable tax authority by the Company on behalf of the depositor, before premature withdrawal of Deposit(s), shall not be refunded in any circumstance whatsoever.

The prematurity proceeds will be credited in the same bank account as mentioned in the ICD application form or such other bank account intimated by the deposit holder in writing to BFL subsequently.

XI. ICD Receipts

ICD Receipts will be dispatched to the depositors within 2 weeks from the date of the receipt of application form by the Company. Complaint for non- receipt of Deposit Receipt should be lodged only after 2 weeks.

Deposit Receipts will be sent by Courier/Post at the address given in the application form. The Company will not be responsible for any loss or delay in transit due to postal/courier services or any circumstances beyond its control.

In case of change in KYC documents/status of any of the Applicant, the Applicant shall immediately inform BFL regarding the said change and submit the revised KYC documents/ updated status to BFL within 30 days of such change, failing which BFL shall not be held responsible for any consequences, actions, claims, loss due to the said change in KYC. Any oral communication are not to be relied upon unless the same is captured in the documents in writing.

In the event of loss or destruction or mutilation of an FDR (for any reason) and upon request received by BFL, FDR will be re-issued by BFL in lieu of such FDR. Notwithstanding the re-issuance of FDR(s), the obligation of BFL is limited to the single FDR only, against which the money has been received by BFL. Under all circumstances, mere re-issuance of FDR(s) by BFL against single deposit of money will not result in duplication of payment or higher liability on the part of BFL. All expenses, if any, incurred in this connection will be borne by the depositor(s).

Deposit receipt will not be transferable. The Company will not recognise any lien or assignment of the deposit and/or interest thereon, except that of the Company.

XII. Interest on Deposits

The Board of Directors of the Company shall review and approve the rates of interest and other allied matters from time to time.

Interest on ICD shall be computed as per the requirements of the investors. However, they are broadly categorized under the following categories:

1. Quarterly interest payment with no compounding impact.
2. Payment on maturity with compounding impact on quarterly/annually basis.

The interest will be paid through National Electronic Funds Transfer (NEFT)/ Real Time Gross Settlement (RTGS) only. In case of any rejection of such instruction for NEFT / RTGS due to any reason, the Company will dispatch interest cheque, in favour of the applicant in the Application, within 10 (ten) days of the receipt of intimation by the Company from its bank about such rejection.

XIII. Loan against Deposits

This is not permissible under the said scheme.

XIV. Turnaround Time:

The turnaround time for various processes involved in acceptance of public deposits are as follows:

- a) **Processing of deposits and Printing of ICD Receipts:** 4 days from date of clearing of payment made by the depositor.
- b) **Dispatch of ICD Receipts:** Deposit Receipts will be dispatched to the depositors within 2 weeks from the date of receipt of application form by the Company.
- c) **Premature Withdrawal:** 1 day from the date of receipt of request for premature withdrawal along with the Deposit Receipt.
- d) **Repayment on Maturity:** If the Deposit receipts are received before the date of maturity, the repayment will be done before the end of banking hours on the date of maturity and if the deposit receipts are received after the date of maturity, the repayment will be done within a day of receipt of deposit receipts from the deposit holders.
- e) **Renewal of ICD:** If the request for renewal of deposit is received before the date of maturity, the request for renewal will be processed within 2 days from the date of maturity and if the request for renewal is received after the date of maturity, it will be processed within 2 days from the receipt of request.

XV. Redressal of Complaints and Grievances

Depositors having any complaint/grievance with regard to services rendered by the Company has a right to approach following authorities for redressal of their complaints/grievances:

(A) Ombudsman under Reserve Bank - Integrated Ombudsman Scheme, 2021.

The Depositor aggrieved by an act or omission of the Company resulting in deficiency in service may file a complaint under the Reserve Bank - Integrated Ombudsman Scheme, 2021. The depositor may refer to the Company's website www.berarfinance.com for further details and modes of filing complaint under the scheme.

(B) Consumer Disputes Redressal Forums

In case of any deficiency of the Company in servicing its deposits, the depositor may approach the National Consumer Disputes Redressal Commission, the State Level Consumer Disputes Redressal Commission or the district level Consumer Disputes Redressal Forum for relief.

(C) National Company Law Tribunal

- a) In case of non-repayment of the deposit or part thereof as per the terms and conditions of such deposit, the depositor may approach the Bench Officer, National Company Law tribunal, Mumbai Bench 4th floor, MTNL Exchange Building, Near G.D.Somani Memorial School,G.D.Somani Marg,Cuffe Paarde, Mumbai-400 005. Acceptance of deposits/giving of loans and all related matters are subject to Nagpur Jurisdiction only.
- b) Deposit will be subject to rules/regulations prescribed by Reserve Bank of India and any statutory authority if any from time to time.
- c) Any deposit which remains unclaimed and unpaid for a period of seven years from the date it becomes due for payment will be transferred to "The Investor Education and Protection Fund" established by the Central Government under section 125(1) of the Companies Act, 2013.

XVI. Review of the Policy

The Policy shall be revised by the Board of Directors of the Company as and when necessary, of their own or necessitated by statutory changes.
