INTEREST RATE POLICY AND PENAL CHARGES

CDL FINANCIAL SERVICES PRIVATE LIMITED

Approved by: Board of Directors

Effective Date: September 30, 2026

Aligned with: RBI Master Direction – (Non-Banking Financial Companies – Registration, Exemption, and Framework for Scale based Regulation) Directions, 2025 - Reserve Bank of India (Non-Banking Financial Companies – Credit Risk Management) Directions, 2025 - Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025

1. Introduction

CDL Financial Services Private Limited ("the Company"), a Reserve Bank of India (RBI)-registered Non-Banking Financial Company (NBFC) – Non-Systemically Important Non-Deposit taking Company (NBFC-NSI-ND), has framed this comprehensive Interest Rate Policy and Penal Charges Policy ("the Policy").

The Policy was originally adopted by the Company's Board of Directors in its meeting held on 30th September, 2026, to incorporate product-specific pricing for key offerings like Agrimaye payday loans, while ensuring full alignment with RBI's fair lending practices, transparency requirements, and restrictions on penal charge capitalization.

This Policy shall be read in conjunction with the Company's Fair Practices Code, Key Fact Statement (KFS) disclosures, and all applicable RBI notifications. It is publicly disclosed on the Company's official website (https://www.agrimaye.com/) as required under RBI guidelines and forms an integral part of all loan agreements sanctioned henceforth. The Policy promotes fair, transparent, and risk-based pricing to protect customer interests while maintaining the Company's financial sustainability.

2. Objective

- Establish framework for interest rates, processing fees, and penal charges.
- Promote transparency, fairness, and RBI compliance in pricing.
- Ensure customer awareness of all-in-cost pricing.

3. Applicability

- All current/future loan products (payday loans).
- All customer categories and regions.
- Processing fees, penal charges, and interest disclosures.

4. Board Oversight

• Board approved; annual reviews or on regulatory changes.
• Oversees market alignment, risk management, and compliance.

5. Interest Rate Determination

Rates factor in:

• Cost of capital and weighted average borrowing costs.
• Risk premium (credit history, tenure, segment, digital verification).
• Operating expenses (staff, tech, marketing).
• Profit margin for sustainability.

Payday Loan Product (**Agrimaye**):

• Interest Rate: 0.1%-1% per day
• Processing Fees: 3%-10% of principal (upfront disclosure)

6. Application Methodology

• Loans ≤180 days: Daily interest (payday loans).
• Penal charges not capitalized or added to principal (RBI rule).

7. Processing Fees and Charges

• Payday Loans (Agrimaye): 3%-10% of principal (upfront disclosure).
• Bounce Charges: 1000 per bouncing/dishonor
• Delayed payment penal: 0.2 to 2% per day
• Statutory: GST, stamp duty as applicable.
• All prospective, listed in KFS; no hidden fees.

8. Penal Charges

• Penal charges apply in case of borrower default or breach of loan terms.
• Penal charges are not capitalized.
• Customers will be:

o Informed upfront through loan documentation and KFS.
o Notified about any penalties during default reminders.

• All applicable charges will be published on the Company's website and updated periodically.

9. Customer Communication

- All-in effective rate shared pre-sanction via app/email/SMS/letter/website.
- Policy updates posted online instantly.

10. Review Process

- Annual or triggered by RBI updates (penal rules).
- Board amends, notifies stakeholders, publishes on website.