

Note for Change in Pre-Payment Charges in Partial Principal Payment (part pre-payment)

Current charges: - At present applicable prepayment charges on the partial principal payment done by the customer in Secured Business Loans are:

- 5% of Amount which is Partial Prepaid as on date if Prepayment is upto 12 months of the last disbursement + Applicable Taxes
- 3% of Amount which is Partial Prepaid as on date if Prepayment is after 12 months of the last disbursement + Applicable Taxes

New Applicable charges: - Below are the new prepayment charges applicable in partial principal payment done by customer in Secured Business Loans:

- 5% + Applicable Taxes of Amount which is Partial Prepaid if Prepayment is done within 6 months of the last disbursement.
- No prepayment charges are applicable if sum of total amount paid in the FY is upto 25% of POS in starting of FY & partial prepayment is done in between 6 months to 12 months from the last disbursement, else 5% + Applicable Taxes on the sum of total part prepayments done in the FY.
- No prepayment charges are applicable if sum of total amount paid in the FY is upto 25% of POS in starting of FY & partial prepayment is done after 12 months from the last disbursement, else 3% + Applicable Taxes on the sum of total part prepayments done in the FY.

Prepayment Charges in Partial Prepayment		
Slab	Current Charge*	New Charge*
a) if paid upto 6 months from last disbursement date	5% of Amount which is Partial Prepaid	
b) if paid after 6 months & upto 12 months from last disbursement date	5% of Amount which is Partial Prepaid	No prepayment charge to be taken if total amount deposited in FY up to 25% of POS (starting of FY)
		5% of total amount partial prepaid in FY, if sum of all part prepayment crosses the limit of 25% of opening principal in starting of FY. <i>i.e. Charges will be applicable on the total amount partially pre-paid in the same FY.</i>
c) if paid after 12 months from last disbursement date	3% of Amount which is Partial Prepaid	No prepayment charge to be taken if amount deposited up to 25 % of POS (starting of FY)
		3% of total amount partial prepaid in FY, if sum of all part prepayment crosses the limit of 25% of opening principal in starting of FY. <i>i.e. Charges will be applicable on the total amount partially pre-paid in the same FY.</i>
Prepayment Foreclosure charges in full closure		
a) if paid before 12 months from last disbursement date	5% of Principal Outstanding at the time of closure	
b) if paid after 12 months from last disbursement date	3% of Principal Outstanding at the time of closure	

* Applicable Tax is extra on charges

Notes:

1. This is applicable only for Secured Business Loans.
2. No changes in Foreclosure charges.
3. If customer makes part payment in tranches, then the tranche in which total part pre-payments done in FY crosses 25% of POS in the starting of the FY, then pre-payment charges will be applicable on all the part payments done earlier in same FY.
4. Minimum part payment amount should be equal to 3 EMIs.
5. No part payment is allowed in Partial disbursed cases and can be made only in full disbursed cases.
6. Default effect will be given on tenure only i.e. tenure will be reduced until written request to give impact on EMI is given by the customer.
7. Impact of part prepayment in both EMI & Tenure is not allowed. In exceptional cases, bank can ask for additional/updated documents from the customer along with the submission of supplementary agreement signed by all the customers in the loan with applicable stamp duty & charges.