




PRICING POLICY

*The Board of Directors has reviewed
and adopted in the board meeting held
on 04/09/2024*



Authorized Signatory

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PRICING POLICY

1. INTRODUCTION

SHARE Microfin Limited (hereinafter referred to as “Company” or “SML” or “SHARE”) is registered NBFC-MFI provides financial services to low-income households, creating opportunities for self employment for the underprivileged and training rural people in simple skills enabling them to utilize the available resources and contribute to employment & income generation in rural areas.

2. OBJECTIVE

The main Objectives of the Pricing policy are to:

- The company’s primary objective of pricing is for Long-term sustainability
- Set interest rates based on the interest rate model suggested by the regulators
- Fix the reasonable interest rates considering the Operational costs of the business, risk factors and reasonable, market-competitive rate of return.

3. REGULATORY GUIDELINES

3.1 The Reserve Bank of India vide its circular **DoR.FIN.REC.95/03.10.038/2021-22** dated March 14, 2022, advised the Boards of NBFCs to lay down approved policy regarding the Pricing of Microfinance loans which shall cover:

- i. A well-documented interest rate model/ approach for arriving at the all-inclusive interest rate;
- ii. Delineation of the components of the interest rate such as cost of funds, risk premium and margin, etc. in terms of the quantum of each component based on objective parameters;
- iii. The range of spread of each component for a given category of borrowers; and
- iv. A ceiling on the interest rate and all other charges applicable to the microfinance loans.