SHREM INVESTMENTS PRIVATE LIMITED

INTEREST RATE POLICY

Approved By	Board of Directors
Effective Date	April 04, 2026
Version	1.0

INTEREST RATE POLICY

1. Objective

This Policy establishes a transparent, fair and risk-based framework for determining interest rates on loans extended by the Company in compliance with applicable RBI directions, including the RBI (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025, the Fair Practices Code and applicable provisions of the Companies Act, 2013.

Interest rates shall be determined on an arm's length basis, considering commercial prudence, cost of funds, risk and strategic objectives of the Group.

2. Applicability

The Company is a Non-Banking Financial Company (NBFC) classified under the Middle Layer (NBFC-ML). This Policy applies to all such lending. The Company does not undertake retail, MSME or third-party lending.

3. Interest Rate Methodology

The lending rate shall generally comprise: (i) Cost of Funds; (ii) Operating Cost Margin; (iii) Credit Risk Premium; (iv) Tenor Premium; and (v) Strategic adjustment, where approved by the Board/Committee.

4. Risk Gradation

While determining the applicable interest rate, the Company shall consider:

- Repayment track record;
- Nature of security, if any;
- Purpose and tenure of the loan;
- Financial position of the borrower;

5. Benchmark

The minimum lending rate shall normally not be lower than the Company's weighted average cost of funds plus an appropriate operating margin.

6. Interest rate basis

Interest shall ordinarily be computed on an Actual/365 day-count basis unless otherwise agreed in the sanction terms. Any revision in floating interest rates shall ordinarily be communicated to the borrower at least 30 days in advance, unless otherwise permitted under applicable law or contractual arrangements.

7. Penal Charges

Penal charges, where applicable, shall be reasonable, transparent, non-discriminatory and shall not be used as a revenue enhancement tool.

8. Approval

a. All loan given shall require prior approval of the Board of Directors or the authority delegated by the Board.

b. Related Party Transactions shall be approved in accordance with the Companies Act, 2013, and the Company's Related Party Transactions Policy.

c. Any deviation from this Policy shall require specific Board approval.

9. Communication

The sanctioned rate, methodology, repayment terms, penal charges, APR (Annualized percentage rate) and other key terms shall be communicated through the sanction letter along with Key Fact Statement.

10. Review

The Board may review this policy as and when it deems necessary at least annually and this Policy may be amended or modified, in whole or in part, with the approval of the Board of Directors, as may be required to comply with applicable laws and regulations.

11. Disclosure and Board Approval

Adopted by the board of directors of Shrem Investments Private Limited on April 04, 2026.

For Shrem Investments Private Limited

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Nitan Chhatwal
Director
DIN: 00115575