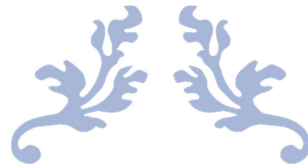


RAJVIR SECURITIES AND FINANCE PVT. LTD.

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INTEREST RATE POLICY



(This policy was reviewed and approved by the Board of Directors in the Board Meeting held on 08.01.2026.)

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INTEREST RATE POLICY

INTEREST RATE POLICY AND GRADATION OF RISKS

Preface

Reserve Bank of India (RBI) vide its Circular DNBS / PD / CC No. 95/ 03.05.002/ 2006-07 dated May 24, 2007 advised Non Banking Finance Companies (NBFC's) lay out appropriate internal principles and procedures in determining interest rates, processing and other charges. This was reiterated vide RBI's circular DNBS (PD) C.C. No. 133 / 03.10.001/ 2008-09 January 2, 2009 and DNBS.CC.PD.No.320/03.10.01/2012-13 dated February 18, 2013.

Keeping in view the RBI's guidelines as cited above, and the good governance practices, the following internal guidelines, policies, procedures and interest rate policy have been adopted by the Company for its lending business.

Methodology

- The base interest rate will be arrived at based on the weighted average cost of funds, risk premium, other costs such as administrative expenses and profit margin.
- The base interest rate applicable to each loan account will be assessed based on multiple parameters like:
 1. Nature of lending, for example unsecured/secured, and tenure;
 2. Nature and value of securities and collateral offered by customers;
 3. Risk profile of customer – professional qualification, stability in earnings and employment, financial positions, past repayment track record, external ratings of customers, credit reports, customer relationship, future business potential etc;
 4. Inherent credit and default risk in our business, particularly trends with sub-groups / customer segments of the loan portfolio;
 5. Industry trends – offerings by competition

- The base interest rate is reviewed periodically by the Board of Directors.
- The rates of interest for the same product and tenor availed during same period by different customers need not be standardized but could be different for different customers depending upon consideration of any or combination of a few or all factors listed above.
- The Company shall intimate the borrower loan amount, annualized rate of interest and method of application at the time of sanction of the loan along with the tenure and amount of monthly installment.
- The other charges such as processing fees, additional interest charged on delayed payments and cheque bouncing charges shall be mentioned in the sanction letter/MID/loan agreement.
- The rates of interest applicable to each loan account is subject to change as the situation warrants and is subject to the Management's perceived risk on a case to case basis.
- Claims for refund or waiver of charges/ penal interest / additional interest would normally not be entertained by the company and it is at the sole discretion of the company to deal with such requests if any.
- Currently company is dealing with three products and the interest rate structure is as follow:

1. Short-TERM Loans

- **Product Nature:** Short-term, small-ticket loans
- **Sourcing Channel:** Loan Service Provider (Jainam Software)
- **Tenure:** Very short-term (daily-based repayment structure)
- **Interest Rate:**
 - 0.10% to .90% per day
- **Rate Determination Factors:**
 - Short tenure and high operational cost

- Higher credit risk associated with unsecured, small-ticket lending
 - Lead generation , sourcing and servicing expenses
 - **Interest Calculation Method:** Daily outstanding balance
- 2. Unsecured Overdraft (OD) / Term Loan (TL) – Retail Segment**
- **Product Nature:** Unsecured retail OD and Term Loans
 - **Operational Branches:** Indore and Chhatarpur Branches
 - **Tenure:** Short to medium term
 - **Interest Rate:** 16% to 28% per annum (Reducing Balance Method)
 - **Rate Determination Factors:**
 - Credit profile and repayment capacity of the borrower
 - Loan amount and tenure
 - Risk assessment and cost of funds
 - **Interest Calculation Method:** Reducing balance
- 3. Wholesale Lending – Term Loan (TL) / Overdraft (OD)**
- **Product Nature:** Wholesale lending for deployment of surplus funds
 - **Borrower Profile:** Large corporates, business houses, and group entities
 - **Tenure:** Short to medium term, repayable on demand or as per agreement
 - **Interest Rate:** 12% to 24% per annum
 - **Rate Determination Factors:**
 - Loan amount
 - Net worth and creditworthiness of the borrower
 - Relationship strength and repayment track record

