THANVIR BROS. PVT. LTD.

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CIN NO : U17125WB1984PTC038350

Board approved Interest Rate Model/ Policy followed by Thanvir Bros. Pvt. Ltd.

The provisioning norms pertaining to NBFC have been covered RBI's Master Direction – Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 bearing circular no. DNBR.PD.007/03.10.119/2016-17 dated September 01, 2016 (as updated from time to time). The policy has been updated according to this regulation and amended and updated from time to time. As per various notification and circular Thanvir Bros. Pvt. Ltd. (hereinafter referred to as "NBFC/Company") to approve an Interest rate model for the NBFC and also to make available the rates of interest and approach for gradation of risk on website of the NBFC.

Based on the above mentioned directives of the RBI, this Interest Rate Policy ("**Policy**") of Thanvir Bros. Pvt. Ltd., has been developed for the determination of interest rates applicable for Loan extended by the NBFC.

The main objectives of this Policy are to:

i. ensure that interest rates are determined in such manner so as to ensure long term sustainability of business by taking into account the interests of all customers of the Company;
ii. develop and adopt a suitable model for calculation of the rate of interest;
iii. enable fixation of interest rates which are reasonable to all customers;
iv. ensure that computation of interest is accurate, fair and transparent in line with the statutory requirements and industry practices;
v. charge differential rates of interest linked to the risk factors as applicable; and
vi. facilitate transition to income recognition norms that may be stipulated by RBI in future and adoption of best practices.

The interest rate charged to the borrower shall be based on the following broad parameters:

1. Risk profile of the borrower
2. Tenor of the Loan
3. Cost of borrowing funds – Internal as well as external
4. Credit and default risk in the related business segment
5. Historical performance of same/similar kind of customers
6. Primary/collateral security offered by client/ structure of the deal
7. Prevailing Interest rate trends in the money market
8. Interest rate offered by other NBFC's in the industry
9. Prevailing Base Rate of major commercial banks
10. Market scenario relating to credit risk premium / default
11. Industry / Company Delinquency / NPA for type of product / nature of customer, etc.
12. Internal Cost of doing business including Administrative cost and profit margin
13. Other factors that may be relevant in each case.

The rate of interest for the same loan product and same tenor availed during the same period by different customers may vary for each customer based on consideration of any or a combination of above mentioned criteria.

The interest rates offered can be on fixed or variable basis and can be charged on flat or reducing balance method.

The **interest rate** could range between **eight to forty eight percent** on **reducing the balance** rate method unless otherwise mentioned in the specific product application/ sanction letter.

The Company may charge the above mentioned rate range considering the Tenure, Cost of fund and other relevant factors from time to time.

The **interest re-set** period for **variable rate** loans is **yearly**, March every year.

The **interest** could be **charged** on **daily/weekly/fortnightly/monthly/quarterly/half-yearly/yearly** rests **for different products/segments**.

Interest rates would be **intimated** to the **customers** at the time of **sanction** / **availing** of the **loan** and **EMI apportionment towards interest and principal** dues would be made available to the customer.

The **interest** shall be deemed **payable** immediately on the **due date as communicated** or as per **loan agreement** and no grace period for payment of interest is allowed.

No interest is payable on **Credit Balance** in borrower's account.

Any revision in the NBFC's interest rates applicable to business would be reviewed by any one of the Director of the Company.

The **changes** in the **interest rates** and **related charges** would be **prospective** in effect and **intimation** of change of interest or other related charges would be given to customers in a mode and manner deemed fit and intimated to customer at time of sanction.

Besides interest, NBFC will **levy 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, credit assessment, cash handling, ECS/ Direct Debit/ ACH mandate registration/ lodgement/ handling or for any other service provided by the NBFC or cost incurred by the NBFC for the provision of services related to the loan granted to the customers. Besides these charges, stamp duty, service tax and other cess would be collected at applicable rates from time to time. Any **revision** in these charges would be **prospective in effect**. These fees and charges may vary based on asset/commodity/amount financed, exposure limit, expenses incurred at the point of sale, customer segment and generally represent the costs incurred in rendering the services to the customer including administrative cost. These charges for different products or facilities would be **mentioned** on **sanction letters** issued to customer/borrower.

