HINDUJA HOUSING FINANCE

INTEREST RATE RANGE FOR THE PAST QUARTER [APR'26 TO JUN'26] FOR LOANS EXTENDED TO INDIVIDUALS BORROWERS

Category of Loan	Weighted Average	Minimum	Maximum	Mean
Housing Loan	12.45%	9.50%	20.00%	13.02%
Non-Housing Loan	15.27%	12.50%	24.00%	15.42%

Terms of Interest Rate policy:

- The company shall adopt a discrete interest rate policy which means that the rate of interest for same product and tenure availed during the same period by different customers would not be standardized but could vary within a range, depending, amongst other things, the factors mentioned below. In case of any deviations required from the interest rate pricing structure, approval would need to be obtained from either the Chief Operating Officer or the Managing Director.
- The Company shall disclose the rate of interest and the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers explicitly in the sanction letter.
- The rates of interest and the approach for gradation of risks shall also be made available on the web-site of the companies or published in the relevant newspapers. The information published in the website or otherwise published would be updated whenever there is a change in the rates of interest.
- The interest re-set period for floating / variable rate lending would be decided by the company from time to time, applying the same decision criteria as considered for fixing of interest rates.
- The interest rates offered could be on fixed basis or floating / variable basis as per the customer's requirement. The company would prefer to offer floating rates to customers in the interest of having a win-win for both the customer and the company, since the borrowing cost for the company is subjected for yearly revision.
- Wherever the customer requests for a fixed rate offer, the company would extend a loan up to three years on a fixed rate basis. However, in the event of a customer foreclosing the loan during the fixed rate tenure of the loan, the customer would be charged a foreclosure fee up to 3% of the outstanding loan amount, in compliance with applicable regulatory guidelines.
- At the time of reset of HHFPLR, the customer with a floating rate loan would have the option to switch to fixed rate basis at the revised interest rate plus minimum 0.50%, in order to mitigate potential interest rate risk arising out of future volatility in the components of HHFPLR during the remaining tenure of the loan. This facility will be available upon payment of switch fee of up to 3.00% of the loan amount outstanding, plus applicable taxes, subject to the condition that the customer has been paying its PREEMI / EMIs on time for the past 18 months or from the due date of the customer's first EMI / PREEMI, whichever duration is shorter.
- A customer may choose to switch from floating rate to fixed rate basis or vice-versa a maximum of two times during the tenure of a loan, upon payment of swift fee of up to 3.00% of the loan amount outstanding, plus applicable taxes, subject to the condition that the customer has been paying its PREEMI / EMIs on time for the past 18 months or from the due date of the customer's first EMI / PREEMI, whichever duration is shorter.
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- Wherever the customer requests for a reduction in the interest rate on a floating rate loan on the basis of competing sanctions available from other lenders, the company could approve a reduction in the floating interest rate, upon the payment of the switch fee of up to 0.50% on the loan amount outstanding by the customer, plus applicable taxes, subject to the condition that the customer has been paying its EMIs on time for the past 18 months.
- The Interest Rate Policy and changes in interest rates would be reviewed at annual intervals. Certain components of the interest rate may be revised at shorter intervals depending upon market volatility and competitor review.
- Annualized rate of interest would be intimated to the customer
- Besides normal interest, the company may levy penal charges for any delay or default in making payments of any dues. The Company shall not levy penal interest and shall not add to the rate of interest in lieu of levying any penal interest, i.e. there will not be any capitalisation of penal charges. The Company shall mention the penal charges in bold in the loan agreement.
- Interest would be charged, and recovered at monthly rests.
- Interest rates would be intimated to the customers at the time of sanction / availing of the loan and the EMI apportionments towards interest and principal dues would be made available to the customer.
- Interest shall be deemed payable immediately on due date as communicated and no grace period for payment of interest is allowed.
- Interest changes would be effective from a prospective date and intimation of change of interest or other charges would be communicated to customers in a manner deemed fit, as per terms of the loan documents.
- Besides interest, other financial charges like processing fees, cheque bouncing charges, pre-payment/ foreclosure charges, part disbursement charges, cheque swaps, cash handling charges, RTGS/ other remittance charges, commitment fees, charges on various other services like issuing NO DUE certificates, NOC, letters ceding charge on assets/ security, security swap & exchange charges etc. would be levied by the

company wherever considered necessary. Besides the base charges, other applicable taxes would be collected at applicable rates from time to time. Any revision in these charges would be with prospective effect. A suitable condition in this regard would be incorporated in the loan agreement. These charges would be decided upon collectively by the management of the Company. For fees & other charges, please refer Fees and charges section in our Website.

- The interest rate charged to the customers for Loan products will be linked to Hinduja Housing finance Prime Lending Rate (HHF-PLR) which is arrived based on the cost of borrowing, cost of operations, risk premium and liquidity premium. The rate of interest is subject to change as the situation warrants due to market compulsions and change in regulatory norms and is subject to the discretion of the management on a case-to-case basis.
- The practices followed by competitors would also be taken into consideration while deciding on interest rates / charges.
- Interest rate models, base lending rate and other charges, and their periodic revisions are made available to our prospective and existing customers through our offices and branches. Prior to entering into an agreement with our customers, we provide them with our statement of charges and interest and address their queries and questions on the same, to their satisfaction. Our loan officers ensure charges and rates of interest are explained clearly and transparently to the people who may be interested in our products.
- In case of staggered disbursements, the rates of interest would be subjected to review and the same may vary according to the prevailing rate at the time of successive disbursements or as may be decided by the company.
- Claims for refund or waiver of such charges/ additional interest would normally not be entertained by the company and it is the sole and absolute discretion of the company to deal with such requests.

APPROACH FOR GRADATION OF RISKS

The approach for gradation of risk is based on factors such as nature of loan, nature of asset being financed, risk profile of the borrower, borrower's profile which considers stability in earnings and employment, financial positions repayment capacity, borrower's other financial commitments, past repayment, tenure of the loan, associated operating cost parameters (depending on the ticket sizes of loans and geographic factors) and prevalent liquidity conditions, etc. Such information is gathered during the loan underwriting process based on information provided by the borrower, credit reports, market intelligence and information gathered by field inspection of the borrower's premises.

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