

SKS Microfinance Limited announces an effective interest rate of 24.55% (all inclusive) across the country.

Credit Shield charge, loan processing fee and card fee waived.

Mumbai, January 11, 2011: Pursuant to the Listing Agreement, SKS Microfinance Limited had, on the 8th November 2010, informed the stock exchanges about the planned move to reduce interest rates to 24.55% across India.

Further to that notification, SKS Microfinance Limited has informed the stock exchanges about their decision to reduce the interest rate across the country to 24.55% with effect from January 11, 2010.

The applicable interest rate for all future disbursements across the country is mentioned below:

	Flat	IRR (effective rate)
Annual rate of interest	12.5%	24.55%
Upfront interest	Nil	Nil
Total Interest	12.5%	24.55%
Credit shield charges*	Nil	Nil
Cost to the Borrower	12.5%	24.55%

Further, the Company will not collect charges towards Credit shield charge, Loan processing fee, and card fee w.e.f. 11th January 2011. With this the all effective interest rate across country will be 24.55% for all future disbursements.

About SKS Microfinance Limited:

SKS Microfinance Limited (SKS) is a non-banking finance company (NBFC), registered and regulated by Reserve Bank of India. SKS operates across 19 states of India and serves over 7.8 million borrowers. The states include: Andhra Pradesh, Karnataka, Maharashtra, Orissa, Madhya Pradesh, Bihar, Uttar Pradesh, Rajasthan, Uttaranchal, Himachal Pradesh, Haryana, West Bengal, Jharkhand, Chhattisgarh, Gujarat, Kerala, Tamil Nadu, Punjab and Delhi.

SKS has been the recipient of many awards, which include the Social and Corporate Governance Award by BSE; NASSCOM Foundation for Best Corporate Social Responsibility Practice (2007); Social Performance Reporting Award (MFIs) - Silver Category for Social Performance Rating conducted by MIX market (2009). SKS was founded by Dr Vikram Akula, who has been conferred the award of Young Global Leader by World Economic Forum and Business Transformation Entrepreneur of the Year by Ernst & Young (2010). He was named by TIME magazine as one of the 100 Most Influential People in the World (2006).