

 <b>बैंक ऑफ महाराष्ट्र</b> <b>Bank of Maharashtra</b> भारत सरकार का उद्यम एक परिवार एक बैंक	<b>अंचल कार्यालय लातूर</b> Zonal office Latur "Pushpak Plaza", 2nd Floor, AUSA Road, Latur- 413531 <b>टेलीफोन/TELE :</b> (02382)240158/159 <b>ई-मेल/e-mail :</b> cregen_lat@mahabank.co.in	  भारत सरकार एक परिवार एक बैंक
	<b>प्रधान कार्यालय: लोकमंगल, 1501, शिवाजीनगर, पुणे-5</b> <b>Head Office: LOKMANGAL, 1501, SHIVAJINAGAR, PUNE-5</b>	

AX39/ADV/Smart/Dharmabad Main/2022-23

Date: 27.03.2023

The Branch Manager  
Bank of Maharashtra  
**Dharmabad Branch**

CPC Agriculture Sanction	
Sanction no.	<b>ZLCC/CM/1733/2022-23</b>
Activity Code	<b>63004</b>
Category	Priority- Agriculture

Dear Sir,

**Reg:** Request for New Term Loan of **Rs.59.78 Lakh** for Construction of warehouse & installation of seed processing unit to **M/s. Godamai Rural Farmer Producer Company limited.**

**Directors:** - 1. Mr. Madukar Kushalrao Palewad 2. Mrs. Mukta Sanjay Rampure 3. Mr. Pawan kumar Narayan Kuntewar 4. Mr. Sanjaykumar kishan rao Rampure 5. Mr. Mohan Gangadhar Dids here

We refer to your Letter for new Term Loan for Construction of Shed Civil work. Purchase of various Machineries for Processing Cleaning & Grading Unit, to the above borrower. We are now pleased to convey sanction approved by CM -CPC sanctioning New Term Loan of Rs. 59.80 Lakh to above applicant, on following terms and conditions:

Facility	Term Loan
Name Of account	<b>M/s. Godamai Rural Farmer Producer Company limited.</b>
Amount of Loan	Rs. 59.80 Lakh (Rs. Fifty Eight Lakh Eighty Thousand only)
Purpose	Construction of Shed Civil work. Purchase of various Machineries for Processing Cleaning & Grading Unit.
Security	<b>1. Primary Security-</b> 1.Registered Mortgage of Agril. Land having Ghat no 42, at Channapur ,Tal. Dharmabad Dist. Nanded area adm 0.20 Ha. In the name of Mukta Sanjay Rampure on lease to the company for <b>29 years</b> & Construction Thereon.  <b>2. Hypothecation of processing plant &amp; machinery and other movable assets of the project.</b>  <b>Collateral Security- NIL</b> Credit guarantee cover for loan under <b>CGTMSE</b> credit guarantee scheme.
Margin	10.00 % in banks favor
Repayment	Repayment of Term Loan will be in <b>7 yearly installments of Rs. 8.55 Lakhs plus interest.</b>  <b>1<sup>st</sup> installment will be on completion of one year after first date of disbursement</b>
Interest Rate	With reference to the letter and circular dated 12.08.2020, 13.01.2021 and 12.05.2021 ref no. AX 1/AGRI/ABA-AIF/Cir-27/2021-22. And as per communication received from head office regarding AIF Scheme-

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	Special Rate of Interest @ 6 Month MCLR+1.00 (Floating) subject to <b>maximum 9.00 %</b> for the eligible proposals (eligible for Interest Subvention @ 3%) = <b>applicable ROI is 9.00 %</b>
<b>Processing, Documentation fees &amp; Inspection/supervision charges</b>	1% of the term loan.
<b>CIBIL Charges</b>	CIBIL Charges to be obtained Rs.500/- per individual, and consumer CIBIL Rs. 500/- per enquiry.
<b>Disbursement</b>	Disbursement to be done in stages as per requirement for purchase of machinery and construction.  Disbursement will be on receipt of subsidy along with customer margin.  The loan amount to be disbursed by DD /RTGS/NEFT after receipt of margin from the applicants to the extent possible. Relevant receipts to be kept on record. End use to be ensured.  Post sanction /Post disbursement visits to be done and reports thereof to be kept on record.
<b>Charge Noting</b>	Our charge / modification of charge shall be registered with ROC within the prescribed period. Further our charge on the implements by way of Hypothecation should also be registered with CERSAI.
<b>BSR Activity Code</b>	<b>ATL-WAREHOUSE-COLDST MCLR</b>
<b>Product Code</b>	<b>6622 – 1205</b>

