

MONEYPLUS INTEREST RATE POLICY

The Reserve Bank of India (RBI) vide its circular No. DNBS.PD/CC.No.95 /03.05.002 /2006-07 dated May 24, 2007 had advised the Boards of NBFCs to lay out appropriate internal principles and procedures in determining interest rates and other processing charges .In continuation to this RBI VIDE Circular No. DNBS. 204 / CGM (ASR)-2009 dated January 2, 2009 has directed all NBFCs to make available the rates of interest and the approach for gradation of risks on the website of the NBFCs.

Moneyplus Financial Services Private Limited has its own model for determining rate of interest while considering factors such as cost of borrowed funds, cost of Capital and other administrative overheads.

The major factors / gradations of risk that impact interest rate are:

- Business risk, market position, market reputation, competition, interest risk, credit risk and default risk.
 - Existing and as the case may be, future financial position of the borrower, sustainability of cash flow of the borrower
 - Size and nature of the business, geographic location of the borrower Track record of the borrowers in case of existing customer
 - Customers' Financial flexibility
 - Duration of the loan e.g. interest rate may be higher for longer tenure loans
 - Types of Securities and Collateral offered by the customer
 - Profile of the borrower
- Interest rates are fixed or floating subject to as decided by Moneyplus from time to time.
- The Company shall intimate the applicable interest rates to the borrower through detailed sanction letters. The sanction letters shall clearly state the terms and conditions of the loan and also the annualized interest rate applicable on the loan. The sanction letter/Loan Agreement containing the apportionment of Principal and interest due shall be made available to the customers.
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- The interest could be charged on monthly or quarterly basis depending on different products or segments.



- The interest shall be deemed payable immediately on the due date as communicated and no grace period for payment of interest is allowed.

- The company may levy additional interest for ad hoc facilities, penal interest for any delay or default in making payments of any due.

- The company may wherever considered necessary in addition to the normal interest levy other financial charges like processing fees, late payments, RTGS/ other remittance charges, etc after making proper communication to the Customer . Any revision in these charges would be with prospective effect

- All processing / other charges will depend on the Loan Product, cost incurred to provide services to the customer, exposure limit, customer segment and geographical location of the customer.

- Any Changes in the interest rates and charges would be communicated to customers in a mode and the manner deemed fit and such changes will be effective prospectively.

- The Company shall recover from the Customer, the stamp duties, service taxes and other cesses that may be applicable at the time of sanction / disbursal. Any revision in these charges would be from prospective effect.

- The Company reserves the sole right to decide on any refund or waiver of charges / penal interest / additional interest. Any revision in the Policy for Determining Interest Rates, Processing and Other Charges would be reviewed by the finance team recommended to the Board for approval.