INTEREST RATE POLICY

of

LOGIX CORPORATE SOLUTIONS PRIVATE LIMITED

Policy Details	
Particulars	**Details**
Policy Name	Interest Rate Policy
Policy Owner	Credit & Risk Department
Version	1
Approved By	Board of Directors
Review Frequency	Annual or as and when required
Classification	Internal Policy

1. Background

The Reserve Bank of India ("RBI") has issued various directions requiring Non-Banking Financial Companies (NBFCs) to adopt a transparent and well-defined Interest Rate Policy for determining interest rates on loans and advances.

In accordance with the RBI (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025 and other applicable regulatory instructions issued from time to time, every NBFC is required to adopt a Board-approved policy setting out the methodology for determining lending rates, the approach for risk-based pricing, and the rationale for charging different rates to different categories of borrowers.

This Policy establishes the guiding principles and governance framework for determining interest rates and other financial charges applicable to various lending products offered by the Company. The objective is to ensure fairness, transparency, consistency, and regulatory compliance while safeguarding the commercial interests of the Company.

2. Regulatory Framework

This Policy has been formulated in accordance with:

- Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025, as amended from time to time.
- Applicable provisions of the Reserve Bank of India Act, 1934.
- RBI guidelines relating to Fair Practices Code.
- RBI guidelines on Key Facts Statement (KFS), Annual Percentage Rate (APR), Penal Charges, and Foreclosure/Prepayment, as applicable.
- Any other statutory or regulatory requirements applicable to the Company from time to time.

In the event of any inconsistency between this Policy and any applicable law or RBI direction, the applicable law or RBI direction shall prevail.

3. Objective

The objectives of this Policy are to:

- establish a transparent and consistent framework for determining lending rates;
- adopt a risk-based pricing methodology that reflects the credit profile of borrowers and the nature of the credit facility;
- ensure compliance with applicable RBI directions;
- promote fair, transparent and responsible lending practices;

- ensure that borrowers are adequately informed of all applicable interest rates, fees and charges prior to availing any credit facility;
- provide principles for charging interest and other financial charges without discrimination among similarly placed borrowers; and
- provide a governance framework for approval, review and monitoring of lending rates.

4. Scope

This Policy shall apply to all lending products and credit facilities offered by Logix Corporate Solutions Private Limited from time to time, including but not limited to secured and unsecured loans, business loans, MSME loans, loans against property, working capital facilities, supply chain finance, equipment finance, vehicle finance, gold loans, consumer loans, and any other credit products introduced by the Company.

The Policy lays down the principles governing the determination of interest rates and risk-based pricing for such credit facilities and also covers the levy and disclosure of applicable fees and charges, including processing fees, penal charges, foreclosure/prepayment charges, disclosure requirements, and communication of lending terms to borrowers. It shall apply to all lending activities of the Company and shall be read in conjunction with applicable RBI directions and the Company's internal policies, as amended from time to time.

5. Definitions

Unless the context otherwise requires:

Board means the Board of Directors of the Company.

Company means Logix Corporate Solutions Private Limited

Borrower means any individual, partnership, LLP, company, trust, institution or other eligible person to whom a credit facility has been sanctioned.

Interest **Rate** means the lending rate determined by the Company in accordance with this Policy.

Competent Authority means any committee or official authorised by the Board to approve pricing or lending decisions.

Risk Premium means the additional pricing determined on account of risks associated with a borrower, transaction or product.

Key Facts Statement (KFS) means the disclosure document prescribed by RBI.

Annual Percentage Rate (APR) means the annualised cost of borrowing calculated in accordance with RBI guidelines, wherever applicable.

6. Governance Framework

6.1 Board of Directors

The Board shall:

- approve this Policy and any amendments thereto;
- oversee implementation of the Policy;
- ensure compliance with RBI regulations;
- review the Policy at least annually;
- approve the overall pricing framework and governance principles.

The Board may delegate operational responsibilities to committees or authorised officials while retaining overall oversight.

