

**VSJ INVESTMENTS PRIVATE LIMITED**  
**PRICING POLICY**

Version	Updates	Reviewed Date	Approved by
2024	Pricing Policy	21/05/2024	Board of Directors

## **1. Objective**

The objective of this Pricing Policy is to ensure that the determination of interest rates, processing fees, penal charges, and other related charges by VSJ Investments Private Limited (“the Company”) is conducted in a transparent, fair, and non-discriminatory manner, in compliance with the regulatory framework prescribed by the Reserve Bank of India (RBI).

This Policy seeks to promote customer confidence and align the Company's pricing practices with prudent risk management principles and regulatory expectations.

## **2. Regulatory References**

This Policy is framed considering the following regulatory guidelines:

- Master Direction – Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.
- Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
- Fair Practices Code issued by RBI (DNBS.PD.CC.No.95/03.05.002/2006-07).
- RBI Circular on Penal Charges in Loan Accounts (DOR.CRE.REC.46/21.01.003/2023-24 dated August 18, 2023).
- Scale-Based Regulation (SBR) framework (RBI Circular No. DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021).

## **3. Pricing Framework**

The pricing of loans and advances by VSJ Investments Private Limited shall be based on:

- Cost of Funds
- Credit Risk Premium
- Operating Costs
- Profit Margin
- Market Benchmarking

## **4. Methodology for Determining Interest Rates**

- Base Rate: Calculated based on the Company’s cost of funds, operating expenses, and risk-adjusted return expectations.
- Borrower Risk Profile: Interest rates shall vary based on risk profile parameters.
- Product and Tenure: Different rates may apply based on loan type and tenure.
- Board-Approved Range: Lending rates shall be within limits approved by the Board.

## **5. Fees and Charges**

- Processing Fees: Non-refundable and disclosed upfront.
- Documentation and Administrative Charges: Levied as applicable.
- Prepayment and Foreclosure Charges: As per agreement and RBI norms.
- Penal Charges: Reasonable and compliant with RBI Circular dated August 18, 2023.

## **6. Communication of Interest Rates and Charges**

- Clear communication of interest rates and fees to customers.
- Disclosure of the annualized rate of interest.
- Availability of information on website and branches.

## **7. Delegation of Powers**

- Board approves the pricing policy and interest rate range.
- Credit and Risk Management Committee determines specific pricing.
- Deviations require Board or senior management approval.

## **8. Review of Pricing Policy**

- Review at least once a year or earlier based on circumstances.
- Amendments require Board approval.

**9. Regulatory Disclosures**

- Disclosure of interest rates and charges on website and branches.
- Updates on pricing promptly communicated and reflected online.

**10. Approval**

This Pricing Policy has been reviewed and approved by the Board of Directors of VSJ Investments Private Limited at its meeting held on 21<sup>st</sup> May, 2024.