**Guarantors:-**

**All promoters of company in their personal capacity will guarantee the proposed credit facility.**

Sr. No.	Full Name	Present Residential Address
1	Mr. Madukar Kushalrao Palewad	A/p.Channapur Tq.Dharmabad Dist.Nanded -431711
2	Mrs. Mukta Sanjay Rampure	A/p.Channapur Tq.Dharmabad Dist.Nanded -431711
3	Mr. Pawan kumar Narayan Kuntewar	A/p.Channapur Tq.Dharmabad Dist.Nanded -431711
4	Mr.Sanjaykumar kishan rao Rampure	A/p.Channapur Tq.Dharmabad Dist.Nanded -431711
5	Mr.Mohan Gangadhar Didshere	A/p.Channapur Tq.Dharmabad Dist.Nanded -431711

**\*Before disbursement construction permission to be obtained from competent authority**

**Terms & conditions:**

1	Register Mortgage to be done & our bank's charge should be noted Agril. Land having Ghat no 42, at Channapur, Tal. Dharmabad Dist. Nanded area adm 0.20 Ha before disbursement of loan.
2	Branch should obtain revised quotations as per the amount approved by Smart Scheme committee in their letter dated
3	Branch should obtain Due Diligence report from Rubix for Quotation verification of venders.
4	Branch should ensure disbursement as per the margin norms of SMART Scheme.
5	CERSAI to be done for hypothecated assets. Also, Branch should confirm that Our bank Charge is noted with appropriate authority/ CERSAI for primary securities. Fees for

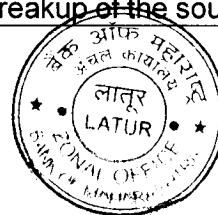
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	<b>creation of CERSAI charge to be recovered from Borrower.</b>
6	<b>Branch should ensure that the credit facility is covered under CGTMSE in time and fees to be borne by applicant only. CGPAN No to be updated in CBS.</b>
7	<b>Branch should ensure that Charge creation with Registrar of Companies (ROC) has to be done in case of Hypothecation of Assets created out of bank finance within 30 days from the date of disbursement.</b>
8	<b>All documentation formalities should be completed before disbursement of proposed facility through loan docs.</b>
9	<b>Branch to ensure that Comprehensive Insurance Policy with our Bank clause is obtained for hypothecated implements.</b>
10	<b>The borrower should submit unequivocal and unconditional consent and undertaking to the bank that the bank shall at its sole discretion, be entitled and at liberty to exercise its absolute right to cancel the limits, referred above, unconditionally and without any prior notice in case of occurrence of all or any other of the following events:</b>
	<b>a) The limits/part of limits are not utilized.</b>
	<b>b) Deterioration in the loan account in any manner whatsoever.</b>
	<b>c) Non-Compliance of the terms and conditions of sanction.</b>
	<b>d) Any other reason which the bank considers appropriate to cancel the facility.</b>
11	<b>Borrower should close Current Account maintained with other Banks (if any) and with our Bank. Branch should obtain closure letter and closure statement and kept it on record.</b>
12	<b>Entire Business Turnover should be routed through Current A/c maintained with us</b>
13	<b>End use should be verified by the Branch on every stage &amp; on completion of project end use certificate to be obtained from Chartered accountant.</b>
14	<b>Branch is to ensure that CIF of Directors &amp; guarantors are linked to the credit facilities in name of Firm. Proper KYC updating for all credit facilities to be carried out by Bank Branch.</b>
15	<b>The loan should be disbursed only after total compliance of all the Pre disbursement terms &amp; conditions of sanction.</b>
16	<b>Newt worth certificate to be obtained for all directors before disbursement.</b>
17	<b>Branch is obtain certified copy of the resolution passed at the Board meeting of the Company authorizing borrowable of credit limits from the Bank and execution of the loan documents be obtained. Further the copy of board resolution stating that borrowings of the company are within the total borrowing powers as per MoA/AoA be kept on record.</b>
18	<b>Branch has to obtain All permissions including Building/ Power /Warehouse corporation etc.</b>
19	<b>Closer letter / CIR from SBI</b>

