

SINGULARITY HOLDINGS LIMITED

CIN: U65990MH1985PLC035046

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INTEREST RATE POLICY

Effective from	08.02.2024
1st Review on	13.11.2025

INTEREST RATE FRAMEWORK POLICY

1. PREAMBLE:

Singularity Holdings Limited (“The Company”) is an Investment and Credit company (ICC). It provides Loans to its Related Parties & the parties other than Related Parties. Related Parties also includes Group Companies of the Company.

The purpose of this policy is to set out the principles followed while levying interest rate/margin on credit facilities extended by the Company to its customers. The Company ensures to provide adequate transparency to customers and ensuring an equitable interest rate mechanism.

This Interest Rate Policy is in compliance with the directives of RBI to have a documented policy for interest rates charged on the loans disbursed by the company.

2. DESCRIPTION:

Interest Rate of the Company will be subject to Cost of Funding & Spread at the time of Disbursement of Loan.

The Company offers Inter Corporate Loans, Loan against Securities/ Property and Revolving Loan Facilities to its customers.

3. PRICING DETERMINATION MECHANISM:

The interest rate would vary for different section of borrowers based on various components as described below:

i. Funding Cost:

- Cost of Borrowings - It is the cost of raising funds from external sources
- Debt to Equity Ratio – It is the ratio of Borrowings to Equity.

ii. Liquidity Cost – It is the cost of maintaining surplus liquidity on balance sheet.

iii. Credit Risk – It is the cost of risk which the business carries on account of the credit worthiness of the borrowers.

iv. Operating expenses – It is the operational cost of running the business.

v. Spread – It is the spread applicable to different products including customer and product specific margin and profitability expectations.

4. OTHER PROCEDURAL ASPECTS:

- Lending to a particular borrower is decided after taking into consideration market reputation, repayment track record, risk profile, income available to service debt etc. of the applicant, and also nature and value of primary and collateral security offered. Further, Loan shall be given to the outside parties only after carrying out physical verification and based on referral.
- The rate of interest for the same product and tenor availed during same period by different borrowers need not be standardized. It could vary from borrower to borrower depending upon consideration of any or combination of above factors.
- The company may levy additional/penal charges as per Board approved policy “**Policy on Penal Charges**” and the same policy is available at the website of the Company.
- Other financial charges like processing fees, pre-payment/foreclosure penalty, documentation and other charges recovered are stated expressly in the Loan Agreement. They may vary across different services offered by the Company based on the asset financed, exposure limit, expense incurred in the geographical location and borrower segment among other factors.

5. OVERALL REVIEW MECHANISM:

The interest rates would be offered to customers on fixed, floating, and variable basis. The Borrowing Cost, Liquidity Cost and Spread shall be calculated and discussed quarterly in the Asset Liability Management Committee (ALCO) Meeting. The Debt-to-Equity Ratio shall be calculated annually and same shall be disclosed in the Financials of the Company.

Cost of Funding and Spread determines the actual funding rate. The ALCO shall make discussion on interest rate charges and spreads whenever required.

6. INTEREST RATE RATIONALE:

The Company offers competitive interest rates across its various services. However, applicable interest rate for each loan account will vary by taking into consideration multiple factors such as loan amount, type of asset, service type, tenure, profile of the borrower, loan to value ratio, past repayment track record, fixed income to obligation ratio, and basis income eligibility program while ensuring adequate margin is available for making changes to the tenure.

7. SCHEDULE OF FEES AND CHARGES:

The Company may levy following charges as per the agreed terms & condition as mentioned in Loan Agreement entered at the time of loan sanctioned and disbursement of loan:-

- Processing Fees

Singularity Holdings Limited

- Part Prepayment /Fore-Closure Charges
- Charge for Late payment
- Cheque Swap Charge
- Document Retrieval Charge
- Cheque Bounce Charge
- Duplicate Statement Issuance Charge
- Cheque Pick up Charge
- Non-adherence of any terms and conditions of the Documents executed by the Borrower, for the period beginning the date of such non-compliance until the same is cured to the satisfaction of the Lender + applicable taxes.
- CERSAI charges
- Stamp Duty & other statutory Charges
- Conversion Fee

8. CUSTOMER COMMUNICATION:

- During the loan sanctioning process the borrower is clearly informed and explained about all the applicable charges and other terms and conditions pertaining to the loan facility; the borrower signs a Loan Agreement and /or a Sanction Letter as received from the Company.
- A copy of the same is kept for reference on the company's records.
- Any changes in the interest rates shall be communicated to the borrower in a mode and manner deemed fit, in advance.