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**PRICING POLICY**  
**OF**  
**SATIN CREDITCARE NETWORK LIMITED**  
**(VERSION 2- 10.02.2017)**

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**Ownership: Operations Department**

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**SATIN CREDITCARE NETWORK LIMITED**

Regd. Off: 5<sup>th</sup> Floor, Kundan Bhawan, Azadpur Commercial Complex, Azadpur, Delhi-110033, INDIA, Phone: +91-

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CIN: L65991DL1990PLC041796

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## PRICING POLICY

### **Pricing Policy (Policy for determining Interest Rates, Processing and Other Charges)**

Satin Creditcare Network Limited (herein after referred to as "Company" or "SCNL") is registered as Non Banking Financial Company with Reserve Bank of India (RBI) and engaged in micro-finance activities". During the course of its operations, the Company will strictly adhere to various directions, guidelines, circulars, instructions etc. as may be stipulated by RBI from time to time. SCNL policies should always be read in conjunction with RBI guidelines, directives, circulars and instructions. The company will apply best industry practices so long as such practice does not conflict with or violate RBI/regulatory guidelines. .

The policy of SATIN CREDITCARE NETWORK LIMITED (SCNL) for determining Interest Rates, Processing and Other Charges is as follows:

#### **Interest Rate**

1. The rate of interest shall be based on Pricing guideline of RBI for microfinance institutions, cost of borrowed funds, RBI policies on credit flow for priority sector lending, matching tenor cost, market liquidity, refinance avenues, offerings by competition, tenure of customer relationship, market reputation, cost of disbursements, cost of capital required, inherent credit and default risk in the products, profile of the customers, stability in earning and employment, subventions and subsidies available, deviations permitted, future potential, group strength, overall yield, past repayment track record of the customers, external ratings of the customers and industry trends.
2. The company has adapted uniform interest rate model whereby the rate of interest for same product and tenor availed during same period by customers would be similar irrespective of cast, creed, religion, race and income pattern of customer in order to ensure non discrete treatment to all customer coming under the purview of same product.
3. The IRR associated with the loan will be clearly communicated verbally to the customer during CGT, GRT will be disclosed to the customer via loan card cum sanction letter and acceptance of the customer will be taken. A copy of loan agreement with clear mention of IRR and repayment term will be provided to the client in vernacular language.
4. Margin cap of the company will not exceed 10%.
5. Interest rates charged by the company to its borrowers will be the lower of the following:
  - a. The cost of funds plus margin
  - b. The average base rate of the five largest commercial banks by assets multiplied by 2.75.
6. NBFC-MFIs shall ensure that the average interest rate on loans sanctioned during a quarter does not exceed the average borrowing cost during the preceding quarter plus the margin, within the prescribed cap." Moreover, while the rate of interest on individual loans may exceed 26%, the maximum variance permitted for individual loans between the minimum and maximum interest rate cannot exceed 4 per cent.
7. The interest rates would be offered on fixed.
8. Interest rates shall be intimated to the customers at the time of sanction/ availing of the loan and the equated installments apportionment towards interest and principal dues shall be made available to the customer.



9. Interest changes would be prospective in effect and intimation of change of interest, if any, or other charges would be communicated to customers.

10. Any charges, fees collected from the customer are as per RBI guideline.

While designing the Interest Rate Model, all the above factors shall be taken into consideration.

#### Penal Interest / Late Payment Charges

1. Besides normal interest, the Company does not collect penal interest / late payment charges for any delay or default in making payments of any dues.
2. No claims for refund or waiver of such charges/ penal interest / additional interest would entertained by the company.

#### Processing / Documentation and Other Charges

1. All processing / documentation and other charges recovered are expressly stated in the Loan documents. The charges are uniform and in consonance with the regulatory requirement issued by RBI and we maintain uniformity across loan product, geographical location, customer segment and generally represent the cost incurred in rendering the services to the customers.
2. The practices followed by other competitors in the market would also be taken into consideration while deciding the charges.
3. Processing charges shall not be more than 1 % of gross loan amount.