## STANDARD TERMS AND CONDITIONS

For Term Loan Facility:	
1	The company/ firm to submit draw down schedule at the time of first drawl which should be maximum within six months from date of sanction otherwise the sanction shall lapse.
2	If the draw down is not completed within moratorium period, the remaining undrawn portion shall be treated as cancelled unless extension is permitted by the bank.
3	The promoter's contribution / internal accruals shall be brought in up front/proportionately as the case may be during the implementation period.
4	The applicant/borrower shall submit to the bank monthly / quarterly progress report on implementation of the project along with a certificate from the architect certifying the physical progress of the project work and a certificate from Chartered Accountant certifying the breakup of the source of funds and use

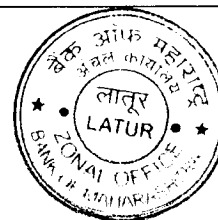


	of funds in the project.
5	The capital expenditure already incurred by applicant/ borrower, if any, towards implementation of the project may be reimbursed by retaining stipulated margin subject to production of detailed statement duly certified by a Chartered Accountant and other documentary proof like receipts of payment made etc.
6	The branch shall ensure end use of funds. Post disbursement visit report be kept on record.
7	Any overrun in the cost of project shall be solely met by the applicant/borrower by raising equity and / or additional long term funds in the manner acceptable to the Bank. An undertaking to that effect be obtained.
8	In the event of prepayment of the term loan, the applicant/borrower shall pay prepayment penalty at 1% on the amount prepaid. This condition is applicable if the sanctioned amount of term loan is Rs.1.00 crore or more
9	The applicant/borrower shall submit an undertaking that it will not to create any other charge over the machineries / equipment(s) hypothecated to the Bank and over properties mortgaged to the Bank which are purchased out of Bank finance.
10	The applicant/borrower shall not shift or remove the security described in the schedule of agreement without the prior approval of the Bank in writing
11	The SCOD of the project is subject to finalization at the time of financial closure/documentation
12	Branch or Zonal office shall obtain and kept on record the original invoices from suppliers/contractors or a list of machinery / equipment etc. and photocopies of invoices thereof duly certified by Chartered Accountant.The applicant/borrower should confirm and demonstrate before disbursement that all approvals, clearances, consents and waivers etc. required for the project are obtained from the competent authorities and are valid and effective. The applicant/borrower shall further undertake to keep them valid and effective during the tenure of the loan/bank facility.
13	As far as possible, the loan should be disbursed directly to the contractors/builders/suppliers through DD/PO/RTGS and necessary receipts and certificates should be held on record.
14	In case of project loans,the applicant/borrower should undertake to give 1 <sup>st</sup> right of refusal to the bank for participation in their future working capital requirements including non-fund based requirements on completion of the project.
15	In case of consortium/Joint lending arrangements, all other terms and conditions as stipulated by the leader bank / other bank in the consortium/joint lending shall be applicable Mutatis Mutandis for the credit limits sanctioned by our Bank so far as same are not detrimental to interest of our bank.

