

# Crescentis Capital Limited

*(formerly known as Som Datt Finance Corporation Limited)*

## INTEREST RATE MODEL & PRICING POLICY (shortly “INTEREST RATE POLICY”)

Policy version:	01
Prepared by:	Business & Finance departments
Approved by Board on (date):	[13-02-2026

### Contents

1) BRIEF ABOUT THE COMPANY.....	1
2) PREAMBLE.....	1
3) OBJECTIVE.....	1
4) SCOPE AND APPLICABILITY.....	1
5) ORGANISATION STRUCTURE AND OBLIGATIONS.....	1
6) INTEREST RATE MODEL, PRICING, AND GRADATION OF RISK.....	2
7) FEES AND CHARGES.....	4
8) INDICATIVE INTEREST RATES, PROCESSING FEES, AND OTHER CHARGES.....	5
9) DISCLOSURES TO BORROWERS.....	6
10) POLICY SEVERABILITY.....	6
11) AMENDMENT.....	6
12) POLICY REVIEW.....	6

# Crescentis Capital Limited

(formerly known as Som Datt Finance Corporation Ltd.)

## Interest Rate Policy

### 1) BRIEF ABOUT THE COMPANY

Crescentis Capital Limited (formerly known as Som Datt Finance Corporation Limited) (the “Company” or “CCL”) is a Reserve Bank of India (“RBI”) registered Non-Deposit taking Non-Banking Financial Company (“NBFC”), categorised as an Investment and Credit Company (“ICC”). Under the RBI’s Scale-Based Regulatory framework, the Company is classified as a Base-Layer (“BL”) NBFC. The Company is listed on the Bombay Stock Exchange (“BSE”).

### 2) PREAMBLE

CCL has formulated this Interest Rate Model & Pricing Policy (or “Interest Rate Policy” or “Policy”) in accordance with the applicable provisions of the **Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025** and the **Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Directions, 2025**, including the requirements relating to Fair Practices Code, pricing transparency, penal charges, Key Facts Statement (“KFS”), and Board-approved policies. Reserve Bank of India (“RBI”) also requires NBFCs to clearly disclose the annualised rate of interest, the method of calculation and all applicable charges in the sanction letter, and to publish the range of interest rates and pricing approach on their website. This Policy has been prepared to ensure CCL’s full compliance with these regulatory requirements as well as sound governance practice.

### 3) OBJECTIVE

The objective of this Policy is to provide a transparent and consistent framework for determining the interest rates, processing fees and penal charges applied by CCL across its lending products. The Policy ensures that interest rates are set based on prudent credit and business considerations such as cost of funds, operating expenses, credit risk, product characteristics and required margins. It further aims to ensure clarity and fairness for borrowers by disclosing the applicable annualised interest rate and all charges in accordance with the RBI’s Fair Practices Code.

### 4) SCOPE AND APPLICABILITY

- This Policy shall apply to all lending products and credit facilities offered by CCL across all customer segments.
- This policy shall apply to all offices, branches, digital channels, and business partners.
- This Policy is applicable to all authorised personnel of CCL, including but not limited to employees, who are involved in the process of credit appraisal, operations, approval or communication of loan terms to customers, and also collections.
- The principles and guidelines laid out in this document shall be followed for all loan accounts to ensure consistency, transparency and compliance with RBI regulations applicable to NBFC–Base Layer entities.

### 5) ORGANISATION STRUCTURE AND OBLIGATIONS

- a. **Board of Directors:** The Board of Directors shall have overall oversight of the Interest Rate Policy of CCL. The Board is responsible for approving the Policy, reviewing it periodically and ensuring that the Company’s pricing framework remains fair, transparent and in compliance with RBI guidelines applicable to NBFC–Base Layer entities.
- b. **Senior Management:** Senior Management, including the MD, CEO and CFO, shall be responsible for the implementation of the Board-approved Interest Rate Policy. They shall

# Crescentis Capital Limited

(formerly known as Som Datt Finance Corporation Ltd.)

