

## Interest Rate Matrix

Fortune Integrated Assets Finance Limited uses an interest rate matrix based on the risks associated with the lending and the approach for determination of the interest rate is as under –

### 1. Reference Rate

The Reference Rate will be arrived at based on the weighted average cost of funds (including all charges), credit risk premium determined for each product, administrative & operation costs and profit margin associated with the loans. Reference Rate will be determined for each major lending product separately in the form of a range of rates.

### 2. Risk Matrix and rationale:

a. The Lending Rate will be different for different categories of borrowers. The lending rate will be arrived by considering the profile of the customer, Loan-to-Value (LTV) ratio, past repayment track with FIAFL or any other financier, tenure of customer relationship (if any), customer segment, market reputation, future potential, overall customer yield, nature and value of primary and collateral security, subject to permissible deviations.

b. The Lending Rate will be derived from Reference Rate by adjusting the same for various factors as listed in point 2(a) above. The Lending Rate is determined on a case to case basis and will depend upon considerations of any or all factors. The current Reference Rate and indicative Lending Rate is as under –

Product	Reference Rate	Lending Rate*
Vehicles		
2-Wheelers – New	18%	18 – 28%
2-Wheelers – Old	19%	19 – 30%
3-Wheelers – New	18%	18 – 28%
3-Wheelers – New	19%	19 – 30%
Small Commercial Vehicles – New	16%	16 – 26%
Small Commercial Vehicles – Used	17%	17 – 30%
Light Commercial Vehicles – New	15%	15 – 25%
Light Commercial Vehicles – Used	16%	16 – 30%
Medium & Heavy Commercial Vehicles – New	15%	15 – 25%
Medium & Heavy Commercial Vehicles – Used	16%	16 – 30%
Cars – New	14%	14 – 24%
Cars – Used	15%	15 – 30%
Tractors – New	15%	15 – 25%
Tractors – Used	16%	16 – 30%
Construction Equipment – Used	16%	16 – 30%
Loan Against Properties	15%	15 – 28%
Personal Loans	18%	18 – 30%
Corporate Loans	16%	16 – 30%

\* The minimum amount of interest to be recovered in a loan with 12-month tenor would be Rs.10,000; 18-month tenor would be Rs.15,000 and 24-month tenor would be Rs.20,000. Deviations may be approved as per business exigencies.

### **3. Revision to Reference Rate**

a. The revision to Reference Rate would be decided on quarterly intervals and/or at shorter intervals if required, depending upon market volatility and cost of funds to company. Any revision in the Reference Rate would be reviewed and determined by the ALCO and the same will be updated on the website.

b. The revision of interest rate and other charges would be prospective in effect and intimation of change of interest or any other charges would be communicated to the customer in a mode and manner deemed fit. The revision of rates would not be applicable in the case of fixed interest loans during the tenor of the loan.

### **4. Annualised Rate**

The interest would be charged on monthly / quarterly / half yearly rests or on maturity, depending on product features and customer preferences. However, the customer would be provided an annualised rate of interest in the sanction letter.

### **5. Processing and Other charges/fees**

a. Besides normal interest, the company may levy additional interest for ad hoc facilities, penal interest for any delay or default in making payments of any dues, as communicated to the customer at the time of sanction.

b. Apart from the interest, other charges and fees may be levied, as listed in the sanction letter / agreement along with statutory levies.