

### Materials terms and conditions and levy of penal charges for their breaches

The following events/ instances shall be deemed to be material terms and conditions on which credit facilities are sanctioned by Banks to the borrowers and penal charges for their non-compliance shall be as under:

S N	Nature of default / Delay	Reckoning of Penal Charges	Penal Charges applicable rate with monthly rests
1	Delay in repayment of EMI/Principal/Interest.	Overdue penal charges may be charged from the due date till such time as the default amount is paid	2% p.a (excluding GST) on default /overdue amount as applicable
2	Delay in regularisation of Temporary Overlimit (TOL)/Ad hoc/Onetime limit.	Overdue penal charges may be charged from the due date till such time as the default / overlimit amount is paid	2% p.a ( excluding GST) on default /overdue amount as applicable
3	Non submission or delayed submission of stock / Bookdebts (Debtors) statements.	From due date to the date of submission	2% p.a (excluding GST) on the outstanding amount
4	Submission of audited financials as on 31 <sup>st</sup> March every year by 10 <sup>th</sup> Oct	From due date to the date of submission to the satisfaction of the Bank	1% p.a (excluding GST) on the outstanding amount
5	Non submission of financial statements /documents/ renewal data for renewal of facilities one month before due date	From due date to the date of submission to the satisfaction of the Bank	1% p.a (excluding GST) on the outstanding amount upto due date of renewal and thereafter 1.50% p.a. till the date of submission.
6	Take over of credit facilities by Bank/ FIs before due date / renewal date	On or before liquidation of bank dues.	2% p.a (excluding GST) on the outstanding amount in case

			of term loan and sanctioned limit in case of working capital limit.
7	Non-creation /perfection of security within the timeline	From expiration of related timeline till the same are cured /complied with to the satisfaction of the Bank	2% p.a (excluding GST) on the outstanding amount
8	Non compliance of sanction terms / covenants which may increase credit risk and / or affect the interest of the Bank	From expiration of related timeline till the same are cured /complied with to the satisfaction of the Bank	1% p.a (excluding GST) on the outstanding amount In case of multiple nature / events of defaults maximum penal charges should @2% p.a.
9	Commitment Charges for under / no-utilisation of sanctioned facility	<b>Average Quarterly Utilisation Level</b>	<b>Commitment Charges</b>
		If utilization is more than 75%	No charges
		If utilization is between 50 to 75%	0.50% p.a. (excluding GST) on unutilised portion only
		If utilization is less than 50%	1% p.a. (excluding GST) on entire unutilized portion
10	Temporary Overdraft ( TOD) Not adjusted within time	Overdue penal charges may be charged from the due date till such time as the default /overdue amount is paid	2% p.a (excluding GST) on default /overdue amount as applicable

GST shall be applicable [Presently, at 18%]