



# STCI Finance Limited

## INTEREST RATE & PENAL CHARGES

### INTEREST RATE MODEL

The rate of interest charged to the clients shall be based on the following broad parameters:

- Cost of Funds of the Company.
- Operating Cost of the Company
- Credit Cost/ Risk Premium based on the internal rating of the borrower. The risk premium is charged over and above the applicable Minimum Lending Rate for a particular loan facility.
- Tenor of the Loan facility.
- Historical performance of the borrower as well as similar customers.
- Interest Rate offered by other financial institutions.
- Other factors relevant in each of the cases.

### LENDING RATE

Particulars	Maximum RoI
For all products offered by the Company	Upto 18%

- The rate of interest charged shall be subject to the applicable interest spread specific to the loan product.
- The rate of interest for a similar loan product, same credit rating and same tenor, as the case maybe, availed during the same period or otherwise, may vary for different clients based on consideration of any or a combination of the above-mentioned criteria.

### CHANGE IN LENDING RATE

The Asset-Liability Management Committee (ALCO) of the Company shall meet periodically and review the interest rates. The revision shall be based on various factors and situation prevailing at the time of such review, including market volatility, cost of funds, etc. The revised interest rates as reviewed and determined by the ALCO, shall be implemented by the Company.



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## PENAL CHARGES

<b>Particulars</b>	<b>Applicable Rate</b>
Non – Compliance with material terms and conditions of loan contract related to repayment of principal & interest.	(Max 4% of the overdue amount/ Loan amount outstanding/ any such amount under contention) plus applicable taxes.
Non – Compliance with material terms and conditions of loan contract - others	(Max 3% of the overdue amount/ Loan amount outstanding/ any such amount under contention) plus applicable taxes.
Non – Compliance with non - material terms and conditions of loan contract	(Max 2% of the overdue amount/ Loan amount outstanding/ any such amount under contention) plus applicable taxes.

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