

# INTEREST RATE POLICY

&

# APPROACH FOR GRADATION OF RISK



**CAPITAL**

**Exclusive Leasing and Finance Private Limited**  
(Formerly known as Exclusive Leasing and Finance Limited)  
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## Interest Rate Policy

### **Purpose**

With a view to institute fair and transparent dealings in the lending business, the Company has adopted and put in place the following Interest Rate Policy parallel to the company's Fair Practice Code, in accordance with the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2023 as amended and updated from time to time.

RBI further advised NBFC's to adopt an appropriate interest rate model taking into account relevant factors and to disclose the rate of interest, gradations of risk and rationale for charging different rate of interest.

Keeping in view the RBI's guidelines as cited above, and the good governance practices being followed by the Company, the following internal guidelines, policies, procedures and interest rate model have been adopted by the Company. The Board of Directors of the Company ("the Board") or any Board constituted Committee ("the Committee") as the case may be, while fixing interest rates chargeable from the customers shall be guided by this Interest Rate Policy. In addition to cost factors set out hereunder, the Board or the Committee shall be guided by the market conditions and various rules and regulations, if any, prescribed by the Reserve Bank of India or such other authority from time to time.

### **Key Commitments and Declarations**

Interest charged by the company from its customers shall inter-alia have the following components viz., Reference Rate, Risk Rate, Additional/Default Rate. Additionally, market scenario, competitive intensity, assignability of products, secured-unsecured ratio and overall product portfolio considerations would be key inputs to pricing.

### **Reference Rate**

Reference Rate shall represent the rate chargeable on Fixed rate loans. The final rate shall be at a spread (positive or negative) to reference rate. Reference Rate shall be arrived at after considering the following aspects:

### **Cost of Borrowing**

This component represents the interest and other incidental charges payable by the Company for servicing the borrowed funds deployed by the Company.

### **Return on Capital Employed**

This component represents fair return on capital employed which is to be generated by the Company for servicing the owners' capital employed in the business.

Thus, the Reference rate shall be determined by considering the cost of borrowing, overhead/sourcing cost, competitive factors, market conditions, guidance on portfolio shape, size and fair return on capital employed.

### **Risk Rate**

Risk rate (estimate of credit losses) shall be determined by taking into account the degree of risk involved in loan considering various factors like general economic conditions, customer category, customer category servicing costs, mode of repayment, Loan to value ratio, Tenor of loan, Product.

Interest rate fixed or floating– charging interest at fixed rate or floating rate would be decided basis product category.

### **Additional/Default Rate**

Loans remaining unpaid on due dates shall be charged penal interest at such rates uniform across all product portfolio as mentioned in **bold** in the respective customer agreements.

Any service charges, prepayment charges as charged to the borrower shall be disclosed appropriately to the borrower.

The same shall be based on the following rationale:

1. Acquisition costs/underwriting costs incurred in writing the loan
2. Product segment, depth and liquidity of the market and possibility of reinvesting the funds received by way of prepayment into new products, at similar return on assets
3. Use of fixed cost funds/ lines of credit/internal allocation of resources, for funding a particular product segment
4. Exposure limit or ticket size for the loan products
5. Industry Trends of rate shopping by customers, on the basis of a prevailing contract with PFL, and going to a competing financier, with a view to obtain lower rates

Further, all loans which are pre-paid shall bear pre-payment penalty at rates mentioned in the respective customer agreements.

The final reference rate is a sum of above to be looked at on a portfolio basis.

### **Disclosures**

As per the extant regulations the following disclosures shall be made to the borrower:

- a. There shall be appropriate disclosure of the rate of interest and the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers in the application form and communicated in the sanction letter.
- b. The annualized rate of interest shall be disclosed to the customers.
- c. Any change in the interest rate or other charges shall be made prospectively and the same shall be adequately disclosed in the loan agreement.
- d. The rate of Interest for various class of assets as revised from time to time shall also be displayed on Company's website

### **Approach for gradation of risk has been:**

The decision to give a loan and the interest rate applicable to each loan account shall be assessed on a case to case basis, based on multiple parameters such as the type of asset being financed, borrower profile and repayment capacity, borrower's other financial commitments, past repayment track record if any, the security for the loan as represented by the underlying assets, loan to value ratio, mode of payment, tenure of the loan, geography

(location) of the borrower, end use of the asset, etc. The rate of interest is subject to change as the situation warrants and is subject to the discretion of the Company on a case-to-case basis. The rate of interest informed are annualized rates so that the borrower is aware of the exact rates that would be charged to the loan account. The Company shall disclose the interest rates and gradation of risks on its website.

