



## Communication in the event of rate revision

Annexure I – Notice

### **Reset of Floating Interest Rate on Equated Monthly Instalments (EMI) based Personal Loans**

With reference to RBI's Circular on Reset of Floating Interest Rate on Equated Monthly Instalments (EMI) based Personal Loans (ref No. RBI/2023-24/55/ DOR.MCS.REC.32/01.01.003/2023-24 dated August 18, 2023) which has provided direction on framework of rules, regulations and standard practices to be followed by the bank for floating rate personal loans in the event for rate reset.

Bandhan Bank Ltd (**"The Bank"**) will follow the below approach in line with RBI direction,

- Under Floating rate mechanism, change in the external benchmark Lending Rate (EBLR), which is currently the Repo Rate finalized by the RBI, will have a corresponding change in the ROI of your loan.
- Customers shall be communicated at the time of sanction about the possible impact of change in - Repo Rate on the loan leading to changes in EMI and/or tenor or both.
- Any existing floating rate personal loan customers will be communicated through website / SMS/ E-mail channels.

Customer can opt for either of the below options, subject to meeting the bank's policy norms, in the event of change in Repo Rate:

- Changing the tenure keeping EMI constant
  - Changing the EMI keeping tenure constant
  - Changing both- the EMI and tenure
  - Make a part-prepayment keeping the current EMI and Tenure constant
  - Shifting to Fixed Rate \*
- Any increase in the EMI/ tenor or both shall be communicated to the borrower

\* As per current policy norms, the option of switching to fixed rate from the floating rate shall be available twice during the life of loan subject to completing at least three years after sanction of the loan and there shall be at least 5 years differences between two switching to fixed rate.

For further queries borrower can visit the nearest Bandhan Bank Branch or call up customer care no 1800-258-8181