

## Default interest Rates

(for working capital facilities other than bills/cheques purchased/discounted)

Sl.	Facility / Nature of default (as applicable)	Reckoning of default interest	Default interest rate (p.a.) payable monthly
1.	Non-submission or delayed submission of stock statement.	<p>Default interest would be charged from the due date of submission till the date of actual submission.</p> <p><b><u>Due Date of submission is as follows:</u></b>                      For single location company – by 7<sup>th</sup> day of the month; for multiple location company – by 15<sup>th</sup> day of the month; (for consortium advances – as prescribed by the lead bank) or due dates as per the sanction terms.</p>	For the first 15 days of delay : NIL; Delay > 15 days : 2% (The rate shall be over and above the interest rate on the facility).
2.	Non-submission or delayed submission of QIS/FFR or equivalent reports.	<p>Default interest rates would be charged from the due date of submission till the date of actual submission.</p> <p><b><u>Due date of submission is as follows:</u></b>                      QIS – 1 (estimate) should be submitted within one week before the commencement of new quarter.                      QIS – 2 should be submitted within 6 weeks from the close of the quarter.</p>	NIL.
3.	<p>Non-submission or delayed submission of financial statements –</p> <p>Provisional</p> <p>Audited</p>	<p>Default interest would be charged from the due date of submission till the date of actual submission.</p> <p><b><u>Due date for submission is as follows:</u></b>                      3 months from the close of the financial year.                      6 months from the close of the financial year.</p>	NIL.

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	Renewal data	On expiry of credit limits.	
4.	Irregular due to drawings beyond DP/Limit,	<p>a) Excess drawings - Over Drawing Power but within sanctioned limit.</p> <p>b) Excess over limit.</p> <p>c) Continuously irregular for more than 45 days under (a) or (b) above.</p>	6% over the documented rate.
5.	Payment default (in case of foreign currency loans, the foreign currency amount will be converted into equivalent rupee and default interest as mentioned herein will be charged).	Default interest would be charged from the day after the due date till such time as the default amount is paid.	6% over the documented rate.
6.	Insurance cover not obtained / not renewed.	Insurance cover not obtained / not renewed.	NIL.
7.	Non-compliance of sanction terms.	Any stipulated security not created, perfection requirements and other formalities not completed and/or sanction term not complied with.	<p>For the first 15 days of non compliance : NIL.</p> <p>Breach continuing beyond 15 days : 1% (The rate will be over and above the interest rate of the facility).</p>
8.	Ceiling on default interest.	Not Applicable.	As notified by ALCO from time to time.
9.	Cross Default .	Any default committed by "A" shall be deemed to be an event of default by "B". Any default committed by "B" shall be deemed to be an event of default by "A". Hence the liability of both the entities shall be joint and	<p>In such event of default, bank is at liberty to recall all the advance of both the companies / concerns.</p> <p>1% (The rate will be over and above the interest rate of the facility) on the limit amount for the delayed</p>

Sl.	Facility / Nature of default (as applicable)	Reckoning of default interest	Default interest rate (p.a.) payable monthly
		<p>several.</p> <p>And/or</p> <p>Any default committed under "A" program shall be deemed to be an event of default under "B" program. Any default committed under "B" program shall be deemed to be an event of default under "A" program. Hence the liability under both the programs shall be joint and several.</p>	<p>period will be charged for the company / concern other than the company / concern in default for the default period.</p> <p>All the promoters of both the companies will be personally responsible to pay the bank dues owing to both the companies/concerns along with interest.</p>

**Default interest Rates  
(for bill / cheque purchase / discounting facilities)**

**A. Inland Bills**

Sl.	Type of Facility (as applicable)	Reckoning of default interest	Default interest rate (p.a.) payable monthly
1.	Demand Bill Purchased (outstation).	<p>Default interest will be charged from the 8<sup>th</sup> day post purchase (i.e. allowing 7 days for transit) till the date of realization.</p> <p>For bills returned unpaid, the default interest would be charged from the date of purchase till the date of recovery.</p>	<p>2% over the documented rate.</p> <p>6% over the documented rate.</p>
2.	Demand Bill Purchased (Local).	<p>Default interest will be charged from the 3<sup>rd</sup> day post purchase till the date of realization.</p> <p>In case the bill is returned unpaid, the default interest would be charged from the date of purchase till the date of recovery.</p>	<p>2% over the documented rate.</p> <p>6% over the documented rate.</p>
3.	Usance Bills	For period beyond the due	2% over the documented rate.

