

ANNEXURE "A"

PENAL CHARGES FOR VARIOUS CREDIT FACILITIES

The details of penal charges in the loan account for the period of irregularities to be levied at the month end are as described below:

1) Events of account becoming overdue:

The instances of account becoming overdue, where Penal charges shall be levied:

Sr.No	Details	Quantam of Penal Charges
i.	Non Servicing of Interest/Principal/Instalment in time	@2% p.a on the default overdue amount.(From the date of default till the date of payment) <ul style="list-style-type: none">Penal Charges shall be charged only on delayed payments(Instalment and/or interest) for the overdue period and not on the entire liability. Penalty shall be charged for the actual number of days of default.
ii.	On Expiry of Working Capital Limits	@ 2% p.a on the outstanding balance (From date of expiry of Limits till it is regularised) <ul style="list-style-type: none">Wherever the Borrower has submitted renewal proposal within specified timeline of the Bank before expiry of tenability and renewal is pending for want of sanction from competent authority , no Penalty shall be charged.
	# No Penal Charges to be charged for Loans upto Rs.25,000/- to borrowers under priority sector	

2) Events where material terms and conditions are not complied:

Penal Charges shall be levied on each of the following non- compliance events separately:

Sr.No	Details	Quantam of Penal Charges
i.	Delayed/Non submission of Stock & Book Debts statement	@ 2% p.a shall be charged from due date till submission /updatation of Stock & Book Debts Statement on the o/s debit balance irrespective of the fact whether the limit is within validity period or not. <ul style="list-style-type: none">Penal Charges shall be charged for the particular month for which the stock statement has not been submitted
ii.	Delayed/Non Submissionof QIS/FFR statement wherever stipulated , within due date	@2 % p.a on the Total O/s. Liability
iii.	Non Submission of Audited Financial Statements (For Facilities Above Rs.100 Lakhs on or before 31 st October or as determined by the Regulators)	@ 2% p.a on the entire liability of the party for the delayed period. Penalty shall be charged for the actual number of days of delay.

3) Penal Charges on Bills:

Sr.No	Details	Quantam of Penal Charges
i	Demand Bills	@2% from the 8 th day and onwards till realisation/recovery
ii	Usuance Bills	@2% p.a from the due date till its regularisation/clearance

4) Penal Charges for Pre-Payment/Foreclosure of Loan

Sr.No	Details	Quantam of Penal Charges
i.	<p><u>Takeover of Existing Facility by other banks/F.I</u></p> <p>In Case the borrower makes request for transfer of his loan account to other banks/F.I/ Takeover of existing facility by other bank/f.I</p> <p><u>Except Loans sanctioned under....</u></p> <ul style="list-style-type: none"> • Bharat Laghu Udyog Scheme • Loans sanctioned to Individuals for purposes other than business • In Case of CC/OD Limits where the account is in credit balance after expiry/due date of limits till date of closure 	<p><u>Funded Limits</u></p> <p>@3 % p.a on the outstanding balance or sanctioned Limit. (Whichever is higher)</p> <p><u>Non Funded Limits</u></p> <p>1.50% of the O/s balance or o/s limit which ever is higher</p> <p><u>In Case of Term Loan</u></p> <ul style="list-style-type: none"> • @3 % p.a on the Principle O/s. balance as on date of closure and on all amount paid by the borrower towards the loans during the period of last one year from the date of final payment(excluding the payment made towards regular instalment)
ii.	<p><u>For Other Reasons</u></p> <p>In Case the borrower pre-closes the loan from his own source of funds</p> <p><u>Except Loans sanctioned under....</u></p> <ul style="list-style-type: none"> • Bharat Laghu Udyog Scheme • Loans sanctioned to Individuals for purposes other than business • In Case of CC/OD Limits where the account is in credit balance after expiry/due date of limits till date of closure 	<p><u>Funded & Non Funded Limits</u></p> <p>@0.50% p.a on the outstanding balance or sanctioned Limit. (Whichever is higher)</p> <p><u>In Case of Term Loan</u></p> <p>@0.50 % p.a on the principle outstanding balance as on date of closure and on all amount paid by the borrower towards the loans during the period of last one year from the date of final payment(excluding the payment made towards regular instalment.</p>

- ❖ Penal Charges shall be levied over and above the applicable Rate of Interest effective from 01.04.2024.
- ❖ GST as applicable shall be levied on all charges.

All other contracted terms shall remain unchanged