**Product Wise Interest Rate:**

<b>PRODUCT</b>	<b>RATE OF INTEREST</b>
LAP Loans	Up to 30%
E-Rickshaw Loan	Up to 34%
Used Commercial Vehicles Loan	Up to 28%
Micro Business Loan	Upto 36%
Loan for onward Lending Purposes	Upto 18%

**Administration, Amendment and Review of the Policy**

The Board shall be responsible for the administration, interpretation, application and review of this Policy. The board shall also be empowered to bring about necessary changes to this Policy, if so required at any stage at its own discretion or with the concurrence.



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## Annexure – MOST IMPORTANT TERMS AND CONDITIONS

Loan _____	
OFFER CUM ACKNOWLEDGMENT FORM	
Major Terms and Conditions for the ..... (Purpose of Loan) agreed to between _____ (Borrower (s) name)/ Co-Borrower & <b>Exclusive Leasing and Finance Private Limited</b> , are as under. Loan Account No. (LAN No.) _____	
(For Office Use Only)	
Dear Customer,	
Thank you for your decision to avail loan facility for the purpose/ on referred above. We hereby confirm our acceptance to extend the facility on terms referred herein.	
PARTICULARS OF THE LOAN:	
1	Application Form No.
2	Facility Loan Sanction Amount Not Exceeding (Rs.)
3	Facility Loan Type (Please specify)
4	Rate Type
5	Exclusive Leasing and Finance Private Limited, Lending Rate/PLR
6	Moratorium or Subsidy
8	Mode of communication of changes in interest rate
9	Loan Tenure/Total No. of EMIs
10	Installment Type
RE - PAYMENT OF THE LOAN & INTEREST:	
1	EMI (Rs.)
2	Date of Commencement of EMI
3	Due Date for payment of EMI Cycle
4	Procedure for intimation of the changes in Rate of interest / EMI
INSURANCE OF THE PROPERTY AND THE BORROWER(S):	
1	Insurance of the Borrower
2	Insurance of the Property
FEES AND OTHER CHARGES:	
UPFRONT CHARGES (CHARGES BEFORE DISBURSEMENT)	
	Initial Processing Charges
	Processing Charges
	Non-Postal Stamp / Stamp Duty
	Legal and Search Report
	Valuation/Technical Fee
	CERSAI: At the time of Disbursement: Creation of Charge
	Compliance Charges
	Documentation Charges
CUSTOMER SERVICE CHARGES	
	CERSAI: At the time of Modification of Charge (In case of Top Up)
	Prepayment Charges
	Cheque/ECS/ACH Bounce Charges (Per Instrument/Transaction)
	Late Payment Interest
	Duplicate No Dues Certificate
	Copy of property Papers
	Cancellation Charges/Fees
	Disbursements Retrieval Charges
	Duplicate Annual Account Statement, Provisional Certificate

Loan prepayment/closure (fully) statement / SOA / RepaymentSchedule charges	Rs. 500/- + GST , Foreclosure letter– Rs 1000 + GST
Each Personal Visit to customer's place for collection of dues	Rs. 1000/- per visit plus applicable GST
Disbursement Cheque Cancellation & re-issuance	Rs. 1000/- + GST (cancelation Charges) & PEMI till the cancelation request
<b>Cheque/ECS/ACH Swapping Charges (per set):</b>	
PDC to PDC	Rs. 1000/- + GST
PDC to ECS/ACH	Rs. 1000/- + GST NIL (if same account)
ECS/ACH to ECS/ACH	Rs. 1000/- + GST
ECS/ACH to PDC	Rs. 1000/- + GST
<b>CHARGES AT THE TIME OF FORECLOSURE</b>	
Cash Collection Charges (Only FC)	1000 + GST
Document Custodian Fees	Rs. 500/- + GST Per Month (Chargeable after 30 days of closure of the Loan Account)
Recovery Charges without Court Intervention	As per actual + GST
Legal Notice Charges for Recovery	As per actual + GST

Note: \*The Govt. of India has implemented the Good & Service Tax (GST) effective from 1st July. 2017. Consequently, the Service Tax rate (including cess) of 15%, as applicable to the products & services rendered by financial institutions, has been replaced by the GST rate of 18%