**Other General terms and conditions:**

**Undertakings/Declarations to be obtained from the applicant/borrower:**

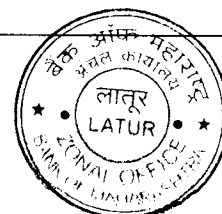
1.	An undertaking from the applicant/borrower be obtained that it will not utilize the working capital finance for acquisition of fixed assets. An undertaking stating that the amount of the loan will not be utilized for speculative purposes should also be obtained.
2.	An undertaking from the applicant/borrower be obtained that it will obtain NOC from the Bank for availing of credit facilities from other Banks / FI's for further expansion of business, taking up new business activity or setting up / investing in a subsidiary whether in the same business line or related business.
3.	An undertaking to be obtained from the applicant/borrower that it shall submit a certificate at the end of every quarter furnishing details of accounts opened with other Bank/sor it shall submit nil certificate if no account is opened during the quarter.
4.	An undertaking be obtained from the applicant/borrower that in case of shortfall in estimated profitability/cash accrual it will make good the shortfall immediately by infusion of additional capital and / or long term sources and this support will be kept valid during the currency of bank finance.
5.	An undertaking be obtained from the applicant/borrower that it will maintain the level of unsecured loans estimated and accepted if any at the time of sanction throughout the currency of the bank's dues.
6.	An undertaking be obtained from the applicant/borrower that it shall not transfer / invest funds from the facility/ies availed from the Bank in whatsoever manner in any other concern.
7.	An undertaking to be obtained from the applicant /directors /firm / partners / proprietor/trustees/ guarantors stating that they have no objection for disclosure of their names to RBI/CIBIL as per requirements.



8.	An undertaking to be obtained from the applicant/borrower stating that the payment to small investors (if public deposit is accepted) is up to date and dues to SSI suppliers are paid on time.
9.	An undertaking to be obtained from the applicant/borrower stating that it is not applicant/borrower in which any of the directors of other banks hold substantial interest or is interested as a Director/Partner or Guarantor.
10.	An undertaking to be obtained from the applicant/borrower stating that the directors of the company/partners/proprietor of the firm/ trustees of trust are not directors / relatives of directors of bank.
11.	A declaration be obtained from the applicant/borrower/ its directors/partners/proprietor/trustees and guarantors that no litigation is pending against them prior to disbursement.
12.	A declaration to be obtained from the directors of the company / partners-proprietor of the firm/ trustees of the trust stating that they are not related to any of the directors/Senior officials of the Bank.
13.	The applicant/borrower should maintain adequate books of accounts, as per applicable accounting practices and standard, which should correctly reflect its financial position and scale of operations and should not radically change its accounting system without notice to the Bank
14.	The applicant/borrower should submit to the Bank such financial statement as may be required by the Bank from time to time in addition to the set of such statements to be furnished by the applicant/ borrower to the Bank as on the date of publication of the applicant/ borrower's annual accounts
15.	The applicant/borrower should not induct into its Board a person whose name appears in the wilful defaulters list or RBI/CICs. In case such a person is already on the Board of the borrowing company, it would take expeditious and effective steps for removal of that person from its Board. Nominee directors are excluded for this purpose
16.	The applicant/borrower shall keep the Bank advised of any circumstance adversely affecting the financial position of subsidiaries/ group companies or companies in which it has invested, including any action taken by any creditor against the said companies legally or otherwise.
17.	The applicant/borrower shall deal with our Bank/ Banks under consortium/ multiple banking arrangement exclusively, shall not open current account(s) with any other Bank without our permission. The applicant/ borrower's entire business relating to their activity including deposit, remittances, bills/ cheque purchase, non-fund based transactions including LCs and BGs, Forex transactions, merchant banking, any interest rate or currency hedging business etc. should be restricted only to the financing banks under consortium/ multiple banking arrangement
18.	Fund Based limits both in Working Capital and Term Loan, should be regulated through an Escrow Mechanism as agreed among banks to avoid any kind of diversion of funds.
19.	The applicant/borrower shall keep the Bank informed of the happening of any event likely to have a substantial effect on their profit or business: for instance, if, the monthly production or sales are substantially less than what had been indicated, the applicant/ borrower shall immediately inform the Bank with explanations and the remedial steps taken and / or proposed to be taken
20.	The applicant / borrower shall not affect any change in its capital structure where the shareholding of the existing promoter(s) gets diluted below current level or 51% of the controlling stake (Whichever is lower), without prior permission of the Bank-for which 60 days prior notice shall be required. In case of limited liability partnerships and partnerships firms "promoters' would mean managing partners for the purpose of this covenant
21.	No commission/ consideration to be paid by the applicant/ borrowers to the guarantors for guaranteeing the credit facilities sanctioned by the Bank to the applicant/ borrowers.
22.	The applicant/ borrower will utilise the funds for the purpose they have been lent. Any deviation will be dealt with as per RBI guidelines
23.	Promoter's shares in the borrowing entity should not be pledged to any Bank/ NBFC/Institution without our consent
24.	Field offices to obtain suitable declaration from the applicant company / firm, its Directors &/ partners, guarantors that no litigation (otherthan arising in normal course of business) is pending against the applicant/ borrower/ guarantors/ group concerns prior to disbursement of funds.
25.	The undernoted covenants will be subject to prior notice being given by the applicant/ borrower and being agreed to by the Bank. If the Bank turns down the applicant/ borrower's request but the later still goes ahead, the Bank shall have the right to call up the facilities sanctioned <ul style="list-style-type: none"> <li>i. Formulating any scheme of amalgamation or reconstruction.</li> </ul>

