

 <p>बैंक ऑफ महाराष्ट्र Bank of Maharashtra भारत सरकार का उपग्रह एक परिवार एक बैंक</p> <p>प्र.का.: लोकमंगल, 1501, शिवाजीनगर, पुणे-5 H. O.: LOKMANGAL, 1501, SHIVAJINAGAR, PUNE-5</p>	<p>सातारा अंचल कार्यालय/Satara Zonal Office ऋण विभाग / Credit Department जीवनतारा, एलआईसी बिल्डिंग, कलेक्टर कार्यालय के सामने, सातारा-1 "Jeevantara", LIC Building, Opp. Collector Office, Satara-1</p> <p>टेली. :02162-236106 email: creagr_sat@mahabank.co.in</p>	 <p>आजादी का अमृत महोत्सव</p>
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AX12/CPC/Agri./2022-23

Date: 19/12/2022

To,

The Branch Manager
Bank of Maharashtra
Bodwad Branch,
Jalgaon Zone

Sanction No.	In-Charge CPC/Agri./117/2022-23
BSR Activity Code	10307/CONSTRUCTION OF WAREHOUSE - STORAGE

Dear Sir,

Reg: M/s Aadishakti Muktai Krushi Vikas Farmers Producer Company Limited

This has reference to your letter recommending new Term Loan facility to M/s Aadishakti Muktai Krushi Vikas Farmers Producer Company Limited. In this regard, a note was placed before Chief Manager, CPC-(Agri & Retail), Jalgaon and we accord sanction for New Term Loan facility to M/s Aadishakti Muktai Krushi Vikas Farmers Producer Company Limited in the terms and conditions as under:

Facility	Term Loan (New) – under Smart Project
Amount	Rs 36.37 lakhs (Rs Forty Eight Lakhs & Forty Two Thousand Only)
Purpose	For Civil Construction of factory Building to set up Godown Facility Northern side portion adm 0.40 r. which is totally adm 1 h 44 r of Gat No 154/2/1 Bodwad-Malkapur Road, Ghankhed, Tal –Bodwad, Dist-Jalgaon
Product Code	6622-1295 (ATL-MKSY-RLLR)
Activity Code	10450/Warehouse & Agri Other
Security	<p>Primary :</p> <p>1.Hypothecation of plant & machinery, Computers, Furniture, Fixtures, Electrical Installation & Other assets of the business to be created from bank finance.</p> <p>2.Registered/Equitable Mortgage of Land & all the factory buildings constructed & to be constructed at Northern side portion adm 0.40 r. which is totally adm 1 h 44 r of Gat No 154/2/1 Bodwad-Malkapur Road, Ghankhed, Tal –Bodwad, Dist-Jalgaon</p> <p>Collateral: Nil (Credit guarantee cover under NABSanrakshan Credit Guarantee Scheme for CGSFPO) As per NABSanrakshan, annual guarantee fee will be charged to FPO@ 0.75% for credit facility upto Rs. 1.00 Crore and @ 0.85% for credit facility above Rs.1.00 Crore. Maximum AGF ceiling of Rs.1,70,000/- and other applicable taxes.</p>
Margin	20.00% in banks favor
Rate of Interest	For CRR BBB (Model Rating), the applicable ROI is at RLLR (9.05%)+1.05% =10.10% p.a. as per Maha Krishi Samruddhi Yojana HO Cir Ref No AX1/Agri/MKSY/Cir. No. 89 /2022-23 dated 29.07.2022 RLLR is subject to change as per HO guidelines. Presently RLLR rate is 9.05%

Total tenure	84 Months including 7 months moratorium period				
Moratorium period	7 Months				
Repayment	Principal shall be repaid in equal monthly instalment of Rs. 51957/- (as per under mentioned table) <table border="1"> <thead> <tr> <th>Period</th> <th>Monthly installment (P.E.D)</th> </tr> </thead> <tbody> <tr> <td>84 months</td> <td>51957/ + applicable Interest</td> </tr> </tbody> </table> <p>Interest repayment: Interest is to be capitalized with the principle in the initial moratorium period. After moratorium period, interest to be served as & when applied. Branch has to regenerate the repayment schedule after completion of the moratorium period.</p>	Period	Monthly installment (P.E.D)	84 months	51957/ + applicable Interest
Period	Monthly installment (P.E.D)				
84 months	51957/ + applicable Interest				
Processing fee.	1% of sanctioned loan amount + GST thereon - 25 % Concession in applicable Processing Fee for borrowers / units with CMR 5 and CMR-6 and Unrated. So Approved Processing Fee is 1.00%-0.25%=0.75% of sanction amount +Applicable GST				
Documentation Charges	0.30% (Max 100000)+ GST				
Inspection/Supervision Charges	0.15% p.a. (Max Rs.20000/- p.a.) + GST Subject to change from time to time				
CERSAI charges	Rs 500/- Per Asset ID+ GST applicable Subject to change from time to time				
CGTMSE search	Rs. 50/-+ GST applicable for successful search Subject to change from time to time				
Credit information company	Individual (CIBIL and CRIF):Rs.100/- Per instance/report + GST applicable Non- Individual (CIBIL and CRIF):Rs.500/- Per instance/report + GST applicable for corporates & Rs.500/-MSME scoring Per instance/report + GST applicable.				
Personal Guarantee of Directors	Nil As per H.O. Circular Ref No AX1/Agri/CGS-FPO/Cir No.105/2022-23 dated 23.08.2022, Page No.2 Point No.V, under NABSanrakshan guarantee for CGSFPO, guarantee including personal guarantee of Board of Directors shall not be taken.				