- **Interest Calculation Method:** As per mutually agreed terms (generally on outstanding balance)

General Policy Statement:

The final interest rate applicable to each borrower shall be determined after considering factors such as **cost of funds, operational expenses, credit risk, borrower profile, tenure, loan size, and regulatory guidelines**. All interest rates are **non-discriminatory and transparent**, and are communicated to borrowers at the time of loan sanction.

Penalties levied on the Customer (Effective from January 08, 2026)

- The Company does not charge any penal interest on delayed payments from its borrowers. Penalty, if any, for delayed payment shall be applied on the overdue amount and not on the entire loan amount, and the same will be communicated to the borrowers by way of bold letters in the loan agreement. Any service charges, prepayment charges as charged to the borrower shall be disclosed appropriately to the borrower. Further, all loans which are pre-paid shall bear pre-payment penalty at rates mentioned in the respective customer agreements. There shall be no foreclosure rate/ prepayment penalty charged on floating rate interest loans sanctioned to the individual borrowers as per the extant regulations.
- Penalty, if charged, for non-compliance of material terms and conditions of loan contract by the borrower shall be treated as 'penalties'. These penalties shall also cover charges levied on the customer for delay in payment of their overdue EMI.
- There shall be no capitalisation of penalties i.e., no further interest computed on such charges.
- The Company shall not introduce any additional component to the rate of interest.

- The quantum of penalties shall be reasonable and commensurate with the noncompliance of material terms and conditions of loan contract without being discriminatory within a particular loan / product category.
- The penalties in case of loans sanctioned to 'individual borrowers, for purposes other than business', shall not be higher than the penal charges applicable to non-individual borrowers for similar non-compliance of material terms and conditions.
- The quantum and reason for penalties shall be clearly disclosed by Company to the customers in the loan agreement and most important terms & conditions / Key Fact Statement (KFS) as applicable, in addition to being displayed on Company's website.
- Whenever reminders for non-compliance of material terms and conditions of loan are sent to borrowers, the applicable penalties shall be communicated. Further, any instance of levy of penalties and the reason thereof shall also be communicated.
- Requirements mentioned in this clause shall be applicable in respect of all the fresh loans availed / renewed from January 08, 2026. In the case of existing loans, the switchover to new penalties shall be ensured on next review or renewal date or six months from the effective date, whichever is earlier.

General

The following provisions shall apply to loans extended by the Company:

- **Changes in Terms:** The Company shall give notice to the borrower in English language with an option to choose a vernacular language as understood by the borrower of any change in the terms and conditions of the loan, including disbursement schedule, interest rates, service charges, prepayment charges etc. Further, any changes in the rate of interest shall be effected only prospectively and the loan agreement shall contain the necessary provisions in this regard. The same may be communicated through electronic media or any other form of communication by the Company.

- **Communication of Interest Rate to the Customer:** The Company shall convey in writing to the borrower in sanction letter / intimation letter in English language with an option to choose a vernacular language as understood by the borrower, by means of a sanction letter or otherwise, the amount of loan sanctioned along with the terms and conditions including annualized rate of interest and method of application thereof and shall keep on record the acceptance of these terms and conditions by the borrower. The loan agreement shall expressly stipulate the penal charges chargeable for late payment / repayment of dues by the borrower, in bold. The apportionment of the equated monthly installments (“EMI”) amount towards the principal and interest will also be communicated by the Company to the customer / borrower by way of the repayment schedule.
In cases of loan facilities with moratorium on payment of principal and/or interest, the exact date of commencement of repayment shall also be specified in the loan agreements.

- **Waiver of Additional Interest / Financial Charges:** Requests by the customer for waiver of additional interest / financial charges would normally not be entertained by the Company and such waiver will be at sole and absolute discretion of the company.

