

**Penal Charges for Bharat Enterprises – Wholesale (Effective from 1.4.24)**

	<b>Financial Default*</b>	<b>Penal Charges</b>
1	Non-payment of interest/instalment on due date or non-realization of the bills on the date of payment/drawings over limit/DP	8% p.a. above applicable interest rate on the overdue amount (subject to the aggregate not exceeding Rs. 1,00,000/- per instance).  There shall be no capitalisation of Penal Charges. The said Penal Charges will be subject to GST as per applicable law on Goods and Service Tax in India, and GST will be charged separately.
2	LCs devolved/non- payment of any other charges/commission, on due dates.	8% p.a. above applicable interest rate on the overdue amount (subject to the aggregate not exceeding Rs. 1,00,000/- per instance).  There shall be no capitalisation of Penal Charges. The said Penal Charges will be subject to GST as per applicable law on Goods and Service Tax in India, and GST will be charged separately.
3	Invocation of DPG or non-payment of any other charges/commission, on the due dates	8% p.a. above applicable interest rate on the overdue amount (subject to the aggregate not exceeding Rs. 1,00,000/- per instance).  There shall be no capitalisation of Penal Charges. The said Penal Charges will be subject to GST as per applicable law on Goods and Service Tax in India, and GST will be charged separately.
4	Non-payment of (FBP/FBD)/EBRD/ PSCFC/ Collection Bill /interest thereon/ other charges on due date	8% p.a. above applicable interest rate on the overdue amount (subject to the aggregate not exceeding Rs. 1,00,000/- per instance).  There shall be no capitalisation of Penal Charges. The said Penal Charges will be subject to GST as per applicable law on Goods and Service Tax in India, and GST will be charged separately.
5	Inland Bills Purchase/Discounting - In case bills are returned unpaid	8% p.a. above applicable interest rate on the overdue amount (subject to the aggregate not exceeding Rs. 1,00,000/- per instance).  There shall be no capitalisation of Penal Charges. The said Penal Charges will be subject to GST as per applicable law on Goods and Service Tax in India, and GST will be charged separately.
6	SBLC for Buyer's Credit	8% p.a. above applicable interest rate on the overdue amount (subject to the aggregate not exceeding Rs. 1,00,000/- per instance).  There shall be no capitalisation of Penal Charges. The said Penal Charges will be subject to GST as per applicable law on Goods and Service Tax in India, and GST will be charged separately.
7	Bank Guarantees Invoked/non-payment of any other charges/commission on the due dates	8% p.a. above applicable interest rate on the overdue amount (subject to the aggregate not exceeding Rs. 1,00,000/- per instance).  There shall be no capitalisation of Penal Charges. The said Penal Charges will be subject to GST as per applicable law on Goods and Service Tax in India, and GST will be charged separately.
8	Overdraft - In the event of non-payment of overdraft / interest	8% p.a. above applicable interest rate on the overdue amount (subject to the aggregate not exceeding Rs. 1,00,000/- per instance).  There shall be no capitalisation of Penal Charges. The said Penal Charges will be subject to GST as per applicable law on Goods and Service Tax in India, and GST will be charged separately.

9	Overdraft against fixed deposit - In the event of non-payment of overdraft / interest	8% p.a. above applicable interest rate on the overdue amount (subject to the aggregate not exceeding Rs. 1,00,000/- per instance).  There shall be no capitalisation of Penal Charges. The said Penal Charges will be subject to GST as per applicable law on Goods and Service Tax in India, and GST will be charged separately.
10	LC backed bill discounting facility with recourse to borrower (Seller) - In case of non-payment of interest on due date	8% p.a. above applicable interest rate on the overdue amount (subject to the aggregate not exceeding Rs. 1,00,000/- per instance).  There shall be no capitalisation of Penal Charges. The said Penal Charges will be subject to GST as per applicable law on Goods and Service Tax in India, and GST will be charged separately.
11	LC backed bill discounting facility with recourse to borrower (Buyer/Purchaser) - In case of non-payment of interest on due date	8% p.a. above applicable interest rate on the overdue amount (subject to the aggregate not exceeding Rs. 1,00,000/- per instance).  There shall be no capitalisation of Penal Charges. The said Penal Charges will be subject to GST as per applicable law on Goods and Service Tax in India, and GST will be charged separately.
12	Cheque/DD Purchase - In case cheques are returned unpaid	8% p.a. above applicable interest rate on the overdue amount (subject to the aggregate not exceeding Rs. 1,00,000/- per instance).  There shall be no capitalisation of Penal Charges. The said Penal Charges will be subject to GST as per applicable law on Goods and Service Tax in India, and GST will be charged separately.
13	Loan Equivalent Risk - In the event of non-payment of crystallised liability/MTM losses	8% p.a. above applicable interest rate on the overdue amount (subject to the aggregate not exceeding Rs. 1,00,000/- per instance).  There shall be no capitalisation of Penal Charges. The said Penal Charges will be subject to GST as per applicable law on Goods and Service Tax in India, and GST will be charged separately.
	<b>Non-Financial Default**</b>	<b>Penal Charges</b>
1	Non creation of security within stipulated timelines	1% p.a. above applicable interest rate / commission from the date of each non-financial default on the outstanding amount of fund-based credit facilities and non-fund-based facilities (as applicable).  There shall be no capitalisation of Penal Charges. The said Penal Charges will be subject to GST as per applicable law on Goods and Service Tax in India, and GST will be charged separately.
2	Delay/failure to obtain external credit risk rating from the agency approved by RBI, within stipulated time period and/or if the rating deteriorates or suspended, or delay/failure to submit the yearly certificate to confirm compliance with the stipulation pertaining to ownership/control/management	1% p.a. above applicable interest rate / commission from the date of each non-financial default on the outstanding amount of fund-based credit facilities and non-fund-based facilities (as applicable).  There shall be no capitalisation of Penal Charges. The said Penal Charges will be subject to GST as per applicable law on Goods and Service Tax in India, and GST will be charged separately.
3	Breach in the financial/non-financial covenant	1% p.a. above applicable interest rate / commission from the date of each non-financial default on the outstanding amount of fund-based credit facilities and non-fund-based facilities (as applicable).  There shall be no capitalisation of Penal Charges. The said Penal Charges will be subject to GST as per applicable law on Goods and Service Tax in India, and GST will be charged separately.

