

**POLICY CIRCULAR****Subject:** Pre-Payment Charges for Floating Rate Loans**To:** Clix Capital Services Private Limited and Clix Housing Finance Limited

Board Approval Date: 11-02-2026

Effective from: January 01, 2026

Version: 1.0 of 2026

Policy Owner: Risk

**Background:**

In accordance with the Reserve Bank of India (RBI) master direction- RBI/2025-26/64 DoR.MCS.REC.38/01.01.001/2025-26 dated July 02, 2025, this policy outlines the framework on Pre-payment Charges on Loans, ensuring fair treatment of borrowers, regulatory adherence, and operational clarity across functions..

**Policy Guidelines:****1. Applicability:**

This policy applies to:

- All floating rate loans and advances, sanctioned or renewed on or after January 01, 2026.
- Loans granted to:
  - **Individuals for non-business purposes**
  - **Individuals and Micro & Small Enterprises (MSEs) for business purposes, up to ₹50 lakh**

Clix shall not levy any pre-payment charges on above-mentioned loan categories, irrespective of:

- Source of funds used for pre-payment (however, requisite due diligence needs to be done if the payment is received from a third party)
- Any minimum lock-in period.
- Whether the pre-payment is full or partial.

**2. Definitions**

- MSE: As defined in Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

- The term 'loans', for the purpose of this circular, shall include term loans as well as demand loans

### 3. Loans to Individuals (Non-Business Purpose):

- **No pre-payment charges** shall be levied on loans granted to individuals for purposes **other than business**, with or without co-obligants.

### 4. Loans to Individuals and MSEs (Business Purpose):

- **No pre-payment charges** shall be levied on loans granted for **business purposes** to individuals and Micro & Small Enterprises (MSEs), with or without co-obligants, **provided the sanctioned amount/limit is up to ₹50 lakh.**

### 5. Dual/Special Rate Loans:

- For loans with a combination of fixed and floating rates, no pre-payment charges shall be levied if the loan is on **floating rate at the time of pre-payment.**

### 6. Other Cases [Fixed Rate Loans; Floating Rate loans (for business purpose) to Individual and MSE for sanctioned amount more than ₹50 lakh]:

- For loans not covered under clauses 3 and 4 above:
  - Pre-payment charges, if any, shall be levied **as per Clix's board approved policy on Approach for Determining Interest Rates, Processing and Other Charges (Clix Capital), MITC & Schedule of Charges (Clix Housing).**
  - For **term loans**, charges shall be based on the **amount being prepaid.**

### 7. Disclosure Requirements:

- The applicability or non-applicability of pre-payment charges in all loans, must be **clearly disclosed** in the **key fact statement (KFS), sanction letter and loan agreement.**

### 8. Prohibitions:

- Clix shall **not levy any charges/fees retrospectively** at the time of pre-payment for any charges that were **previously waived off.**
- No capitalization of unpaid charges

### 9. Policy Review & Amendment

This policy shall be reviewed annually or earlier if required due to regulatory changes. Amendments shall be approved by the Board.