

	<b>COASTAL LOCAL AREA BANK LTD CORPORATE OFFICE VIJAYAWADA</b>	<b>Circular No</b>	<b>99/02/04/30/2024-25</b>
		<b>Department</b>	Credit
		<b>Reference</b>	<b>04/30</b>
		<b>Date</b>	<b>10.07.2024</b>

To

All Branches,

**PENAL CHARGES:**

We invite reference to our earlier circular No 99/04/04/16/2024-25, dated wherein we have advised you penal charges with effect from 01.06.2024, In order to simplify the process of charging and make it easy for the machine logic, It has been decided by the competent authority to modify the existing penal charges with immediate effect.

**Existing charges:**

S.No	Name of the Product	Particulars	Penal Charges
1	Over Draft	Limit up to Rs. 25.00 lakhs	Penal charges @ Rs. 1.000 for any cause of default per month
		Limit Rs. 25.00 lakhs and above	<ol style="list-style-type: none"> <li>1. For non-submission of Audited financials for renewal of limits 30 days before due for renewal - <b>Penal charges @ 5,000 per month of default.</b></li> <li>2. For non-submission of stock statements on periodicity - <b>Penal charges @ Rs.1000/- per each instance.</b></li> <li>3. For default of payment of interest ( i.e. irregular in payment of interest debited) - <b>Penal charges @ minimum of Rs.500 or 8% of irregular amount</b></li> </ol>

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			<b>whichever is higher (per month)</b>  4. For non-compliance of any terms and conditions of sanction if any - <b>Penal charges @ Rs.1500/- per one instance.</b>
2	Term loans	1. CPL/ JLG/ Un secured Loans below Rs 3 lacs  2. Monthly instalment of Rs. 50,000 and below  3. Monthly instalment of Rs 50,000 and above	<b>Penal charges @ Rs. 150 per each instalment of default</b>  <b>Penal charges of @ Rs.1500/ per each month of default of EMI.</b>  <b>Penal charges of @ Rs.2000/- per EMI or 10% of EMI whichever is higher</b>

**Revised Charges:**

S.No	Name of the product	Parameter	Penal Charges
01	OD / TL	Non-Compliance of Loan sanction terms and conditions	@ 0.25% of limit +GST
02	OD/ TL	Default on EMI / Interest amount	@ 5% on the default amount rounded off to nearest Rs.5/- +GST

Please comply the instructions without any omissions in this matter.

Y.Sathyanarayana Prasad  
CCO & BH.

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24.000  
10/1/17