## Interest Rate Policy

ensure that interest rates, processing fees, and charges are applied in accordance with this Policy and that any revisions thereto are presented to the Board for approval.

- c. **Functional Teams:** The Company's functional teams involved in loan origination, documentation and customer servicing shall apply the approved pricing, charges and related terms accurately at the time of sanction and execution of loan documents. They shall ensure that all rates and charges are clearly communicated to borrowers.
- d. **Compliance Oversight:** The Compliance Officer shall oversee adherence to RBI's Fair Practices Code, disclosure requirements and any regulatory instructions relating to interest rates and customer communication. Any regulatory changes affecting pricing shall be escalated to Senior Management and the Board.

### 6) INTEREST RATE MODEL, PRICING, AND GRADATION OF RISK

CCL shall lend money to its customers through **Fixed-Rate loan products**. The Company, being a Base Layer NBFC, offers a range of credit facilities designed to meet the financing needs of different categories of borrowers.

The interest rates offered to customers shall be based on the following factors:

Sr. No.	Factors	Description
1	Cost of Funds	<p>As a Base Layer NBFC that operates entirely with fixed-rate lending, the cost of borrowing is the primary foundation for determining lending rates.</p> <p>The base component of pricing is the effective cost at which CCL raises funds from banks, financial institutions or other permitted sources through various instruments.</p>
2	Operating and Overhead Costs	<p>A proportionate allocation of CCL's operating expenses is factored into the pricing of each loan. These costs include:</p> <ol style="list-style-type: none"><li>a) Employee-related expenses,</li><li>b) Verification, due diligence and documentation costs,</li><li>c) Technology, compliance and regulatory costs,</li><li>d) Monitoring, servicing and collection-related expenses, and</li><li>e) Administration and general expenses.</li></ol>
3	Credit Risk Premium	<p>A risk premium shall be added based on CCL's internal credit assessment of the borrower, considering:</p> <ol style="list-style-type: none"><li>a) Repayment capacity and cash flow stability,</li><li>b) Nature and performance of the borrower's income-generating activity,</li><li>c) Sector of the borrower's business,</li><li>d) Bank statement conduct and financial discipline,</li><li>e) Credit bureau score and existing indebtedness,</li><li>f) Security or comfort available (including Loan-to-value ratio), where applicable,</li><li>g) Past repayment behaviour with CCL or other lenders,</li><li>h) Geographical location of the borrower,</li><li>i) Market practices and competition.</li></ol> <p>Borrowers with lower risk profiles may be priced lower, while higher-risk borrowers may be priced higher within the permitted product-wise range.</p>
4	Product-Based and Tenure-	<p>Different lending products carry distinct operational requirements and credit exposures. Therefore, pricing may vary based on:</p>

# Crescentis Capital Limited

(formerly known as Som Datt Finance Corporation Ltd.)

## Interest Rate Policy

Sr. No.	Factors	Description
	Based Adjustment	a) Nature and purpose of the loan, b) Expected monitoring and servicing requirements, c) Loan tenure, d) Ticket size, e) Repayment structure.
5	Profitability Margin Requirement	To ensure sustainability and profitability, CCL may add a reasonable margin over and above its cost and risk components. This margin supports: a) Adequate financial returns, b) Protection against unforeseen losses, c) Compliance with capital adequacy norms applicable to Base Layer NBFCs, and d) Stability and growth of the lending business.

### Final Pricing Outcome:

The final rate of interest charged to a borrower shall be determined as:

$$\text{Final Interest Rate} = \text{Cost of Funds} + \text{Operating \& Overhead Costs} + \text{Credit Risk Premium} + \text{Product/Tenure Adjustment} + \text{Profitability Margin}$$

Once determined, the interest rate is:

- Fixed at the time of sanction,
- Disclosed to the borrower on an annualised cost basis, in compliance with RBI requirements,
- Not subject to change during the loan tenure, unless expressly agreed with the borrower or mandated by law.

