



Fair Lending Practice- Penal Charges in Loan Accounts

In compliance and for implementation of Reserve Bank of India (RBI) Circular RBI/2023-24/53 DoR.MCS.REC.28/01.01.001/2023-24 dated August 18, 2023 related to **Fair Lending Practice- Penal Charges in Loan Accounts**, with effect from April 1 2024, Penalty shall be treated as 'Penal Charges (Delay Payment Charges)' and not be levied as 'Penal Interest'. Please note that Penal charges including the "Delay Payment Charges" for your loan account which has been revised effective from April 01, 2024 are available below as well as at our website.

Revised Schedule of Charges

Type of Penal Charges	Quantum
Delay Payment Charges	Upto 24 % per annum for no. of days delayed in EMI/PEMI from due date + GST, if applicable
Other Penal Charges for : a) Non-compliance related to creation of security or register charges or continuation of security. b) Non-compliance/Breach of important or material representations and warranties. c) Default in performance of Covenant clause of loan agreement	Upto 1% (plus GST, if applicable) on loan Outstanding, per day if deemed suitable as deterrent to such default

For further assistance or information please contact at 1800-20-888-20 or nearest Branch.