

# Muthoot Housing Finance Company Limited

## Notification-Penal Charges in Loan Accounts

In reference to the Reserve Bank of India circular no DoR.MCS.REC.28/01.01.001/2023-24 (RBI/2023-24/53) dated August 18, 2023 on "Fair Lending Practice - Penal Charges in Loan Accounts" issued instruction ("RBI Instructions") regarding quantum and levy of penal charges on Loan Accounts and mandates that penalty is to be treated as 'Penal Charges' and not to be levied as 'Penal Interest'.

This is to notify that the Penal Interest (if and when applicable) will be treated as Penal Charges with effect from **1<sup>st</sup> April 2024** for all Home Loan accounts.

The delay in payment /PEMI shall render the Borrower to pay additional charges as per the rules, without prejudice to MHFCL's other rights, at the rate of **24% per annum**.

There shall be no capitalisation of penal charges i.e. no further/additional Interest computed/charged on Penal Charges

The said penal charges will be subject to GST as per applicable laws on Goods and Service Tax in India and the GST will be charged separately.

For any further queries please contact home branch. Our branch location is available at <https://muthoothousing.com/locate-our-branch/> or email us at [mhflcustomercare@muthoot.com](mailto:mhflcustomercare@muthoot.com) or call at toll free number **1800-102-1616**

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