

# **SINDHUJA MICROCREDIT PRIVATE LIMITED**

**Regd. Office:-** BH-606, Nyaykhand 2 Amrapali, Village Indirapuram, Nyaykhand, Ghaziabad-201014, U. P.

**Corporate Office:-** 1<sup>st</sup> Floor, Pushpanjali Complex, Opp. S.K.Puri Check Post, Boring Road, Patna – 800001, Bihar

**CIN:** U65990UP2017PTC099006, **Email ID:** abhisheka.kumar@sindhujamicrocredit.com

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## **PRICING GUIDELINES & INTEREST RATE DETERMINATION**

1. The rate of interest shall be based on Pricing guidelines of RBI for NBFC-MFI, cost of borrowed funds, market liquidity, refinance avenues, offering by competition, tenure of customer relationship, cost of disbursement and client acquisition, inherent credit risk, profile of the customers, past repayment track record of the customers etc.
2. The Company will adopt uniform interest rate model whereby the rate of interest for same product and tenor availed during the same period by customers would be similar irrespective of caste, religion, creed, race and income in order to provide similar treatment to all.
3. The IRR associated with the loan would be clearly communicated verbally to the customer during CGT, GRT and will also be provided in writing to the client via loan card cum sanction letter.
4. The Company shall ensure that the average interest rate on loans sanctioned during a quarter does not exceed the average borrowing cost during the preceding quarter plus the margin, within the prescribed cap.
5. The margin cap will be 12% till the loan portfolio is Rs. 100 crores. Once the loan portfolio exceeds Rs. 100 crores, then margin cap will be 10%
6. The cost of funds will include the following components:
  - a. Expenses incurred towards interest payments
  - b. Processing fee including service tax (amortized monthly)
  - c. Stamp duty charges (amortized monthly)
  - d. DD charges (amortized monthly)
  - e. Less interest accrued on security deposit
7. The maximum variance permitted for individual loans between the minimum and maximum interest rate cannot exceed 4 per cent. The average interest paid on borrowings and charged by the Company are to be calculated on average monthly balances of outstanding borrowings and loan portfolio respectively.
8. However, the condition relating to the maximum variance permitted shall not be applicable to loans extended by the Company against funding by National Scheduled Castes Finance & Development Corporation (NSFDC). The on-lending to individuals by the Company out of funds of NSFDC shall only be through direct credit to their accounts with banks. Further, the Company shall exclude borrowing from NSFDC in arriving at the average cost of funds of the company for the purpose of pricing of credit, other than to the beneficiaries targeted by NSFDC. For this, the Company shall maintain proper record of funds received from NSFDC and the lending out of those funds. Appropriate disclosures in this regard shall be made in the balance sheet. The minimum disclosures will include quantum of funds received from NSFDC, cost of such funds, loans disbursed therefrom, rate of interest on such loans and the number of beneficiaries. Further, the Company shall inform the concerned Regional Office of the Reserve Bank of India of their appointment as a channelizing agent by NSFDC within one month from the date of such appointment.
9. Interest rate would be offered on fixed basis
10. No penalty would be charged to the customer for late payment or default in making payments
11. Processing charges shall not be more than 1 % of gross loan amount plus applicable tax
12. The Company shall recover only the actual cost of insurance for group, or livestock, life, health for borrower and spouse. Administrative charges where recovered, shall be as per IRDA guidelines.