

Aryadhan Financial Solutions Private Limited

Interest Rate Model

Prepared by	Credit & Risk Department
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Approved By	Board of Directors

Version Control	Description
1.1	The reference to the Master Direction is substituted with the Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025, dated November 28, 2025, as amended from time to time, in place of the previous Master Direction.



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Interest Rate Model

Aryadhan Financial Solutions Pvt Ltd (hereafter referred to as the “Company”) is a Non- Banking Financing Company (“NBFC”) registered with the Reserve Bank of India (“RBI”). The Company was incorporated with an aim to provide commodity finance loans, mainly to the unbanked segments of Agri ecosystem.

Regulatory Framework

The Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025 dated November 28, 2025, as amended from time to time directs the Boards of all Non-Banking Finance Companies (**NBFCs**) to approve an Interest rate model for the NBFC and also to make available the rates of interest and approach for gradation of risk on the website of the NBFC’s.

Based on the above-mentioned directives of the RBI, this Interest Rate Policy (“**Policy**”) of Aryadhan Financial Solutions Private Limited (hereinafter referred to as “**Company**”), has been developed for the determination of interest rates.

Objectives

The main objectives of this Policy are to:

- i. Ensure that interest rates are determined in such manner so as to ensure long term sustainability of business by taking into account the interests of all customers of the Company;
- ii. Develop and adopt a suitable model for calculation of the rate of interest;
- iii. Enable fixation of interest rates which are reasonable to all customers;
- iv. Ensure that computation of interest is accurate, fair and transparent in line with the statutory requirements and industry practices;
- v. Charge differential rates of interest linked to the risk factors as applicable; and
- vi. Facilitate transition to income recognition norms that may be stipulated by RBI in future and adoption of best practices.

Approach for gradation of Risk

The interest rate charged by the Company to the customer shall be based on the following broad parameters:

1. Risk profile of the borrower;

2. Tenor of the Loan;
3. Cost of borrowing funds – Internal as well as external;
4. Credit and default risk in the related business segment;
5. Historical performance of similar kind of customers;
6. Repayment track record of the borrower
7. Nature and value of collateral
8. Ticket Size of Loan
9. Bureau Score
10. Prevailing Base Rate of major commercial banks;
11. Internal Cost of doing business;
12. Interest rate offered by other NBFCs in the industry; and
13. Other factors that may be relevant in each case.

The rate of interest for the same loan product and same tenor availed during the same period by different customers may vary for each customer based on consideration of any or a combination of above-mentioned criteria.

Pricing

4.1 The pricing of each product is arrived at by taking into consideration cost of funds, operating costs, margin, credit losses and ROA.

Sr No	Factor	Description
1	Cost of Funds	The Company raises funds from its lender banks and other financial Institutions through working capital borrowings, term loans, etc.
2	Operating Cost	Interest rates to be charged should take care of operational cost towards sourcing, sanctioning, disbursing, collection, and management of such loan assets for various business segments
3	Credit Cost	Expected credit losses and NPAs, should be taken into consideration

		while arriving at the final interest rate for all loan assets. The amount of expected credit losses applicable to a particular type of loan transaction would depend on our internal assessment of the credit strength of our borrower
4	ROA	Base Return on assets is the minimum return expected by the company on its assets.

4.2 The interest rates offered will be on fixed basis.

4.3 The Company follows ceiling of interest rates not exceeding 24% p.a. for all loan products and processing charges not exceeding 3%.

4.4 The Company shall charge such rates of interest either on a monthly or a quarterly or annual or at the time of principal repayment depending on the product/segment.

4.5 The interest shall be deemed payable immediately on the due date as decided by Aryadhan Financial Solutions Ltd. Grace period if any for payment will be at the discretion of Aryadhan Financial Solutions Pvt Ltd depending on the product.

Fees and Charges

5.1 Besides interest / discounting rates and processing fees, the Company may levy other financial charges on the customers such as documentation fees, penal charges, or for any other service provided by the Company or cost incurred by the Company for the provision of services related to the loan granted to the customers

5.2 The Company may levy Penal charges for delay or default in making payments of any dues. Such additional or penal charges for different products or facilities shall be determined by Aryadhan Financial Solutions Ltd and the customers shall be provided with a prior intimation regarding the same.

5.3 The company will also collect stamp duty, GST and other taxes as applicable from time to time.

5.4 The internal principles and procedures for determining other charges are driven by fair practices, transparency, reasonableness, cost-based rationale, etc.

5.5 All such fees and charges shall be clearly communicated to the customer either by way of printing on the sanction letter or by publishing on the website of the Company.

5.6 Claims for refund or waiver of charges/ penal charges/ additional interest would normally not be entertained by the Company and it is at the sole discretion of the Company to deal with such requests.



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Communication of aspects of the Policy

- 6.1 The Company will communicate the effective rate of interest and other applicable charges to customers at the time of sanction / availing of the loan / disbursement along with tenure through the acceptable mode of communication.
- 6.2 Interest rate model and charges (wherever necessary) would be uploaded on the website of the Company and any change in the charges for existing customers would be uploaded on the website of the Company.
- 6.3 Any change in the rate of interest and the related charges would be prospective in effect and intimation of change of interest or other related charges would be given to customers in a mode and manner as may be deemed fit by the Company.

7. Review/Revision of the Policy

- 7.1 The policy shall be reviewed annually.