Specific Conditions:-

1. In cibli report of Mr. Rajendra Bhika Toke 1 substandard account observed so branch to regularize the account before disbursement.
2. Mr. Satya Satyanarayan Khandelwal (7th director as MCA site) has resigned from company dated 20/11/2022 & same has been accepted on 21/11/2022. Roc filing is pending till date so branch to do ROC filing before disbursement.
3. Branch has obtain final CMA signed by the borrower, acceptable to the branch & duly signed copy to be kept on record.
4. Before disbursement, branch has to ensure that, Loan application form, Personal Information Form & other related documents are duly filled in all respect & copies are kept on branch record.
5. Latest Pre-sanction visit & pre disbursement to be done & visit report shall be kept on branch record.
6. Above credit facilities is to be covered under Credit guarantee cover under NABSanrakshan Credit Guarantee Scheme for CGSFPO. As per NABSanrakshan, annual guarantee fee will be charged to FPO@ 0.75% for credit facility upto Rs. 1.00 Crore and @ 0.85% for credit facility above Rs.1.00 Crore. Maximum AGF ceiling of Rs.1,70,000/- and other applicable taxes.
Branch has to ensure that, CGSFPO guarantee cover as per HO guidelines are followed vide H.O. Circular Ref No AX1/Agri/CGS-FPO/Cir No.105/2022-23 dated 23.08.2022
7. Branch has to comply of all HO guidelines stipulated under CGSFPO scheme.

8. Latest CA certified net worth certificate with UDIN no of all the directors shall be obtained & keep the copies on branch record.
9. Branch has to ensure that, our bank charge is created with ROC within stipulated time period.
10. Other charges if any to be recovered as per HO guidelines.
11. Disbursement of machinery loan is subject to the site preparedness to the satisfaction of Branch Head / officials.
12. MKCC account of Director Mr. Ananda Raghu Kamble to be review/renewed as per MKCC guidelines before disbursement of the Loan.
13. Branch should ensure registration of security (hypothecation & mortgage) on CERSAI within 30 days. Please refer circular no. AW1/LEGAL/Cir.5/2016-17 dated 23/05/2016.
14. Repayment schedule need to regenerate after end of moratorium period to capitalize the interest.
15. The Company shall submit the declaration that, they will repay the loan even if they doesn't get the subsidy for any reason under Smart Project.
16. Before disbursement, branch has to execute all the required documents for proposed term loan facility.
17. Branch to ensure that, the company possesses all the required licenses/ permissions etc for running the proposed activity and they are in force throughout loan period.
18. All regulatory/statutory declaration/undertaking as detailed in the note be obtained and held on record.
19. Branch to update the required KYC field and link personal CIF of Directors to term loan account of the company.
20. Company shall route all the business transactions through current maintained with us only & CC/Current account if any with other financial institutes are not to be used/closed for further business transactions.
21. Upon completion of documentation the same shall be subject to verification by law officer / panel advocate before release of facilities as per HO circular.
22. The branch manager to submit compliance certificate of this sanction to CPC, before release of this facility.
23. Comprehensive Insurance of securities charged to the bank be taken after the disbursement of loan limit. Possibility of the life insurance of the Directors and his family to be explored.
24. Branch to update all CERSAI asset id in CBS for all primary and collateral securities mortgaged to us.
25. The CIF of the directors should be updated and all KYC documents of applicant should be updated in their own CIF before disbursement of loan, branch should confirm that, the credit facilities of our bank are reflected in CIBIL.
26. Frequent visit to the unit be paid to ascertain the level of activity and availability of sufficient DP.
27. Branch should explore the possibility for scouting health and general insurance.
28. Penal Interest @ 2 % p.a. to be charged for default in payment of instalment / interest.
29. All other terms and condition of the bank's lending policy should be followed.
30. 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.
31. UCC certificate shall be obtained from the company along with updation of details in ULC in Case of Cash Credit facility availed.
32. Branch Manager should obtain insurance for full value of primary securities for all possible risks with bank's clause and copies be kept on record.
33. Branch has to explore the possibilities of opening account of Atal Pension Yojana of Company Employee.
34. Branch Manager should ensure that all the Directors & company staff are covered under PMSBY and PMJJBY scheme.
35. Any overrun in the cost of project shall be solely met by the company in the manner acceptable to the Bank. An undertaking to that effect be obtained.
36. Branch to complete all the procedures & steps under Smart Project in the due course to ensure receipt of subsidy in time.
37. The Term Loan disbursed by way NEFT/ RTGS and after due diligence of the supplier which also include margin money from the applicant at each stage of disbursement.
38. The Final invoice of the machinery, furniture purchased out of bank finance should be kept on the record.
39. Branch to obtain all Regulatory Declarations as per Lending Policy/ Bank guidelines.
40. The borrower shall submit an undertaking, that he/she/It will not to create any other charge over the machineries / equipments/assets hypothecated to the Bank.