**Note:** To emphasise, CCL shall **not** offer floating rate loans and shall **not** link its lending rates to external benchmarks such as repo rate, treasury bills, MCLR, or any internal floating reference rate. All loans shall be sanctioned at **fixed rates**, which remain unchanged for the duration of the loan unless mutually agreed otherwise or required by law.

### Approach for Gradation of Risk and Rationale for Charging Different Rates:

CCL shall follow a structured approach for assessing and differentiating the credit risk associated with each borrower segment. The purpose of risk gradation is to ensure that interest rates are determined fairly, consistently and in alignment with the borrower's credit profile, business/financial stability, collateral offered, and repayment capacity, and other relevant factors as detailed above. Accordingly, different borrowers within the same product category may be charged different interest rates based on their assessed level of risk.

In order to be transparent, the following points shall be clearly disclosed to the borrowers:

- a) Total sanctioned amount,
- b) Annualised rate of interest,
- c) Processing fee and insurance charges, if applicable,
- d) Loan tenure,
- e) Charges applicable in case of delayed payments, delinquencies, breach of terms, and
- f) Approach for gradations of risk and rationale for charging different rates of interest to different categories of borrowers.

### 7) FEES AND CHARGES

#### a) Processing/Upfront Fees

A processing or upfront fee is a one-time, non-refundable charge to be collected by the Company at the stage of evaluating and sanctioning a loan. It covers the cost of credit appraisal, verification, underwriting, documentation, and other administrative or operational activities involved in loan origination. This fee may also include charges payable to third-party service providers engaged for valuation, legal checks, or field investigations. The amount of the fee may vary across products, customer segments, and risk categories, depending on the complexity and cost of processing the loan. It shall not be linked to the interest rate and shall be charged independently of the loan's pricing structure. All such fees are to be disclosed transparently in the sanction letter, loan agreement, and Key Fact Statement, and applicable taxes shall be charged separately.

#### b) Penal Charges / Late Payment Charges

Besides the normal interest, CCL may levy penal charges, also referred to as late payment charges, which are fixed monetary amounts imposed when the borrower fails to make payment by the due date as per the repayment schedule. These charges apply irrespective of whether the repayment instrument is dishonoured or there is any breach of terms, conditions, or covenants under the loan documents, as communicated to and agreed by the borrowers. These charges compensate the Company for the additional administrative effort and follow-up associated with delayed payments. The applicable penal charges shall be disclosed upfront to the borrower in the sanction letter or loan agreement.

Penal Charges, if levied, shall be treated as 'penal charges/default charges'. These charges shall not be capitalised, and no further interest shall be computed on such amounts. Penal/default charges are over and above the applicable rate of interest and do not affect the normal compounding of interest in the loan account. The Company shall levy only 'penal charges' and not 'penal interest'.

#### c) Bounce Charges

Bounce charges may be levied when repayment instruments, including but not limited to NACH mandates, cheques or any other payment instructions, are dishonoured or returned unpaid. These charges are separate from late payment charges and are imposed per instance of dishonour to cover the operational and processing costs associated with such events. The applicable bounce charge shall be disclosed to the borrower in the loan documentation.

#### d) Prepayment / Foreclosure Charges

CCL may, at its discretion, permit borrowers to part-prepay, prepay or foreclose their outstanding loan amounts, whether in full or in part, subject to the terms specified in the respective loan agreement. Such prepayment or foreclosure may attract charges depending on the nature of the facility, remaining tenure, and any cost implications for the Company. As CCL offers only **fixed-rate loan products**, foreclosure or prepayment charges may be levied in accordance with internal guidelines and the terms communicated and agreed with the borrowers.

#### e) Other Fees and Charges

CCL may levy additional fees and charges as applicable to different types of facilities, depending on the nature and risk profile of the loan. These may include processing fees, non-refundable upfront fees, documentation charges, verification charges, legal or technical assessment fees and any other charges relevant to the product or borrower segment. Where

# Crescentis Capital Limited

(formerly known as Som Datt Finance Corporation Ltd.)

