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SHRI NIWAS LEASING AND FINANCE LIMITED

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CIN : L65993DL1984PLC019141

CERTIFIED TRUE COPY OF THE BOARD RESOLUTION PASSED IN THE MEETING OF BOARD OF DIRECTORS OF SHRI NIWAS LEASING AND FINANCE LIMITED HELD ON 15TH SEP, 2022 AT 12.00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT 47/18, RAJENDRA PLACE METRO STATION NEW DELHI 110060

BOARD RESOLUTION: ADOPTION OF REVISED INTEREST RATE PRICING POLICY

WHEREAS THE RBI HAS ADVISED the company to make some changes/modifications in the existing Policy in pursuance to additional guidelines of RBI, pertaining to Interest Rate Pricing policy.

IT IS NOW HEREBY RESOLVED that the company has duly revamped and adopted its new Interest Rate Pricing Policy and has made certain changes and modifications in the Policy.

"RESOLVED FURTHER THAT any Director of the company be and are hereby authorised to submit to the Reserve Bank of India office, New Delhi. And do all such acts, deeds and things that are necessary to give effect to the said Resolution."

CERTIFIED TRUE COPY

For SHRI NIWAS LEASING AND FINANCE LIMITED

For Shri Niwas Leasing And Finance Ltd

Auth. Signatory Director

RAJNI TANWAR

MANAGING DIRECTOR

DIN: 08201251

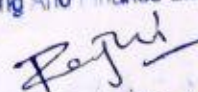
SHRI NIWAS LEASING AND FINANCE LIMITED

INTEREST RATE POLICY

POLICY GOVERNANCE

FREQUENCY OF POLICY	ANNUAL
FRAMED AND LAST REVIEWED	27/05/2017
AMENDS ON	15/09/2022
APPROVED BY	BOARD OF DIRECTOR

For Shri Niwas Leasing And Finance Ltd



1. Background and Purpose:

The Reserve Bank of India (RBI) vide its circular No. DBR.No.Dir.BC.9/13.03.00/2015-16 dated July 1, 2015 had advised the Boards of NBFCs to lay out appropriate internal principles and procedures in determining interest rates and processing and other charges and issued the following directions to NBFCs. As per the Reserve Bank of India guidelines, Board of each NBFC shall approve an Interest rate model that is applicable for the Company, taking in to account relevant factors such as cost of funds, margin and risk premium etc., and determine the rate of interest to be charged for loans and advances. Further, the directive states that the rate of interest and the approach for gradation of risk and the rationale for charging different rates of interest for different category of borrowers should be communicated to the borrowers / customers in the sanction letters issued to them. Board of Directors at their meeting held on 15th May 2017, had adopted the interest rate model of the Company. Thereafter, the Company authorized the any Director to review the interest rates from time to time basis the money market situation and take suitable decisions post discussing the same in the Asset Liability Committee (ALCO) Meetings. Considering that it is quite some time since the Interest Rate Policy, per se, has been reviewed and approved by the Board of Directors of the Company, we have revisited the existing Interest Rate Policy and made suitable changes to the same. The Revised Policy is being placed before the Board of Directors for review and approval.

2. Objective of the policy

To arrive at the benchmark rates to be used for different category of customer segments and to decide on the principles and approach of charging spreads to arrive at final rates charged from customers

3. Review of Policy

The Policy shall be reviewed once in a year or in between if required due to changes required in the model, for example any addition/deletion of a particular component forming part of benchmark calculation.

4. Organisation Structure

Board of Directors

The Board of Directors shall have oversight for the interest rate Policy of "SNLFL". In order to ensure effective implementation of the Interest Rate Policy, the Board may delegate the implementation of the Policy and its operational aspects to the Managing Director and/or ALCO as deemed fit.

For SNL Finance Leasing And Finance Ltd

Rajni
Mn, Secretary/Board

Asset Liability Committee

ALCO shall be responsible for taking decision to change the benchmark rate. The ALCO meeting will be held on a quarterly basis and any changes / status quo in the benchmark rate would be discussed and decided by the members of the ALCO and would be put up to the Board in subsequent meeting.

Business can have their internal pricing policies under the overall framework of board approved interest rate policy for company in deciding the spreads to arrive at final rate. Changes to business level internal pricing policies, if any, would need to be approved jointly by any -two officers of the Company as per the matrix below:

S.N.	Designation
1	Managing Director /Director
2	Chief Finance Officer

5. Interest rate Model

"SNLFL" lends money to its customers through Fixed and Floating rate loans. "SNLFL" being a diversified NBFC lends money through various products to cater the needs of different category of customers. Few broad categories of customer segments are as follows:-

- Consumer (Secured and Unsecured Loans)
- Individual salaried, Individual self-employed, SMEs
- Commercial Loans to Corporate

6. Computation of the Interest Rate for Lending

Currently "SNLFL" has fixed rate of interest benchmarks for pricing the loans from time to time. The rate of interest shall be based on the cost of borrowed funds, matching tenor cost, market liquidity, refinance avenues, RBI policies on credit flow, offerings by competition, tenure of customer relationship, market reputation, cost of disbursements, cost of capital required, inherent credit and default risk in the products and customer per se arising from customer segment, profile of the customers, professional qualification, stability in earning and employment, subventions and subsidies available, deviations permitted, ancillary business opportunities, future potential, group strength and value to lender group, overall customer yield, nature and value of primary and collateral securities, past repayment track record of the customers, external ratings of the customers, industry trends, switchover options, canvassed accounts etc.

