

Regulation of Excessive Interest Charged:

The Company has laid down appropriate internal principles and procedures in determining interest rates and processing and other charges.

The Company has adopted an interest rate model taking into account cost of funds, margin and risk premium for determining rate of interest to be charged for loans and advances.

The rate of interest to be charged depends much upon the gradation of the risk of borrower viz. the financial strength, business, regulatory environment affecting the business, competition, past history of the borrower etc.

The rate of interest will be annualized so that the borrower is aware of the exact rates that would be charged to the account.

The Fair Practices Code has been reviewed and adopted by the Board of Directors on 26/06/2019 and shall come into force with immediate effect.