## Interest Rate Policy

applicable, such fees and charges will be communicated upfront to the borrower in the respective sanction letter or loan agreement. Any additional charges arising out of special arrangements, vendor-linked structures, receivable-backed transactions or customised institutional engagements shall also be disclosed to the borrower appropriately.

### 8) INDICATIVE INTEREST RATES, PROCESSING FEES, AND OTHER CHARGES

The Company would be operating in multiple products, and the range of interest rates, processing fees, and other charges would differ based on the nature and risk profile of the product for each borrower. The indicative ranges are given below:

Loan Type	Interest Rate (Reducing Balance)* (%)	Processing Fee* (%)
Working Capital Loans	15 to 28	0 to 5
Term Loans	15 to 28	0 to 5
Solar Rooftop Loans	15 to 28	0 to 5
Personal Loans	15 to 28	0 to 5

**\*Flat Interest Rates:** The Company may offer certain loan products at flat interest rates, depending on the nature of the product, customer segment, and operational considerations. For such products, the flat rate structure shall be transparently disclosed in the sanction letter and loan agreement. In such cases, the processing or upfront fee may be calibrated to ensure that the overall effective interest rate (EIR) for the product falls within the range as presented in the pricing table above. This approach enables the Company to maintain consistency in risk-based pricing while offering product structures that are simple and easy for customers to understand. All fees and charges are to be applied in a fair, non-discriminatory manner and shall be communicated clearly at the time of loan application and sanction.

The range of interest rates mentioned above has been arrived at based on the indicative parameters given below:

Particulars	Interest Rate
Cost of Funds	About 13%
Operating & Overhead Costs	About 7%
Credit Risk Premium & Product/Tenure Adjustment	About 1%
Profitability Margin (i.e., Return on Asset)	About 4%
<b>Total Indicative Interest Rate</b>	<b>About 25%</b>

#### Penal, Bounce and Other Charges:

The Company may levy penal charges and bounce charges based on the borrower's conduct, risk profile, and product category. While such charges may vary from borrower-to-borrower, the Company shall ensure that all charges remain reasonable, non-excessive, and in line with fair market practices. All such charges shall be transparently disclosed to the borrower through the sanction letter and loan agreement. In accordance with regulatory mandates, such charges shall not be capitalised (i.e., no interest shall be charged on these penalties).

Penal charges shall be levied only on the amount in default and shall be reasonable and non-discriminatory. Penal charges applicable to individual borrowers shall not be higher than those applicable to non-individual borrowers for similar defaults.

### **9) DISCLOSURES TO BORROWERS**

CCL shall ensure full compliance with the disclosure and transparency requirements prescribed under the Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025. All pricing-related information, including the annualised rate of interest, processing fees, penal charges, bounce charges, annual percentage rate (“APR”), and any other applicable fees, shall be clearly communicated to the borrower through the sanction letter, loan agreement, and the Key Facts Statement in the format mandated by RBI, and amended from time to time. The Company shall also disclose the range of interest rates and the broad approach to risk-based pricing on its website. All disclosures shall be fair, transparent, and consistent with the principles of responsible lending.

### **10) POLICY SEVERABILITY**

This Policy, read with the applicable RBI Master Directions, constitutes the entire framework in relation to its subject matter. If any provision of this Policy is held to be invalid or in violation of any applicable law or regulation, such provision shall be severable and shall not affect the validity or enforceability of the remaining provisions. In case of any inconsistency, the applicable regulatory guidelines shall prevail.

### **11) AMENDMENT**

Any amendment to this Policy shall be approved by the Board of Directors of the Company. Any amendment necessitated by regulatory guidelines shall prevail and shall be incorporated accordingly in the Policy as required. The Board of Directors reserves the right to amend or withdraw this Policy, in whole or in part, subject to applicable law.

### **12) POLICY REVIEW**

This Policy shall be reviewed by the Board of Directors of the Company as and when required, due to changes in regulatory guidelines, business requirements or risk considerations.

\*\*\*\*\*