

### Communiqué with respect to levy of Penal Charges

In compliance with RBI circular on Fair Lending Practice - Penal Charges in Loan Accounts (Reference: RBI/2023-24/53 DoR.MCS.REC.28/01.01.001/2023-24 dated August 18, 2023), as amended read with the FAQs issued by the RBI in this regard, with effect from April 01, 2024, penal interest (if applicable and required to be levied) under the loan documents and sanction letter/key fact statements executed with the customers for any of the loans advanced by TruCap Finance Limited ("Company/TruCap") shall be read as penal charges and shall be as below:

For Gold Loans & Bullet Repayment Product(s)	<ol style="list-style-type: none"> <li>1. penal charges will be levied @12% + GST (p.a.) on the overdue interest amount for the number of overdue days.</li> <li>2. If the principal gets matured, then the penal charges will be applied on overdue amount (principal + interest) @ 12% p.a. + GST for the number of overdue days.</li> </ol>
For EMI product(s)	Penal charges will be levied on overdue instalments 3% p.m. + GST on a number of overdue days (not instalment wise).

The penal charges are subject to GST as per applicable laws on Goods and Service Tax in India, and accordingly penal charges will be levied along with GST to the clients. GST is applicable on levying of penal charges, it will not be refunded.

TruCap emphasis on the importance of making timely payments to avoid levying of such charges. This would ensure the borrower's financial well-being and reputation. One of the most damaging repercussions of any default is its adverse effect on the borrower's credit score. When a borrower misses any payment when due, the Company is obligated to report this to all the respective Credit Bureau(s) and this negative information reflects on borrower's credit report. A lower credit score makes it difficult to secure credit facilities like loans or credit cards in the future. Even if the borrower manages to secure credit, it might come with unfavourable terms and higher interest rates due to the perceived risk associated with a lower credit score.

How can you avoid levying of penal charges?

You may avoid levying of penal charges on their loan accounts by:

- Ensuring timely payments by keeping sufficient funds in your bank account.
- Making prior payments before the stipulated date.

**Should you have any queries (including current applicable interest rates), you may please visit you nearest branch, or connect with us on toll free number 1800 210 2100 or write to us on [contact@trucapfinance.com](mailto:contact@trucapfinance.com)**