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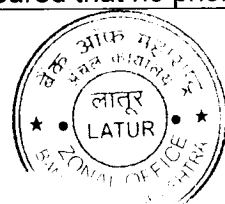


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- ii. Undertaking any new project, implementing any scheme of expansion/ diversification or capital expenditure or acquiring fixed assets (except normal replacement indicated in funds flow statement submitted to and approved by the Bank) if such investment results into breach of financial covenants or diversion of working capital funds to financing of long term assets.
- iii. Investing by way of share capital in or lending or advancing funds to or placing deposits with any other concern including group companies. (Normal trade credit or security deposits in the ordinary course of business or advances to employees can, however, be extended). Such investment should not result in breach of financial covenants relating to TOL/Adj. TNW and current ratio agreed upon at the time of sanction.
- iv. Entering into borrowing arrangement either secured or unsecured with any other bank, financial institution, and company or otherwise or accepting deposits which increases indebtedness beyond permitted limits, stipulated if any at the time of sanction.
- v. Undertaking any guarantee or letter of comfort in the nature of guarantee on behalf of any other company (including group companies)
- vi. Declaring dividends for any year except out of profits relating to that year after making all due and necessary provisions and provided further that such distribution may be permitted only if no event of default/ breach in financial covenant is subsisting in any repayment obligations to the Bank.
- vii. Creating any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, company, firm or persons.
- viii. Selling, assigning, mortgaging or otherwise disposing of any of fixed assets charges to the Bank. However, fixed assets to the extent of 5% of gross block may be sold in any financial year provided such sale does not dilute FACR below minimum stipulated level. (Not applicable for unsecured loans)
- ix. Entering into any contractual obligation of a long term nature or which, in the reasonable assessment of the Bank, is detrimental to lender's interest, viz. acquisitions beyond the capability of borrower as determined by the present scale of operations or tangible net worth of the applicant/ borrower/ net means of promoters etc. leveraged buyout etc.
- x. Changing the practice with regard to remuneration of Directors by means of ordinary, remuneration or commission, scale of sitting fees etc. except where mandated by any legal or regulatory provisions.
- xi. Undertaking any trading activity other than the sale of products arising out of its own manufacturing operations. (Not applicable in case of finance is for trading activity only)
- xii. Permitting any transfer of the controlling interest or making any drastic change in the management set-up including resignation of promoters directors.
- xiii. Repaying monies brought in by the promoters/ directors/ principal shareholders and their friends and relatives by way of deposits/ loans/ advances. Further, the rate of interest, if any, payable on such deposits / loans/ advances should be lower than the rate of interest charged by the Bank on its term loan and payment of such interest will be subject to regular repayment of instalments of term loans granted/ deferred payment guarantees executed by the Bank or other repayment obligations, if any, due from the applicant/ borrower to the Bank.
- xiv. Approaching capital market for mobilizing additional resources either in the form of debt or equity.