6.2 Management Committee / ALCO / Credit Committee

The Committee authorised by the Board shall:

- review market conditions;
- review cost of funds;
- evaluate pricing strategy;
- recommend modifications to pricing methodology;
- review portfolio performance;
- monitor regulatory developments;
- recommend amendments to this Policy whenever necessary.

6.3 Business Heads

Business Heads shall:

- recommend pricing within the framework approved by the Board;
- ensure that lending decisions are consistent with this Policy;
- maintain appropriate documentation supporting pricing decisions;
- ensure disclosure requirements are complied with.

6.4 Credit Department

The Credit Department shall:

- assess borrower risk;
- evaluate creditworthiness;
- recommend appropriate risk categorisation;
- ensure risk-based pricing is consistently applied.

6.5 Compliance Department

The Compliance Department shall:

- monitor compliance with RBI guidelines;
- review regulatory changes;
- recommend amendments to this Policy;
- report material non-compliance to senior management and the Board.

7. Principles Governing Interest Rate Determination

The Company shall adopt a fair, transparent and objective methodology for determining lending rates.

The methodology shall ensure that:

- pricing reflects the overall risk associated with the credit exposure;
- similarly placed borrowers are treated consistently;
- interest rates are determined on commercial principles;
- pricing remains competitive while adequately compensating the Company for risks undertaken;
- the methodology remains flexible to respond to changes in market conditions, regulatory requirements and business strategy.

The Company shall not prescribe any uniform interest rate applicable to all borrowers. Lending rates may differ across products and borrowers depending upon various risk and commercial factors in accordance with this Policy.

8. Interest Rate Methodology

The Company shall adopt a transparent, objective and risk-based methodology for determining the lending rate applicable to each credit facility. The methodology shall ensure that lending rates are commensurate with the risks undertaken by the Company and are determined in a fair, consistent and non-discriminatory manner.

The Company may offer loans under fixed interest rate, floating interest rate or any other pricing structure permitted under applicable laws and regulatory guidelines.

The actual lending rate applicable to a borrower shall be approved by the Competent Authority in accordance with the internal pricing framework approved by the Board from time to time.

The methodology for determination of lending rates shall be reviewed periodically having regard to changes in the Company's funding profile, market conditions, competitive environment and applicable regulatory requirements.

9. Interest Rate Model

The Company shall adopt a prudent, transparent and risk-based approach for determining the lending rate applicable to each credit facility. While determining the lending rate, the Company may consider various factors, including but not limited to the cost of funds, liquidity position, operating and administrative expenses, credit and default risk of the borrower, nature and structure of the loan, tenure, size of the exposure, expected return on assets, prevailing market conditions, industry practices, asset-liability management considerations, regulatory requirements, product-specific risks, business strategy, relationship value of the customer, expected credit losses and any other commercial or risk-related factors that may be considered relevant.

The relative significance of these factors may vary depending on the type of lending product, the borrower's credit profile, the nature of the transaction and the associated risks. Accordingly, lending rates may differ across products and borrowers. The Company shall review and, where considered necessary, revise its pricing methodology periodically to reflect changes in market conditions, funding costs, regulatory requirements, business strategy and other relevant factors, while ensuring compliance with applicable RBI guidelines.

10. Risk-Based Pricing Framework

The Company follows a risk-based pricing framework for determining the lending rate applicable to each borrower. The pricing of a credit facility shall be based on an assessment of various factors, including the borrower's creditworthiness, repayment capacity, financial profile, credit history, nature of the loan, tenure, security or collateral, loan amount, and other relevant transaction-specific considerations.

The Company may also consider external factors such as market conditions, cost of funds, liquidity, regulatory requirements, industry outlook and prevailing economic conditions while determining the applicable lending rate. Based on its internal credit assessment framework, borrowers may be assigned different risk categories and, accordingly, similarly placed borrowers may be offered different lending rates, ensuring that the pricing remains fair, transparent and consistent with the Company's risk management framework.

11. Internal Pricing Framework

The Company shall maintain an internal pricing framework approved by the Competent Authority for determining lending rates across various products.

