

Interest Rate Policy

How we arrive at the interest rate on a loan, how risk is graded, and how fees, penal charges and prepayment charges work.

Company: Maitry Finance Limited

RBI Reg. No.: B-05.06619

CIN: U65993WB1988PLC045122

Effective: 25 September 2026 · Version 1.0

Maitry Finance Limited is a Non-Banking Financial Company registered with the Reserve Bank of India (Registration No. B-05.06619; CIN U65993WB1988PLC045122), with its registered office at Room No. 1, Premises No. Village Faleya, PO Biswararnbha, PS Purbasthali, District Purba Burdwan, West Bengal - 713513. This Interest Rate Policy (the "Policy") sets out the model Maitry Finance Limited (the "Company") uses to determine interest rates, processing and other charges on its loans, the approach for gradation of risk, and the rationale for charging different rates of interest to different categories of borrowers.

Regulatory basis

- Reserve Bank of India directions on responsible business conduct and regulation of excessive interest charged by Non-Banking Financial Companies
- RBI circular on Fair Lending Practice — Penal Charges in Loan Accounts (18 August 2023)
- RBI circular on Key Facts Statement for Loans and Advances (15 April 2024)
- Reserve Bank of India (Digital Lending) Directions, 2025

1. Objectives

- Lay down a transparent and consistent method for pricing the Company's loan products.
- Ensure the interest rate charged bears a rational relationship to the cost of funds, operating costs, credit risk and a reasonable margin.

- Provide a principled framework for charging different rates to borrowers with different risk profiles.
- Avoid excessive or usurious interest and charges.
- Disclose the annualised rate of interest and all charges to the borrower before the loan is accepted.

2. Method for arriving at the interest rate

The interest rate offered to a borrower is built up from the following components:

Component	What it covers
Cost of funds	The weighted average cost of the Company's borrowings and capital deployed in lending.
Operating cost	The cost of sourcing, verifying, underwriting, disbursing, servicing and collecting a loan.
Credit risk premium	A premium that reflects the assessed risk of the borrower, determined under Section 3.
Tenure premium	An allowance for the additional risk carried by longer-tenure loans.
Margin	A reasonable return on the capital employed, reviewed by the Board.

Interest is computed on a reducing-balance basis unless the loan agreement expressly states otherwise. Where any other method is used, the equivalent Annual Percentage Rate (APR) on a reducing-balance basis is disclosed in the Key Facts Statement.

3. Gradation of risk

Each borrower is assessed on an underwriting framework that considers, among other things:

- identity and KYC verification;
- credit history and score reported by credit information companies;
- income, stability of income, and existing repayment obligations;

- bank account behaviour, where the borrower consents to its use;
- the amount and tenure of the loan requested relative to the borrower's income; and
- employment or business vintage and residential stability.

Based on this assessment, borrowers are placed into risk grades. A lower-risk grade attracts a lower credit risk premium and therefore a lower rate of interest. A risk grade is not assigned on the credit score alone; the overall assessment prevails.

The Company does not discriminate in the assignment of risk grades or interest rates on grounds of sex, caste, religion or disability.

4. Rationale for different rates across borrowers

Two borrowers applying for the same product, amount and tenure may be offered different interest rates. Any such difference arises from the credit risk premium determined under Section 3. The rate offered to a borrower shall not exceed the upper limit of the range published by the Company for that product at the time of sanction.

5. Interest rate range by product

The interest rate and all charges applicable to a specific loan are disclosed in the sanction letter and the Key Facts Statement before the borrower accepts the loan.

Product	Annualised interest rate
Personal Loan	As disclosed in the Key Facts Statement at sanction
Emergency Loan	As disclosed in the Key Facts Statement at sanction
Short Ticket Loan	As disclosed in the Key Facts Statement at sanction

This table is updated whenever the Company revises the interest rate range for any product.

6. Processing fee and other charges

Processing fees, documentation charges and any other charges are determined with reference to the cost of providing the service. All such charges, with applicable Goods and Services Tax shown separately, are itemised in the Key Facts Statement. No charge that is not disclosed in the Key Facts Statement shall be levied.

7. Penal charges

In line with the Reserve Bank of India's directions on penal charges:

- the Company does not levy penal interest; any charge for non-compliance with the loan terms is levied as a penal charge;
- penal charges are not added to the rate of interest and are not capitalised, so no further interest is computed on them;
- penal charges are reasonable and proportionate to the non-compliance, and are not used as a source of revenue;
- the quantum of and reason for penal charges are disclosed in the loan agreement and the Key Facts Statement; and
- whenever a reminder for non-compliance is sent, the applicable penal charge is communicated, and every levy of a penal charge is communicated with its reason.

8. Foreclosure and prepayment

The Company does not levy foreclosure or prepayment charges on floating-rate loans to individual borrowers for purposes other than business. For any other loan, foreclosure or prepayment charges, if applicable, are disclosed in the Key Facts Statement at the time of sanction.

Borrowers who take a loan through a digital channel may also exit the loan during the cooling-off period set out in the Company's Digital Lending statement, without any prepayment charge.

9. Communication of changes

Any change in the interest rate or charges applicable to a loan shall take effect only prospectively, and the borrower shall be informed in writing or electronically before the change takes effect.

10. Review

This Policy shall be reviewed by the Board of Directors at least annually, or earlier on any change in regulation, in the Company's cost of funds, or in its product mix.

Maitry Finance Limited · CIN U65993WB1988PLC045122 · RBI Reg. No. B-05.06619 · 033 4602 3312 · support@maitryfin.com

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