SPEEL FINANCE

SPEEL FINANCE COMPANY PRIVATE LIMITED
CIN: U65920MH1995PTC090558
Website: www.speelfinance.com
Email: company@speelfinance.com
Reg.Office: 2,3 Zal Complex, Sadar, Nagpur – 440001

INTEREST RATE AND OTHER SERVICE CHARGES POLICY

Version no.	7.0
Original date of adoption of Policy	April 15, 2016
Last Amendment/ Modification date	May 28, 2026
Policy Owner	Compliance Department - Speel Finance Company Private Limited
Approved by	Board of Directors
Policy Review Cycle	Annual

Version History

Version	Date	Approved by
1.0	15th April 2016	Original Policy
2.0	7th September 2022	Updation & Review of Policy
3.0	7th March 2023	Updation & Review of Policy
4.0	3rd May 2023	Updation & Review of Policy
5.0	10th June 2024	Policy changed to adopt the guidelines as per Scale Based Regulations and to constitute Risk Management Committee
6.0	14th August 2025	Annual review of Policy
7.0	28th May 2026	Updation & review of Policy

Review History

Review	Date	Changes
1.0	12th April 2017	Annual Review (in event of policy not being updated during the year otherwise)
2.0	9th April 2018	Annual Review (in event of policy not being updated during the year otherwise)
3.0	18th April 2019	Annual Review (in event of policy not being updated during the year otherwise)
4.0	5th May 2020	Annual Review (in event of policy not being updated during the year otherwise)
5.0	20th April 2021	Annual Review (in event of policy not being updated during the year otherwise)

1. BACKGROUND:

As per the Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025, dated November 28, 2025 as updated by RBI from time to time, all the NBFCs shall adopt an interest rate model taking into account relevant factors such as cost of funds, margin and risk premium and determine the rate of interest to be charged for loans and advances. The rate of interest and the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers shall be disclosed to the borrower or customer in the application form and communicated explicitly in the sanction letter.The rates of interest and the approach for gradation of risks shall also be made available on the website of the companies or published in the relevant newspapers. The information published on the website or otherwise published shall be updated as and when there is a change in the rates of interest. The rate of interest must be annualised rate so that the borrower is aware of the exact rates that would be charged to the account.

2. OBJECTIVE OF THE POLICY:

1. To determine the benchmark rates to be used for arriving at the final rate to be charged to the borrowers/ customers for various products financed by the company.

2. Communicate the annualised rate of interest to the borrower along with the approach for gradation of risk and rationale for charging different rates of interest to different categories of borrowers.

3. Make available the rates of interest and the approach for gradation of risks on the web- site of the company.

3. ROLE OF BOARD OF DIRECTORS:

The Board of Directors shall have oversight over the Interest Rate Policy of the Company. In order to ensure effective implementation of the Interest Rate Policy, the Board will review the Loan interest rates charged along with incidental matters relating thereto.

4. REVIEW OF POLICY:

Any change in the benchmark rate would be recommended by the ALCO and approved by the Board of Directors; in their subsequent Board Meeting. The policy would be reviewed by the ALCO as and when required but at least once in a year.

The ALCO shall have the authority to fix the internal pricing under the overall framework of board approved interest rate policy for deciding the spreads to arrive at final rate to be charged to the customers.

5. INTEREST RATE MODEL:

The rate of interest shall be determined based on the cost of borrowed funds, matching tenor cost, market liquidity, refinance avenues, RBI repo rate, offerings by competition, tenure of customer relationship, cost of funds etc. In addition to the cost of funds, the rate of interest shall further be determined with risk premium which is based on the 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 and repayment ability, overall customer yield, past repayment track of customers, etc.

The Company may adopt an interest rate model whereby the rate of interest for same product and tenure availed during same period might differ from customer to customer depending upon consideration of any or combination of a few or all factors as listed above. Hence, the interest rate applied may be different from customer to customer on his/ her loans.

"Speel Borrowing Rate" means the rate which is referred by the Company in the loan/credit facility agreements for arriving at the final interest rate to be charged to the borrower.

"Fixed Rate of Interest" means the Fixed rate of interest applicable on the Loan as per the Loan Agreement entered into by the Company and the Customer, which is subject to review from time to time

"Spread" means the risk premium which is applied for arriving at the final interest rate charged to the borrower.

The Company only lends money through fixed rate of interest.

Product Segment	Nature
Personal Loans	Fixed

The Interest rate benchmark shall be calculated considering the sum of below factors including prevailing market factors and any other factors suggested by the Board or the ALCO, as the case may be.

1. **Base Cost of funds**: The Company borrows funds through various long term and short-term sources including term loans, Non-Convertible Debentures, Working Capital (CC/WCDL), Commercial papers, ICDs etc.

Weighted Average cost of all borrowings (including other costs like Processing Fee, brokerage etc.) over average borrowings to be considered for benchmark calculation.

2. Estimated variable Opex: It includes estimated fixed and variable operations cost including employee expenses, administration expenses, sales and marketing expenses etc.

3. Expected ROA (Spread): Expected Return on assets is the minimum return expected by the company on its income earning assets.

Other charges:

Other financial fees and charges for the loans like processing fees, late payment charges / Penal Charges, pre- payment / foreclosure charges, etc., would be decided considering market practices, applicable RBI guidelines and in consultation with senior management.

Legal charges like stamp duty, GST and cess would be collected at applicable rates from time to time and would be decided by Finance & Legal Head.

6. GRADATION OF RISK:

The Company shall adopt a risk-based pricing model. The interest rate applicable to each loan account shall be determined by taking into consideration the degree of risk involved. The decision to charge an individual rate within a range is based on a weighted average of factors including, but not limited to, the borrower's credit history, the duration of the loan, and the prevailing cost of capital. This ensures that the risk premium charged is commensurate with the probability of default.

7. COMMUNICATION OF INTEREST RATE/ CHARGES:

Interest rates/ other charges would be intimated to the customers at the time of sanction of the loan by the Company. The Interest Rate Model along with the rate of Interest charged to the customers shall be uploaded on the website of the Company and shall be updated as and when there are changes in the rates. Further, changes in the rates for the existing customers shall also be communicated to them.