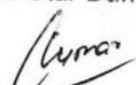


**INTEREST RATE AND GRADATION OF RISK
POLICY
OF
SHINE STAR BUILD-CAP PRIVATE LIMITED
(Adopted by Board on April 4, 2022)**

For Shine Star Build-Cap Pvt. Ltd


Director/Authorised Signatory

Preamble:

Reserve Bank of India vide its notification No DNBS, 204/CGM (ASR) 2009 dated January 2nd 2009 and vide its guidelines on FPC for NBFCs DNBS. CC.PD. No 26003.10.01/2011-12 dated 26th March 2012 have directed all NBFCs to communicate the annualized rate of Interest to the borrower along with the approach of gradation of risk and rationale for charging different rate of interest to different categories of borrowers.

Keeping in view the RBI's guidelines as cited above, and the good governance practices, the Company has adopted the following internal guidelines, policies, procedures and interest rate model, for its Lending.

This needs to be taken into cognizance of while determining interest rate and other charges, and changes thereto.

Objective of the Policy

The Policy has been proposed is in accordance with the Fair Practices Code prescribed by the RBI. The objective of the Company is to decide broad parameters for and to maintain transparency in deciding Rate of Interest and other charges which may be levied by the Company on its loan products.

Approval and Review of the Policy

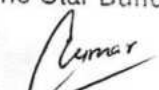
The Policy will be approved by the Board of Directors. The Policy shall be reviewed as and when required by the applicable rules and regulations

Interest Rate Model:

Interest rates charged by the Company depends on a variety of factors affecting the Company including cost of borrowed funds, matching tenor cost, market liquidity, RBI policies on credit flow, offerings by competition, market reputation, cost of operations, disbursements, cost of capital required, inherent credit and default risk in the counterparty and products, industry trends, etc. Identical products with identical tenor and availed during the same period may attract different interest rates for different customers. Interest rates could vary depending upon consideration of all or combination of multiple factors including but not limited to the following:

- Credit and default risk in the related business segment;
- Profile of the applicant;

For Shine Star Build-Cap Pvt. Ltd


Director/Authorised Signatory

- Industry segment;
- Repayment track record of the applicant;
- Nature and value of collateral security;
- Secured vs unsecured loan;
- Loan ticket size;
- Credit rating of the applicant and corporate guarantor, if any;
- Loan tenor;
- Other indebtedness of the applicant.

The rate of interest shall be fixed on the basis of the risk gradation of the client and shall be charged accordingly.

The processing fee, if any shall be determined on the basis of quantum of work involved in credit appraisal, volume of documentation and other expenses involved in the transaction

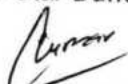
The Company will mention penal interest charged for late repayment in bold in the loan documents.

The Company will levy pre-payment penalty for early closure of any of the loans in accordance with the extant regulatory requirements.

The Company will communicate annualised Rate of Interest to all its borrowers so that its borrowers are aware of exact rates that will be charged to respective loan facility.

The Company intimates the Borrower, the loan amount , Rate of Interest , processing fees etc. at the time of sanction of the loan along with the tenure and amount of monthly installments / quarterly instalments / bullet payments etc. by way of issuing Sanction Letter. All they Key terms will be captured by way of issuance of Sanction Letter to the borrower.

For Shine Star Build-Cap Pvt. Ltd


Director/Authorised Signatory

APPROACH FOR GRADATION OF RISK:

General

The risk premium will be decided on a case to case basis as decided by the Company. The approach for gradation of risk is based on factors such as nature of loan, credit worthiness of the borrower, nature of security, nature of the Product. type of asset being financed, borrower profile, repayment capacity, borrower's other financial commitments, past repayment, tenure of the loan, geography (location) of the borrower, end use of the loan as represented by the underlying asset etc. Such information is collated based on the borrowers input, credit bureau and field inspection by the Company officials.

While deciding the interest rate and other charges, the rate offered by the Competitors in the market would also be taken into consideration.

Interest Rate Method:

The Company follows fixed rate of interest policy for all of its borrowers as the company does not follow floating rate of interest policy.

Authorised Signatory For Shine Star Build-Cap Pvt. Ltd


Shine Star Build Cap Private Limited Director/Authorised Signatory