#### Documentation

26.	The credit limits shall be released after completing documentation. If the branch is under concurrent audit, then concurrence of the auditor as per HO circular to be obtained at the time of disbursement
27.	Upon completion of documentation the same shall be subject to verification by law officer / panel advocate before release of facilities as per HO circular. In case of consortium/JLA vetting by LLC be obtained.
28.	Certified copy of the resolution passed at the Board meeting of the Company authorizing borrowable of credit limits from the Bank and execution of the loan documents be obtained. Further the copy of board resolution stating that borrowings of the company are within the total borrowing powers as per MoA/AoA be kept on record.
29.	Our charge / modification of charge shall be registered with ROC wherever applicable within the prescribed period. Further our charge on the property/ies by way of mortgage should also be registered with CERSAI. Prior to creation of our charge with CERSAI it should be ensured that no prior charge is



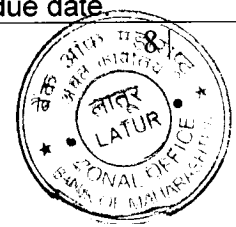
	created / is in existence on the property which is proposed for mortgage to avoid multiple charges on the same property and to prevent fraudulent transactions
30.	Legal opinion on the immovable properties offered as primary / collateral shall be obtained from our panel advocate to ensure valid and enforceable mortgage. Mortgage / documentation formalities shall be completed under due legal advice. In case the account is under consortium /JLA, copy of such opinion obtained by the lead bank from their panel advocate/LLC be held on record
31.	Valuation report of the immovable / movable fixed assets to be mortgaged / hypothecated shall be obtained from the Bank's approved valuer. In case of exposure above Rs. 5.00 Crore, valuation from 2 panel valuers shall be obtained. In case of material variation between the two valuations, lower of the two shall be considered. In case the account is under consortium /JLA, copy of such reports obtained by the lead bank from their panel valuers be held on record
32.	All securities charged to the Bank shall be insured against all risks for the full value at the Company's/firm's cost and the policy shall remain in the joint names of the applicant/borrower and Bank with bank clause duly incorporated therein.
33.	Where pledge of shares is stipulated it should be ensured that the bank does not hold shares of an amount exceeding 30% of the paid up share capital of that company or 30% of bank's paid up capital and reserves whichever is less.
34.	In case of advance under consortium, the facility shall be operative subject to formal admission of our Bank as member of consortium & completion of Joint Documentation by consortium OR execution of individual documents by obtaining letter for ceding pari-passu charge on primary and collateral security along with NOC from consortium leader/ members if specifically permitted in the sanction.
<b>Restrictive Covenant</b>	
35.	The applicant/borrower is prohibited from using the facility amount or any part thereof for any purpose other than for which it has been sanctioned and in case of violation, the bank has a right to recall the facility amount or any part thereof at once notwithstanding anything contrary to the above or any other agreement
36.	The applicant/borrower should not make any drastic change in their management set up without the Bank's permission.
37.	The sanction accorded by the Bank does not vest in any right to claim any damages against the Bank for any reasons whatsoever
38.	The bank reserves the right to transfer part or full amount of credit facility availed to any other FI / Bank / Asset Reconstruction company / Institution.
39.	The Company shall not declare any dividend unless satisfactory arrangements are made for debt servicing.
<b>Bank Reserves the unqualified right (that / to)</b>	
40.	In case of default in repayment of the loan/ advances or in the payment of interest thereon or any of the agreed instalments of the loan on due date(s) by the borrower, the Bank and / or the RBI will have an unqualified right to disclose or publish the applicant/ borrower's name or the name of the applicant/ borrower/ unit and its directors/ partners/ proprietors as defaulters/ wilful defaulters in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit.
41.	Bank will have right to examine at all times the applicant/ borrower's books of accounts and to have the applicant/ borrower's factories inspected from time to time by officer(s) of the Bank and/ or qualified auditors' and / or technical experts and or management consultants of the Bank's choice. Cost of such inspection shall be borne by the applicant/ borrower.
42.	The Bank will have the right to share credit information as deemed appropriate with Credit Information Companies (CICs) or any other institution as approved by RBI from time to time.
43.	To assign/shift a part /full of the advance to any bank/FI without notice to the applicant/borrower by way of participations
44.	To charge / continue to charge interest as indicated at monthly rests and to review rate of interest / commission and other terms applicable from time to time and to modify the same at the sole discretion