4	Non-submission / delay in submission of Audited balance sheet, Stock – book debts statement, Insurance, etc	1% p.a. above applicable interest rate / commission from the date of each non-financial default on the outstanding amount of fund-based credit facilities and non-fund-based facilities (as applicable).  There shall be no capitalisation of Penal Charges. The said Penal Charges will be subject to GST as per applicable law on Goods and Service Tax in India, and GST will be charged separately.
5	Diluting existing capital base either by withdrawal or diversion of fund towards any means	1% p.a. above applicable interest rate / commission from the date of each non-financial default on the outstanding amount of fund-based credit facilities and non-fund-based facilities (as applicable).  There shall be no capitalisation of Penal Charges. The said Penal Charges will be subject to GST as per applicable law on Goods and Service Tax in India, and GST will be charged separately.
6	Borrower to close other Bank current account within the time stipulated in the sanction letter complying the RBI circular on credit discipline.	1% p.a. above applicable interest rate / commission from the date of each non-financial default on the outstanding amount of fund-based credit facilities and non-fund-based facilities (as applicable).  There shall be no capitalisation of Penal Charges. The said Penal Charges will be subject to GST as per applicable law on Goods and Service Tax in India, and GST will be charged separately.
7	Expiry of working capital limits	1% p.a. above applicable interest rate / commission from the date of each non-financial default on the outstanding amount of fund-based credit facilities and non-fund-based facilities (as applicable).  There shall be no capitalisation of Penal Charges. The said Penal Charges will be subject to GST as per applicable law on Goods and Service Tax in India, and GST will be charged separately.
8	Non-adherence to sanction terms & conditions	1% p.a. above applicable interest rate / commission from the date of each non-financial default on the outstanding amount of fund-based credit facilities and non-fund-based facilities (as applicable).  There shall be no capitalisation of Penal Charges. The said Penal Charges will be subject to GST as per applicable law on Goods and Service Tax in India, and GST will be charged separately.

\*Financial Default includes all types of payment or financial defaults/irregularities with respect to your Loan Account.

\*\*Non-Financial Default includes breach of any other obligation(s)/covenant(s) with respect to your Loan Account.

Please note that the list of financial and non-financial defaults outlined above are for illustrative purposes only.

The list is inclusive, and Penal Charges plus taxes as applicable can be levied upon the occurrence of any other event of default as specified in the sanction letter or loan agreement.

<b>Fees &amp; Other Charges for Bharat Enterprises – Wholesale</b>	
Processing Fees	As per sanction letter
Schedule of Charges for B2B Tieups & PML	<a href="https://www.axisbank.com/docs/default-source/default-document-library/bharat-enterprises-schedule-of-charges-06-02-23.pdf">https://www.axisbank.com/docs/default-source/default-document-library/bharat-enterprises-schedule-of-charges-06-02-23.pdf</a>
Schedule of Charges for B2B Wholesale	<a href="https://www.axisbank.com/docs/default-source/default-document-library/revised-schedule-of-charges-corporate-credit.pdf?v1">https://www.axisbank.com/docs/default-source/default-document-library/revised-schedule-of-charges-corporate-credit.pdf?v1</a>
Schedule of Charges for Commodity Wholesale	<a href="https://www.axisbank.com/docs/default-source/default-document-library/schedule-of-charges-for-commodity-finance.pdf">https://www.axisbank.com/docs/default-source/default-document-library/schedule-of-charges-for-commodity-finance.pdf</a>