

## **Important notification with respect to Penal Charges**

The following norms shall be applicable w.e.f. 01.04.2024:

*(With Reference to RBI guidelines dated August 18, 2023 & December 29, 2023 and its FAQs released on January 15, 2024 Fair Lending Practice - Penal Charges in Loan Accounts)*

Penalty, if charged, for 'non-compliance of material terms and conditions of loan contract by the borrower shall be treated as 'penal charge'

The Penal Charges will not be capitalized and no further interest shall be computed on the Penal Charges. The Bank shall have the right to levy Penal Charges on the outstanding loan amount in the event of breach of any material Terms and Conditions stipulated in the sanction terms. The Borrower will be informed of the levy of the Penal Charges for breach of any of the material Terms and Conditions stipulated in the sanction terms upon occurrence of such breach.

**\*T & C apply, for further details please visit IDBI Bank Branch/RAC.**

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