

MACQUARIE FINANCE (INDIA) PRIVATE LIMITED



NOTICE OF INTEREST RATE POLICY

Macquarie Finance (India) Private Limited, a company registered as a non-deposit taking non-banking financial company vide certificate of registration number N-13.01976 dated July 12, 2010 (the “**Company**”) shall adhere to the following guidelines for charging interest rates to its clients:

1. The Company shall generally determine the interest rate for third-party loan, lease and hire purchase products by taking into account:

- (i) its anticipated cost of funds, including the cost of interest rate hedging;
- (ii) its associated operating expenses;
- (iii) margins / cost of allocation of capital, as adjusted by risk and term premia for the product;
- (iv) client specific credit factors, including its financial condition and the extent of any security to be provided;
- (v) in relation to leases and hire purchases, any residual value to be taken by MFIPL in the underlying goods; and
- (vi) other relevant factors such as available data, if any, regarding pricing of recent market transactions for comparable loan, lease or hire purchase products (eg. debt / debt-linked instruments issued by the borrower).

The Company anticipates its interest rates for commercial loans, advances, leases and hire purchases to be typically within the range of 8-25% per annum. However, the Company reserves the right to charge additional interest in case of default.

2. The spreads for the Company’s equity linked loan products shall be benchmarked against the FIMMDA spreads for valuation of corporate bonds, PTCs and securitized paper. This shall be adjusted in light of relevant factors such as marketability of the loan product, whether rated or unrated etc.

The above rates of interest, premia and approach for gradation of risks may be revised from time to time with the approval of the Company’s board of directors and made available in accordance with the guidelines issued by the Reserve Bank of India from time to time.

Registered Office: 92, Level 9, 2 North Avenue, Maker Maxity, Bandra Kurla Complex, Bandra East, Mumbai 400 051 INDIA. Tel: +91 22 6720 4000

The Reserve Bank of India does not accept any responsibility or guarantee about the present position as to the financial soundness of Macquarie Finance (India) Private Limited (the “company”) or for the correctness of any statements or representations made or opinions expressed by the company and for discharge of liability by the company. Neither is there any provision in law to keep, nor does the company keep any part of the deposits with the Reserve Bank of India and by issuing the Certificate of Registration to the company, the Reserve Bank of India neither accepts any responsibility nor guarantee for the payment of the deposit amount to any depositor.

The company is not an authorised deposit-taking institution for the purposes of the Banking Act 1959 (Commonwealth of Australia), and its obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542. Macquarie Bank Limited does not guarantee or otherwise provide assurance in respect of the obligations of the company.