



Statement from Sambandh Financial Services Private Limited (SFPL)

Sambandh Financial Services Private Limited (SFPL) is a Reserve Bank of India recognized Non Banking Financial Company-Microfinance Institution (NBFC-MFI). SFPL as a registered microfinance institution completely adheres with RBI rules and regulations and our activities in the area of Simdega and in any other areas of Jharkhand where we operate are entirely legal and as per RBI guidelines. Being a microfinance institution already registered with and regulated by RBI in India, we are not required to take permission from any other authorities for functioning in the state of Jharkhand. We as a microfinance institution provide financial services to the low income households without taking any deposits and provide last mile financial services to the underserved and unbanked population. Our activities as a microfinance institution further helps in promotion of Government's financial Inclusion agenda. Further, we would also like to clarify that our rate of interest of 20% for microfinance loans is in adherence to rules specified by RBI which has already defined certain criteria to fix interest rates charged by microfinance institutions and MFIs including us can only charge interest rates within these set limits. We do not charge any fee for filling out loan applications and do not take any deposits or guarantees in lieu of loans. We would like to reiterate that we are a legal financial entity and work in responsible and transparent manner under the set rules and regulations by RBI. We are a member of Microfinance Institutions Network (MFIN) which is an RBI appointed and recognized self-regulatory organization responsible for fair functioning of NBFIC-MFIs and we are also regularly audited by RBI. We have also submitted copies of our RBI registration certificate, RBI letter for issue of certificate of registration and certificate of incorporation along with other documents to the Honourable District Magistrate and Incharge of Simbeda police station as a proof of our legal status.

- Issued by Sambandh Financial Services Private Limited

About Sambandh Financial Services Private Limited

In the initial phases, SAMBANDH Financial Services (SFS) was launched under the aegis of Regional Rural Development Centre (RRDC) a not-for-profit organization established in 1992, under the Societies Registration Act, 1860. During October of 2006, the thematic area of financial services was launched as an exclusive project. In 2009, keeping in with the recent trends of the sector as a whole and also requirements of the Banking/Financial institutions, it was decided that micro finance currently under the Not for profit format could be best executed under the Non-Banking Finance Company (NBFC) format. In the same year, the project SAMBANDH and the related business aspects was transferred to an NBFC - "SAMBANDH Finserve Private Limited". In October 2012, the company had applied to the Reserve Bank of India, Bhubaneswar for reclassification under the new category NBFC-MFI and finally in October 2013 it received the reclassification as an "NBFC-MFI".