Sl.	Type of Facility (as applicable)	Reckoning of default interest	Default interest rate (p.a.) payable monthly
	discounted.	date.  In case the bill is returned unpaid, the default interest would be charged from the date of discount till the date of recovery.	6% over the documented rate.
4.	Inland Cheques Purchased – Outstation.	Default interest will be charged from the 8 <sup>th</sup> day post purchase (i.e. allowing 7 days for transit) till the date of realization.  If the cheque is returned unpaid, the default interest would be charged from the date of purchase till the date of recovery.	2% over the documented rate.  6% over the documented rate.
5.	Inland Cheques Purchased – Local.	If the cheque is returned unpaid, default interest would be charged from date of purchase till date of recovery.	6% over the documented rate.
6.	Bills received under Inland L/C.	<b>Sight Bills</b> In case of Inland bills under L/C not paid within 7 days from the date of receipt, default interest would be charged from the 8 <sup>th</sup> day till the date of realization.  <b>Usance Bills</b> In case of Inland Usance bills not paid on the due date, default interest would be charged from the due date to the date of realization.	I Base + 10%.  I Base + 10%.

### B. Foreign Import Bills

Sl.	Type of Facility (as applicable)	Reckoning of default interest	Default interest rate (p.a.) payable monthly
1.	Import Bills under Letter of Credit (L/C).	Sight Bills In case of Import bills under L/C not paid within 10 days from date of receipt, default	I Base + 10%.

Sl.	Type of Facility (as applicable)	Reckoning of default interest	Default interest rate (p.a.) payable monthly
		<p>interest would be charged from the 11<sup>th</sup> day till the date of realization.</p> <p>Usance Bills In case of Import Usance bills not paid on due date, default interest would be charged from the due date to the date of realization.</p>	I Base + 10%.
2.	EPC / PCFC Recovery from Current / Cash Credit a/c.	<p><b>1) EPC</b> In case the EPC is liquidated after the due date by submission of export documents, then default interest would be charged from due date till liquidation date (provided the export docs are submitted within 360 days from the date of advance)</p> <p>If EPC is not liquidated from export proceeds within 360 days from the date of advance or if EPC is recovered from Current / Cash Credit account.</p> <p><b>2) PCFC</b> In case of cancellation of the export order for which the the PCFC was availed of by the exporter from the bank, or if the exporter is unable to execute the export order.</p> <p>In all other cases.</p>	<p>I Base + 10%.</p> <p>I Base + 10%.</p> <p>I Base + 10%.</p> <p>I Base + 10%.</p>
3.	De-linking of export bills.	For the period beyond the due date, i.e for the default period where there has been an advance (pre or post shipment) availed by the exporter.	I Base + 10%.

Sl.	Type of Facility (as applicable)	Reckoning of default interest	Default interest rate (p.a.) payable monthly
4.	Default rate of Interest in Inland Bill.	Default interest will be charged from due date till date of realization.	2% over the documented rate.

**Default interest Rates  
(for Bank Guarantee)**

Sl.	Facility / Nature of default (as applicable)	Reckoning of default interest	Default interest rate (p.a.) payable monthly
1.	Default on invocation of Bank Guarantee.	In case payment is not made towards invoked Bank Guarantee within 2 days, default interest would be charged from the date of receipt of claim till the date of payment.	1 Base + 10%.

**Default interest Rates  
(for Term Loan)**

Sl.	Facility / Nature of default (as applicable)	Reckoning of default interest	Default interest rate (p.a.) payable monthly
1.	Domestic Term Loans.	In case of any delay in the repayment of principal installment or payment of interest, charges or other monies due on the facility, default interest rate shall be levied from the due date till such time the overdue amount is paid.	Documented rate + 6%.
2	International Term Loan.	In case of any delay in the repayment of principal installment or payment of interest, charges or other monies due on the facility, default interest rate shall be levied from the due date till such time the overdue amount is paid.	Documented rate + 6%.

Note:

1. Documented Rate means the rate at which the facility was contracted.

2. I Base means ICICI Bank Base Rate.
3. In case of any levies / charges such as interest tax are levied on the default interest, such levies / charges shall be collected separately from the borrower in addition to the default interest. This would be as per prevailing standard agreements.
4. In case of change in the Documented Rate mentioned above, the default interest rate would also correspondingly undergo a change.
5. ALCO refers to Asset and Liabilities Committee.