In case of **delay in payment** of any dues by the Borrower, the agreed upon **rate of interest** may be **enhanced** and such enhanced rate of interest may be applied on the unpaid liability, indebtedness or part thereof which is due but not paid on due date for the period it remains unpaid.

All such **fees and charges** will be **clearly communicated** to the customer by way of printing on **sanction letter** and present fees and charges will also be published on the **website** of the NBFC.

While deciding the charges, the practices followed by the competitors in the market would also be taken into consideration.

The Company may levy any of the below mentioned fees, charges, etc. to the Borrower on case to case basis:

(a) Loan Processing Charges	To be charged to the Borrower/s for all expenses pertaining to documentation, Agreement, Marketing, Sourcing Cost, Admin, IT, etc.
(b) Transaction Expenses and Due Diligence expenses	To be charged to the Borrower/s for all expenses pertaining to Legal, Valuation & Professional fees, due diligence, stamp duty, admin, registration and other out-of-pocket expenses.
(c) Default Charges	To be charged on the unpaid dues/liability at the time of occurrence of default where the Borrower/Guarantor defaults on any terms of the Agreement
(d) Part Prepayment	To be charged on the unpaid dues/liability at the time of prepayment where the Borrower wants to prepay the loan or part thereof.
(e) Foreclosure	To be charged on the unpaid dues/liability at the time of prepayment where the Borrower wants to foreclose the loan.
(f) Cheque swapping charges	To be charged to the Borrower/s in each instance where the Borrower/Guarantor is required to submit fresh cheque’s on account of change in their Bank account for any reason whatsoever.
(g) Cheque bouncing charges	To be charged to the Borrower/s in each instance that any Cheque is dishonoured (under any of the payment modes) and consequently represented OR in each instance that a Cheque/ Pay Order/ demand draft is presented when any Instalment/s is/are not received by the Company by /upon issue of debit instructions under the ECS method or Direct Debit method or any other payment method (other than the PDC method) as selected by the Borrower/s for any reasons whatsoever.
(h) Documents Retrieval Charges	To be charged where the Borrower requests for additional copies of documents executed
(i) Switch fee for change in payment mode or Loan option	To be charged where Borrower requests to switch the method of interest rate applicability from variable to fixed or vice versa
(j) Switch fee or change in Security/ies	To be charged where Borrower requests to switch the security offered for the existing loan
(k) Loan Reschedule charges	To be charged where the Borrower requests for rescheduling of payment term within the tenure and without modifying the terms of the of the existing loan
(l) Loan Restructuring charges	To be charged where the Borrower is required to modify the terms of the existing loan
(m) Loan Recovery charge	To be charged for the expense incurred by the Company to recover the dues including legal fees, duties, notices, advertisement, etc.

The aim of the Company to levy the abovementioned charges to encourage prompt and timely repayment of dues of the company and to deter the borrower against intentional delinquency/delay in honouring commitments. However, in deserving cases, such additional / penal interest may be completely waived off or settled at much lower rates as per decision of the company.

The NBFC may, at its sole discretion, allow the prepayment/foreclosure of the Loan Amount subject to certain conditions and on payment of prepayment/foreclosure penalties by the Borrower.

The **minimum number of instalments post which pre-payment/ foreclosure** is **allowed** may vary based on products & tenure of loan and will be specified in the **sanction letter**.

Claims for refund or waiver of charges / penal interest / additional interest would normally not be entertained by the NBFC and it is at the sole discretion of the NBFC to deal with such requests on case to case basis only.

The NBFC hereby retains the sole discretion to calculate and decide the risk premium for every transaction, on a case to case basis. The NBFC shall, for the purpose of grading the risk, take into account factors such as nature of loan, credit worthiness of the customer, nature of security, customer's profile, repayment capacity, customer's other financial commitments, past repayment, tenure of the loan, location of the customer etc.

The NBFC shall also, during the course of determining the gradation of risk and calculating the rate of interest and other charges, consider the rate offered by other competitors in the market.