

ACHIEVERS FINANCE INDIA LMTD

(formerly known as Achiievers Finance India (P) Ltd)

INTEREST RATE MODEL POLICY

A) PREAMBLE / INTRODUCTION

The Interest Rate Model Policy has been framed by Achiievers Finance India LmtD (the “**Company**”) in response to the guidelines issued by the Reserve Bank of India (“**RBI**”) vide Master Direction DNBR.PD.007/03.10.119/2016-17 updated as on 29th December, 2022 to take into account relevant factors such as cost of funds, margin and risk premium and determine the rate of interest to be charged for loans and advances. The rate of interest and the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers shall be disclosed to the borrower or customer in the application form and communicated explicitly in the sanction letter.

The Interest Rate Model is approved by the Board of Directors at its meeting held on 09th March, 2023.

1. Rate of Interest

The Company intimates the borrower, the loan amount, rate of interest and any other charges, as and when applicable, to the borrower at the time of sanctioning the loan amount along with the repayment schedule.

2. Principles for gradation of risk

- Achiievers Finance India LmtD has its own model for arriving at interest rates taking into consideration among other things the average cost of funds, unallocable costs, (operational expenditure) administrative costs, risk premium, the expected loan performance and profit margin.
- The decision to give a loan and the interest rate applicable to each loan account will be assessed on a case to case basis, based on multiple parameters such as the borrower profile, repayment capacity, borrower’s other financial commitments, past repayment track record if any, loan to income ratio and employment stability. Such information is gathered based on information provided by the borrower, credit reports and bank statements.
- 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.
- Besides interest, other financial charges like processing fees, origination fees, cheque bouncing charges, line usage fees, late payment charges, withdrawal or cash advance fees, charges for issue of statement account etc., would be levied by the Company wherever considered necessary and are adequately disclosed in the loan agreement.
- Besides these charges, stamp duty and other cess would be collected at applicable rates from time to time as communicated in the documentation provided.
- The interest rates could be offered on fixed or variable basis and charged on flat or reducing balance method.

- The frequency of interest payment will also be disclosed as approved by the designated authority.
- While deciding the charges, the practices followed by the competitors in the market would also be taken into consideration.
- Claims for refund or waiver of charges/ penal interest / additional interest would normally not be entertained by the Company but can be granted on case to case basis at the sole discretion of the Company to deal with such requests, if any.
- Accordingly, the rate of interest for Personal Loan and other charges, as applicable, will be disclosed in the loan agreement.

B) Review

A periodical review of this Policy will be undertaken by the Company as and when necessary.