	of the Bank and to give notice at any time and thereafter to charge such other rate of interest as the Bank may decide.
45.	To charge higher rate of interest on downgrading of the rating on default in repayment of any loan instalment and/ or servicing of interest in any loan account (including working capital) for any month and to recall the entire advance if the default continues subsequently
46.	To review and re price the credit exposure in case external rating of applicant applicant/borrower is downgraded.
47.	In the event of default in repayment to the Bank or if cross default has occurred, the Bank will have the right to appoint its nominee on the Board of Directors of the applicant/ borrower to look after its interests
48.	In stressed situation or restructuring of debt, the regulatory guidelines provide for conversion of debt to equity. The Bank shall have the right to convert loan to equity or other capital in accordance with the regulatory guidelines
49.	After provision for tax and other statutory liabilities, unless expressly permitted otherwise, the Bank will have a first right on the profits of the applicant/ borrower for repayment of amounts due to the Bank
50.	In the event of default, or where signs of inherent weakness are apparent, the Bank shall have the right to securitize the assets charged and in the event of such securitization, the Bank will suitably inform the applicant/ borrower(s) and guarantor(s)
51.	The Bank reserves the absolute right to cancel the limits (either fully or partially) unconditionally, without prior notice in case the limits / part of the limits are not utilized.
<b>Branch / Zonal office shall ensure that</b>	
52.	Confidential report/s on company/ firm from all existing banker/s is / are obtained and kept on record. Alternatively a certificate from the statutory auditors or chartered accountant firm of the company / firm stating that all accounts of the applicant/borrower with all the existing banks are in order and are standard is obtained and kept on record.
53.	All un-rectified inspection/audit / credit audit / stock audit / concurrent audit / APR comments are rectified prior to disbursement / release of enhanced facilities in case of existing borrower
54.	All necessary regulatory / statutory and mandatory clearances / approvals such as environmental, forest, rehabilitation, pollution control etc are in place at the time of disbursement wherever applicable.
55.	CIBIL / Equifax reports of the company and its directors/ firm and its partners-proprietor/ trust & its trustees be obtained and it shall reflect satisfactory credit history.
56.	Latest personal information forms duly filled in by the director's /partners/ proprietor/ trustees /guarantors and Net worth details supported by relevant tax returns/ duly certified by their auditors are obtained.
<b>Charges:</b>	
57.	Processing charges / Upfront Fees/ Supervision / Inspection / Commitment / Amendment/NOC issuance charges etc wherever applicable shall be collected as per the Banks' rules unless specifically waived / concession is granted. Processing fee is to be recovered on annual basis for working capital facility. All other charges as per extant guidelines of the bank and Service Charge rules will be recovered (wherever applicable) unless specifically waived / concession is granted.
58.	Penal interest @1.00% p.a. is applicable for non-compliance of terms of sanction, non-creation of security and penal interest @2.00% p.a. is applicable in case of payment default. Where simultaneous defaults are observed under various heads where penal interest is applicable, the maximum penal interest to be charged over and above the normal applicable rate of interest shall be restricted to 2% p.a.
59.	Each of the following events will attract penal interest at 1% over and above the normal interest applicable in account : a. For the period of overdue interest/ instalment in respect of Term Loans and over-drawings above the drawing power/ limit in Fund Based Working Capital accounts on account of interest / devolvement of Letter of Credit/ Bank Guarantee, insufficient stocks and receivables etc. b. Delay in submission of stock statements defined as number of days as per bank specific policy. c. Non-submission of Audited Balance Sheet within 6 months of closer of financial year d. Non submission / delayed submission of FFRs, wherever stipulated, within due date

