

### Wholesale Book Penal Charges

Sr. No .	Category of Non-compliance	Description of Non-compliance	Reckoning of default/penal charges	Default/Penal charges rate (p.a.) payable monthly
1	<b>Default in Payment</b>	<p>1. In case of payment default (inclusive of overdue in interest and installment payment)</p> <p>2. Utilization of limits beyond the DP available for utilization</p> <p>3. In case of LC devolvement/ BG invocation/</p> <p>4. Demand Bill Purchased/ Usance Bills Discounted</p>	<p>1. In case of default penal charges shall be levied from the date of default in case of fund-based facilities.</p> <p>2. In case of such overutilization beyond DP, penal charges shall be levied from the date of commencement of default</p> <p>3. Penal charges shall be applicable from the date of LC devolvement/BG invocation.</p> <p>Default charges will be charged till the date of realization for demand bill purchased.</p> <p>4. For Demand Bills penal charges will be levied post purchase till the date of realization for demand bill purchased.</p> <p>Usance Bill - For period beyond the due date penal charges will be levied from the date it became overdue.</p> <p>In case the usance bill is returned unpaid, the default charges will be charged from the date of discount till the date of recovery.</p>	<p>1. Default penal charge of 2% p.a. to be charged on defaulted amount for the period of default. This would be charged separately on the default amount and would not be compounded.</p> <p>2. The penal charge @ 2% p.a. to be charged on such overutilization (over and above the documented rate) for the period of such overutilization</p> <p>3. In case of funded facility created on account of invocation of BG/ devolvement of LC, the Bank will charge rate of interest in line with applicable EBLR/MCLR for respective quarter plus additional Credit risk premium of 4% on the devolved amount. (<i>Note: No separate penal charges to be recovered on such amounts</i>).</p> <p>4. The penal charge @ 2% p.a. will be charged on such overdue amount</p>

2	<b>Non submission of documents post Disbursement.</b>	<p>Non submission or delayed submission of following documents</p> <ol style="list-style-type: none"> <li>1. Stock &amp; book debt statement</li> <li>2. UFCE/FFR</li> <li>3. Financial statements i.e. Provisional/ Audited balance sheet (Provisional 3 months from the closing of financial year and Audited financials within 6 months from the closing of accounting year).</li> <li>4. Due Diligence Report</li> <li>5. Insurance</li> <li>6. Other documents as suggested by sanctioning authority</li> </ol>	<p>Penal charges shall be charged from the due date of submission till the date of actual submission of said document.</p>	<p>Delay&gt;30days – Rs 10,000/- per month for the defaulted tenor + Applicable taxes</p> <p>Penal charges if any applicable shall be charged on quarterly basis.</p>
3	<b>Other non compliances</b>	<p>Non submission or delayed submission of</p> <ol style="list-style-type: none"> <li>1. Stock and book audit</li> <li>2. Renewal data – to be submitted 60 days prior to expiry date of facilities.</li> <li>3. Renewal/submission of external ratings for the exposure – for new sanctions/enhancements timeline of 90 days permitted for including SBM exposure to be externally rated.</li> <li>4. Financial Covenants compliance certificate</li> <li>5. Stipulated sanctioned terms</li> <li>6. Physical progress reports/LEI document/ certificates</li> <li>7. Acknowledgement of Debt (AOD)</li> </ol>	<p>Penal charges shall be charged from the due date of submission till the date of actual submission of said document.</p>	<p>Delay&gt;45 days: Rs 10,000/- per month for the defaulted tenor.</p> <p>Penal charges, if any applicable shall be charged on quarterly basis.</p>

4	<b>Security creation</b>	In case of security is pending beyond the agreed upon time as per sanctioned terms	Penal charges shall be charged from the due date for submission till the date of actual submission of said document.	Security pendency leads to issues in enforceability of security and hence Default charge of 1.00% p.a. to be charged for the defaulted period the charges shall be charged on o/s amount of the facility and would not be compounded.
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**Note : GST will be applicable on above charges as per extant government regulation.**