The company may adopt discrete interest rate model whereby the rate of interest for same product and tenor availed during same period by customers would not be a standardized one but could be different for different customers depending upon some or all the factors listed above. **The Rate of Interest of "SNLFL" shall be in range from 7% to 30%.**

For Shri Niwas Leasing And Finance Ltd

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Auth. Signatory/Director

Fixed rate loans are not linked to benchmark but are decided based on their COF (allocated through Fund transfer pricing), Operational expenditure, Business related risks and desired ROE/ROA. Factors affecting calculation of spreads to arrive at final rate are mentioned below. The Annualized Interest rates shall be intimated to the customers at the time of sanction/ availing of the loan and the equated installments apportionment towards interest and principal dues shall be made available to the customer.

7. Principles and procedures for charging spread to calculate final rate

The rate of interest for loans for various business segments and various schemes thereunder is arrived after adjusting for spread by the relevant business segment. Factors taken into account by businesses for calculating spreads are as follows:

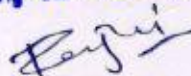
- Interest rate risk (fixed/ floating loan)
- Credit and default risk in the related business segment
- Historical performance of similar homogeneous clients
- Profile of the borrower
- Industry segment
- Repayment track record of the borrower
- Nature and value of collateral security
- Secured Vs unsecured loan
- Subvention available
- Bureau Score
- Tenure of Loan
- Location delinquency and collection performance
- Customer Indebtedness (other existing loans)
- Ticket size of loan

The rate of interest for the same product and tenor availed during same period by different customers need not be the same-. It could vary for different customers depending upon consideration of all or combination of above factors.

8. Processing Fees / Commitment Fee / Other Charges

Besides interest, other financial charges like processing fees, origination fees, cheque bouncing charges, late payment charges, re-scheduling charges, pre-payment / foreclosure charges, part disbursement charges, cheque swap charges, security swap charges, charges for issue of statement account etc., would be levied by the company wherever considered necessary. Besides these charges, stamp duty, service tax / GST and other cess would be collected at applicable rates from time to time. Any revision in these charges would be implemented prospective basis with due communication to customers. These charges would be decided upon by the respective business / Function heads in consultation with Operations, Finance, Compliance and Legal Heads.

For: Shri Nitwas Leasing And Finance Ltd


Auth. Signatory/Director

The Company may levy processing fees / other charges on its Borrowers for loans sanctioned on a case to case basis. Generally, this will be in the range of 7 % to 30% P.A of the sanctioned or disbursed loan amount. Quantum of processing fees / other charges would depend upon the type of collateral, geographical location of the collateral, nature and volume of documentation involved, services required from external agencies during appraisal process etc. In cases where the company decides to levy processing fees / commitment fees / other charges, the same should be agreed and accepted by the Borrower whether in term sheet or any loan document. Processing fee may also be charged at the time of renewal of the facility on a case to case basis. Processing fees / commitment fees / other charges may be reduced or waived by the Credit Committee / Sanctioning Authority in certain cases based on justification provided by the Borrower.

9. Penal Interest Rate / Charges

The Borrower may be levied a penal interest rate in the range of 2% to 5% P.A above the current interest rate as may be decided by the Sanctioning Authority, if the Borrower does not service the loan on the due date or as demanded by the Company or for any other reason that the Company might deem fit. Penal Interest Rate / Charges may be increased, reduced or waived by the Credit Committee / Sanctioning Authority in certain cases based on the information / justification provided by the Borrower.

10. Communication Framework

"SNLFL" will communicate the effective rate of interest -to customers at the time of sanction / availing of the loan through the acceptable mode of communication. Changes in the rates and charges for existing customers would also be communicated to them through various modes communication such as website updation, email, letters, SMS, etc.

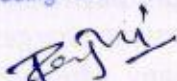
11. Amendments to the Interest Rate Policy

The Board hereby authorizes the Managing Director/Director to review and make appropriate changes to the Interest Rate Policy from time to time basis the money market scenario in the Country which includes the upward / downward revision in interest rates applicable to various loan products and the relevant charges applicable for such loan products.

We request the Board of Directors to review, make a note of this Policy and approve for implementation of this Policy framework across the product range of the Company.

For SHRI NIWAS LEASING AND FINANCE LIMITED

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Auth. Signatory/Director

RAJNI TANWAR
MANAGING DIRECTOR
DIN: 08201251

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