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	e. Non submission of review/ renewal data at least three months prior to due date or as permitted. f. Non-objection of external credit risk rating from agency approved by RBI.
<b>Monitoring</b>	
60.	The Branch should reconfirm the External Rating of the applicant/borrower before disbursement of the fresh credit facility. If there is any down-gradation from the last reported rating, the same should be brought to the notice of sanctioning authority prior to disbursement
61.	The applicant/borrower shall submit to the Bank, every year, audited annual accounts within a period not exceeding 6 months / three months (in case of listed companies) from the close of the previous accounting year. Similarly quarterly results wherever applicable shall also be submitted within 45 days from the end of the last quarter
62.	Cash Flow statements duly certified by the company/ firm should be submitted at quarterly intervals if applicable
63.	External Rating as required under Basel II/ III to be renewed every year from an approved rating agency failing which penal interest of 1% shall be charged for the period of default. Wherever the external rating is downgraded, additional interest @ 25bps shall be charged per notch downgrading.
64.	Proper sign board should be displayed / painted on the factory premises / go downs at a conspicuous place giving clear notice of the Banks' charge over the assets of the unit.
65.	Field authorities shall make visit to unit/s of the applicant/borrower including registered / corporate offices once in 6 months. Visit Report be kept on record. Pre and Post sanction visit reports with end use certificate, verifying the end-use be held on record. Pre sanction visit of the properties offered as principal / collateral securities be made and report thereof be held on record confirming the acceptability of the valuation given by the valuer of those properties.
66.	End use certificate from the applicant/borrower be obtained certifying that funds have been used for the purpose for which the facilities have been sanctioned. Where the accounts of the applicant/borrower are subject to audit, the end use certificate should be obtained from the auditors of the applicant/borrower.
67.	Zonal Office/Branch to study the balance sheets of sister concerns, as far as possible on a common date else balance sheet not older than nine months to analyze interlocking of funds, diversion of funds etc. Any material negative observation revealed from above exercise shall be reported to the sanctioning authority
68.	The branch to submit a confirmation letter having complied with all the terms of sanction at the time of disbursement to the Head office/ Zonal office as the case may be.
69.	In case of shortfall in NWC, Zonal Office / Branch shall monitor the account closely and confirm that applicant has infused adequate funds by way of capital or long term sources ( in manner acceptable to the bank) in order to meet the NWC shortfall. Improvement in NWC shall be verified from quarterly results duly certified by Chartered Accountant/Auditors of the applicant/borrower.
70.	Field authorities shall obtain certificate at the end of every quarter from the company, furnishing details of accounts opened with other banks. If no such account is opened, a nil certificate should be obtained.
71.	A certificate from CA stating that all statutory dues are paid up to date be obtained.
72.	All the facilities sanctioned are subject to annual review
73.	In case of MBA/Consortium/JLA, exchange of information should be ensured as per H.O. circular AX1/CCC/Cir No.20/2008-09 dated 24.09.08 and Cir. No.AX1/CCC/Cir.No.37/2008-09 dated 16/02/2009.
74.	Bank's guidelines on JLA/JLF shall be adhered to strictly ( Wherever applicable )
75.	Field authorities shall adhere to extant guidelines and instruction on obtaining / Sharing of Information relating to credit, derivatives and un-hedged foreign currency exposure for borrowers availing credit facilities under consortium / multiple banking arrangement / Joint lending arrangement before release of credit facility.
76.	Bank's policy on un-hedged foreign exchange exposure as enumerated in Cir no Ax1/Credit Mon / 63 / 2012-13 shall be adhered to strictly in case of un-hedged foreign exchange exposure.
77.	Additional Interest as stipulated in HO circular no. AX1/Cr. Mon/Cir. No.24/2014-15 dated 26.03.15 on <b>un-hedged</b> Foreign Currency exposure to the borrower enjoying total exposure of Rs.10.00 Crore and above be recovered on getting the information from TIBD on quarterly basis.



78. The period of validity of sanction is as under:  
Short term loan (up to 6 month): 1 Month  
CRE Exposure: 3 months  
Others: 6 months

Branch has to follow the guidelines of Loan policy circular no. AX1/IRMD/Loan Policy/  
Cir No. 25/2022-23 dated 14.10.2022 and Cir. No. AX1/PSRC/Agri/SMART MoU/MH-  
02/2022-23 dated 29.07.2022 Regarding MoU with GoM for SMART Project.

Compliance of terms & condition should to be reported to our office immediately after the  
disbursement.

Yours faithfully



14/4/23  
Chief Manager  
CPC Commercial  
Latur Zone



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