<b>SECURITY / COLLATERAL FOR THE LOAN:</b>	
Mortgage of Below mentioned property in Favor of Exclusive Leasing and Finance Private Limited	
Property Mortgaged:	
Other Security:	
Detail of Guarantor(s):	
<b>CONDITION FOR THE DISBURSEMENT OF LOAN:</b>	
The Loan is subject to the below conditions:	
Any Special Condition:	
<b>PROCEDURE OF RECOVERY OF OVERDUES AS FOLLOWS:</b>	
Upto two PEMI / EMI outstanding	a. You will be informed via SMS, phone calls or our representative would be visiting personally
More than two PEMI / EMI outstanding	b. Along with point a, legal notice is sent informing PEMI / EMI overdues.
More than three PEMI / EMI outstanding	c. Total loan recall notice is being sent & legal proceedings are started.
<b>ANNUAL OUTSTANDING BALANCE STATEMENT</b>	<b>Within 30 days of closure of financial year</b>
<b>CUSTOMER SERVICES:</b>	
For any assistance and information, you can connect the Central Customer Relationship Management (CRM) cell of the company through below modes between the Working Hours from 9:30 AM to 6:00 PM.	
1. Contact to the branch manager/branch in charge of the branch nearby you	
2. Call to our Customer care No. :- 18008-907077	
You can also write to our Customer care E-mail Id:- <a href="mailto:hello@ezcapital.in">hello@ezcapital.in</a>	
You can also write to us via our website: <a href="http://www.ezcapital.in">www.ezcapital.in</a>	
You can collect the following documents by visiting our branch, time lines are mentioned for the same:	
Loan Account Statement	Within 3 working days
Photocopy of the title documents	Within 15 working days
Return of Original document on closure of the loan	Within 20 working days
<b>I/WE ACKNOWLEDGE THAT:</b>	
1 I/We have not made any payments in cash, bearer cheque or kind along with or in connection with this application to the executive collecting my/our application form.	
2 All other terms and condition of the contract will be as per our loan agreement signed by you	
3 This offer is valid for 90 days, subject to submission and fulfillment of all required documents for the proposed loan.	
4 Company may withdraw this offer, if any information/document provided by you seems doubtful.	
5 Please read our agreement carefully for executing the same. our executive will help you in understanding/ clarifying any clause if you required.	
<b>CUSTOMER GRIEVANCE MECHANISM</b>	
Exclusive Leasing and Finance Private Limited, we believe in providing the best of services to our customers. We provide customers with easy access to information products and services, as well as the means to get their grievances redressed.	
<b>Step1:</b>	
In case of any grievances, customers are encouraged to address their concerns at any of the regional and branch offices of the company. Customers should submit their grievances in writing, and they have the option to do so in English, Hindi, or the vernacular language of the respective area. This ensures that all customers can communicate their issues clearly and receive appropriate assistance.	
Email: <a href="mailto:hello@ezcapital.in">hello@ezcapital.in</a>	
Contact Number: 011 – 45576003 OR	
Write to the Company at the following address:	
Exclusive Leasing and Finance Private Limited Registered Office: 321 & 322, 3rd Floor, Narain Manzil building 23, Barakhamba Road, Connaught Place, Central Delhi, New Delhi - 110 001 Kind Attention: Customer Service Team	
<b>Step2:</b>	
In case, the Complaint is not resolved within 7 (Seven) working days from the date of filing of the Complaint or the Customer is not satisfied with the response or the resolution provided to the Customer at the primary level, the Customer may escalate the Complaint to the Grievance Redressal Officer of the Company.	
Name: Mr. Vishal Aggarwal Designation: Sr. Operations - Manager Contact Number: 011 – 45576003 (Extension 208) Email ID: <a href="mailto:vishal.aggarwal@ezcapital.in">vishal.aggarwal@ezcapital.in</a>	
After examining the matter, we shall send the customer our final response or explain why it needs more time to respond and shall endeavor to do so within 15 working days.	
<b>Step 3</b>	
If the complaint remains unresolved or the customer is not satisfied with the decision of the Grievance Redressal Officer, they may further escalate the grievance in writing to the Chief Risk Officer for redressal. The Chief Risk Officer will address the complaint within fifteen (15) days from the date of receipt.	
Name: Mr. Rajev Adlakha Designation: Chief Risk Officer Email id: <a href="mailto:rajev@ezcapital.in">rajev@ezcapital.in</a>	
If the complainant is not satisfied with the Chief Risk Officer decision, they may appeal in writing to the Reserve Bank of India	
<b>Step4:</b>	
If your complaint remains unresolved, you may directly approach the regulatory authority of Non- Banking Financial Company, Reserve Bank of India for redressal of your complaints at below address:	
To, The Officer in charge of the Regional Office Reserve Bank of India, Department of Non- Banking Supervision 6, Sansad Marg, New Delhi Delhi – 110001 Contact Number: 011-2345-2436 E-mail id: <a href="mailto:nbfcblnewdelhi@rbi.org.in">nbfcblnewdelhi@rbi.org.in</a>	



Co-App

"WE HAVE RECEIVED ORIGINAL MITC & LOAN AGREEMENT"

हमने मूल एमआईटीसी और ऋण समझौता प्राप्त कर लिया है और समझ लिया है"



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Applicant(s) Name :

Guarantor(s) Name :;Signatory

"Borrower Signature(s) :