

BERAR FINANC LIMITED

INTEREST RATE POLICY

As per the RBI Circular No.RBI/2013-13/416 dated February 18,2013,Boards of NBFCs are advised to lay out appropriate internal principles and procedures in determining interest rates and processing and other charges in accordance with Fair Practices Code.

The company extends finance for 2 wheelers, cars, consumer durables, agri-equipments and personal loans.

Berar Finance endeavors to provide lower interest rate than existing lenders to the customers. Accordingly, the interest rate charged by Berar Finance borrowers is in line with the interest charged by other lenders and that depends on the credit risk of the loan. The credit risk evaluation is based on the operating risk, financial risk, management risk, and the security package available for the project.

The rates interest offered are on monthly, quarterly or semi-annual basis. Berar Finance offers both fixed and variable interest rates. For variable rates, the interest rates are also subject to resets at the periodicity that is same as Seniors Lenders. Interest rates are communicated to the borrower at the time of sanction/availing of loan. For variable rates both the Benchmark Rate and the Spread are communicated in writing to the client. As a policy Berar Finance offers fixed rate of interest.

In addition to the interest rate, Berar Finance would levy loan processing charges, legal fees on actuals, penal and liquidated damage charges, commitment fees, prepayment/foreclosure charges etc.in line with that charged by the market.