

GOLDMAN SACHS (INDIA) FINANCE PRIVATE LIMITED POLICY ON INTEREST RATE

*Applicability: Asia Credit Investing - Mumbai - Asia Pacific Ex - Japan;
Additional details found on the [Document Landing Page](#)*

In terms of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016 issued by the Reserve Bank of India, Goldman Sachs (India) Finance Private Limited, a company registered as a non-deposit taking non-banking financial company *vide* certificate of registration number 13.00390 dated March 23, 1998 (the “**Company**”) shall adhere to the following guidelines for charging interest rates to its clients:

1. Determining the interest rate

- The rate of interest shall be determined after taking into account relevant factors, such as cost of funds, relevant operating expenses, liquidity conditions prevailing in the market, tenor of the financing, credit risk arising from the financing, fixed versus floating rate, periodicity of interest payment, pricing of recent transactions for comparable loans and advances (e.g., debt issued by the borrower / issuer), etc.
- The credit risk premium as mentioned above shall be based on credit and default risk of the customer as assessed from the borrower / issuer profile & its risk rating, earning and repayment ability, nature and value of primary and collateral securities, historical repayment track record, external ratings, industry trends, etc.
- The rate of interest for the same product and tenor availed during the same period by different borrowers / issuers need not be standardized and could vary depending upon consideration of any or combination of above factors.
- The interest rates would be offered on fixed, floating, variable basis. For floating rate loans, the benchmark interest rate that may be used by the Company could be linked to either the Marginal Cost of Lending Rate of leading Scheduled Commercial Banks or selected tenor of Government of India Securities or repo rate or any other benchmark as the Company may deem fit. The Company may also vary the interest rate or spread on floating rates linked to tenor, rating, put/call option, etc.
- In case of drawdown over a period of time, the rate of interest may be subjected to review and the same may vary according to the prevailing rate at the time of each disbursement or as may be decided by the Company.
- The rate of interest to be charged for loans and advances will be in the range of 8% to 25% p.a. Any exceptions will be approved by the Company’s board of directors of the Company.

2. General

The following provisions shall apply to loans extended by the Company:

- **Additional charges:** Besides the normal interest, the Company may levy additional charges in the form of penal charges for any delay or default in payment of dues by the borrower / issuer. The Company may also levy other financial charges including processing fees, cheque bouncing charges, pre-payment / foreclosure charges, RTGS or such other remittance charges, commitment fees, charges for services like issuance of "no due certificate", security swap charges etc. The quantum of these additional charges will be determined by the respective business units of the Company and communicated to the borrower / issuer in writing. While determining the quantum of these additional charges, market practices will be taken into consideration.
- **Communication of interest rate to the borrower / issuer:** The Company shall convey in writing to the borrower / issuer, by means of a sanction letter or term sheet or loan agreements, the amount of loan sanctioned along with the terms and conditions including annualized rate of interest and method of application thereof and shall keep on record the acceptance of these terms and conditions by the borrower / issuer. The loan agreement/sanction letter shall expressly stipulate the penal charges for late payment / repayment of dues by the borrower / issuer.
- **Changes in Terms:** The Company shall give notice to the borrower / issuer of any change in the terms and conditions of the loan, including disbursement schedule, interest rates, service charges, prepayment charges etc. Further, any changes in the rate of interest shall be effected only prospectively or as per the terms agreed in the loan agreements. The same may be communicated through email or any other form of communication as deemed fit by the Company.

3. Amendment of the Policy

The above rates of interest, premia and approach for gradation of risks may be revised from time to time with the approval of the Company's board of directors and appropriately made available in accordance with the guidelines issued by the Reserve Bank of India from time to time.

This policy shall be disclosed on the Company's website in accordance with the Company's fair practice code and the requirements of the Reserve Bank of India.

REVISION HISTORY

1. Version 3.0, December 01, 2023 (Current version: Other; Business transition from AWM to GBM)
2. Version 2.4, September 06, 2023 (Other; Bulk region remapping)
3. Version 2.3, August 30, 2023 (Other; Document has been revised with updated titles of the integrated Global Banking & Markets businesses)
4. Version 2.2, November 07, 2022 (Routine review cycle; No Changes)
5. Version 2.1, June 02, 2020 (Other; GS Docs Conversion)
6. Version 2.0, November 12, 2019 (life cycle review)
7. Version 1.0, June 23, 2016 (New Document)