The internal pricing framework may prescribe:

- Product-wise pricing principles.
- Risk premium methodology.
- Pricing approval matrix.
- Delegation of authority.
- Review mechanism.
- Product-specific pricing guidelines.
- Internal benchmark methodology, where applicable.

The internal pricing framework shall remain an internal management document and shall not form part of this Policy.

12. Fixed and Floating Rate Loans

The Company may extend loans carrying fixed rates of interest, floating rates of interest or a combination thereof, depending upon the product, regulatory requirements and business considerations.

For floating rate loans, where applicable:

- the benchmark or reference rate shall be determined in accordance with the Company's approved methodology;
- the applicable spread shall be based on the borrower's risk profile;
- any change in benchmark or spread shall be carried out in accordance with the terms of the loan agreement and applicable RBI directions;
- borrowers shall be informed of changes affecting their repayment obligations through appropriate communication channels.

Where RBI requires borrowers to be provided options relating to change in EMI, tenure or conversion from floating to fixed rate, the Company shall comply with such requirements.

13. Annual Percentage Rate (APR)

Wherever applicable under RBI regulations, the Company shall disclose the Annual Percentage Rate (APR) to borrowers.

APR shall represent the annualised cost of borrowing and shall be calculated in accordance with applicable regulatory guidelines.

The methodology for calculation of APR shall be periodically reviewed to ensure continued compliance with RBI requirements.

14. Key Facts Statement (KFS)

The Company shall provide a Key Facts Statement to eligible borrowers before execution of the loan agreement or such other stage as prescribed by RBI.

The Key Facts Statement shall disclose, wherever applicable:

- Lending rate.
- Annual Percentage Rate.
- Processing fee.
- Documentation charges.
- Insurance charges, if any.
- Penal charges.
- Foreclosure or prepayment charges.
- Other applicable fees and charges.
- Total cost of borrowing.

The Company shall not recover any charge from the borrower unless such charge has been disclosed in the Key Facts Statement, loan agreement or otherwise permitted under applicable law.

15. Other Charges

In addition to the applicable interest, the Company may levy such fees and charges as may be applicable to a particular credit facility, including, but not limited to, processing fees, documentation and verification charges, legal and valuation charges, technical inspection fees, insurance premium, account maintenance charges, cheque/ECS/NACH dishonour charges, collection and recovery expenses, security creation and registration charges, applicable government duties, Goods and Services Tax (GST) or any other statutory levies, and such other charges as may be permitted under applicable laws or regulatory guidelines.

The nature, amount and applicability of such charges shall be determined by the Company from time to time in accordance with its internal policies and applicable regulatory requirements. All applicable charges shall be appropriately disclosed to the borrower through the loan application form, Key Facts Statement (where applicable), sanction letter and/or loan agreement prior to execution of the loan documents.

16. Penal Charges

The Company may levy penal charges for non-compliance by borrowers with the material terms and conditions of the loan agreement.

Penal charges shall:

- be reasonable and commensurate with the nature of the default;
- not be used as a revenue enhancement measure;
- not be capitalised for the purpose of charging further interest;
- be separately disclosed to borrowers;
- be levied strictly in accordance with RBI guidelines and the Company's Board-approved Penal Charges Policy.

17. Foreclosure and Prepayment

The Company may levy foreclosure, prepayment or part-prepayment charges in accordance with:

- applicable RBI directions;
- the terms of the loan agreement; and
- the Company's Board-approved policies.

Where RBI prohibits levy of foreclosure or prepayment charges for any category of loans or borrowers, the Company shall comply with such requirements.

The applicable charges, if any, shall be clearly disclosed to the borrower before execution of the loan agreement.

18. Review of Pricing Framework

The pricing framework shall be reviewed periodically by the Competent Authority, taking into account various internal and external factors, including changes in the cost of funds, liquidity position, asset-liability profile, portfolio performance, credit losses, market conditions, competitive landscape, regulatory developments, RBI policy changes and other relevant business or economic considerations. Any revision to the pricing methodology shall be implemented prospectively in accordance with applicable laws, regulatory requirements and the terms of the loan documentation.