BHAWANA CAPITAL PRIVATE LIMITED

INTEREST RATES AND SERVICE CHARGES

This disclosure is made under Paragraphs 23 and 30(6) of the Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025, and is updated whenever there is a change in the rates of interest or charges. All rates and charges applicable to a specific loan are disclosed in the Key Fact Statement ("KFS") provided to the borrower before execution of the loan contract.

1. Rates of Interest

Particulars	Details
Products	Small-ticket unsecured personal loans and instalment products, offered through a fully digital process
Rate of interest (per annum)	17.95% – 36.00%, fixed, computed on a reducing-balance basis and expressed as an annualised rate
Annual Percentage Rate (APR)	As disclosed in the KFS for each loan; the APR includes the interest and all charges levied by the Company, computed on the net disbursed amount
Approach for gradation of risk	Each borrower is allotted a credit grade through a system-driven credit assessment based on, among other factors, the credit-bureau record and repayment history, income source and repayment capacity, existing indebtedness, and the product type and tenor. The rate of interest is differentiated by credit grade; borrowers with stronger credit profiles are offered lower rates

2. Service Charges

Charge	Amount
Processing fee	Up to 8% of the loan amount, plus applicable GST, as disclosed in the KFS
Penal charge for late payment	Levied per overdue instalment (EMI/EWI) on the amount under default, as per the Schedule of Penal Charges at Section 3 below, subject to a per-instalment cap and an overall cap per loan, and as disclosed in the KFS
Foreclosure / pre-payment charges	NIL
Convenience charge for repayment	NIL
Any other charge	No fee or charge of any description, other than as stated above and disclosed in the KFS, is levied on or collected from the borrower, whether by the Company or by any Loan Service Provider

3. Penal Charges – Schedule and Principles

Penal charges for late payment are levied per overdue instalment (EMI/EWI) in accordance with the following schedule:

Instalment (EMI/EWI) amount in default	Penal charge	Cap per overdue EMI/EWI
EMI/EWI up to ₹2,000	₹10 per overdue EMI/EWI	₹250
EMI/EWI above ₹2,000	₹20 per overdue EMI/EWI	₹500

In addition to the per-instalment caps above, the total penal charges levied over the entire loan shall not exceed ₹**3,000 per loan.**

These penal charges are governed by the following principles:

- Penal charges are levied as charges and not in the form of penal interest added to the rate of interest; no additional component is added to the rate of interest.
- Penal charges are levied only on the amount under default, are reasonable and commensurate with the non-compliance, and are applied in a non-discriminatory manner within a product category.
- Penal charges are not capitalised — no further interest is computed on such charges, and no fresh penal charge is levied on outstanding penal charges.
- The quantum and reason for penal charges are disclosed upfront in the loan agreement (in bold) and in the KFS, and are stated in reminders sent for non-compliance.

4. General

The interest rate applicable to each loan is communicated in the application form, the KFS and the sanction letter. Any change in interest rates or charges applies prospectively only. This page is read with the Company's Interest Rate Policy and Fair Practice Code, available on this website.