41. The Branch should convey the sanction incorporating all the terms and conditions and obtain unconditional acceptance to all conditions of sanction from the borrowers on the copy of the sanction letter.
42. The compliance certificate complying all terms & conditions of the sanction letter should be sent to Zonal office/Sanctioning authority within 1 month from the date of disbursement.
43. Validity of this sanction is for 3 months from the date of sanction. omission
44. Borrower should accord the 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 of the following events:
 - a. The limits/part of limits are not utilized.
 - b. Deterioration in the loan account in any manner whatsoever.
 - c. Non-compliance of the terms and conditions of sanction.
 - d. Any other reason which the Bank considers appropriate to cancel the facility.
45. Other terms & conditions as per annexure 2.

Yours faithfully,

Sri Abhishek Kumar
Chief Manager- CPC
Jalgaon Zone

Annexure – 2 other terms and conditions:

For Working Capital – Cash Credit	
1	The applicant shall submit to the Bank monthly stock statement / book debt statement in the prescribed form within 10th day of each succeeding month. The applicant shall submit the QMR within the prescribed time limit. The drawing shall be restricted to DP (within the sanctioned limit or the operating limit arrived at on the basis of QMR) arrived at on the basis of paid stocks and eligible outstanding book debts subject to retaining the stipulated margin. Calculation of DP shall be as per H.O. Circular no AX.1/CREDIT /ADV/Cir. No 01/2013-14 dated 07.06.2013.
2	In case of Consortium wherever allocation of DP is made available regularly by lead bank the drawing power shall be subject to allocation of DP by lead Bank. Otherwise in case of Consortium / MBA the DP arrived shall be in proportion to our bank share in available DP (based on ratio of sanctioned limit to total limit under consortium / MBA). Details of facilities availed with other banks and Drawing allowed shall be obtained on regular basis.
3	DP shall not be allowed against items i.e. Obsolete stocks, Stocks released under trust receipt, Stock procured under DA LCs till the underlying bills are retired (Otherwise equivalent amount of such Raw material under LCS on DA Basis shall also be shown under eligible creditors), debtors beyond 180 days and doubtful debts.
4	The raw materials procured on DA basis under the LC limit, if any, shall be shown separately in the stock statements and the same shall not be reckoned for DP until such raw material are fully paid
5	The receivables / book debts due from associate / group companies shall not be reckoned for the purpose of computation of DP.
6	Wherever required Book debts statement stating age wise classification of book debts duly certified by Chartered Accountant shall be obtained once in six months
7	Bills discounted under LCS shall not be considered as eligible receivables for the purpose of calculation of DP.
8	In Case of Contractor: Advances Against Bank guarantee for working capital purpose shall be treated as eligible creditors for calculation of DP.
9	For WC limits of Rs 50.00laks and above : All the Current Assets of the Unit will be verified and valued by an External Auditor to be appointed by the Bank on half yearly / quarterly basis and the fees of such auditor / valuer shall be borne by the client. This is in

	addition to the verification that may be carried out by the Bank Officials during their visits to the unit from time to time.
10	Goods charged to bank shall be valued at cost or market price/realizable value whichever is lower. The inventory shall be properly stored in a godowns with free access to the bank officials at all times.
11	Sole Banking: The borrower shall undertake to route all transactions through the account with us. Consortium: The borrower shall undertake to route proportionate turnover through the account with us.
12	Review / Renewal: The facility is subject to review within 12 months. In case the account is not reviewed within 12 months from the date of sanction, however same is reviewed before the end of 15 months from the date of sanction. Then 1% penal interest will be recovered over and above ROI charged. In case the account is not reviewed within 15 months from the date of last sanction then same can reviewed subject to discretion of the bank and recovery of 2% penal interest over and above the sanctioned Rate of interest.

FOR EXPORT CREDIT

1	Releases under the limit be made only against irrevocable LCs/confirmed orders. Branch shall make necessary noting on the copy of export order and/or LC for having disbursed EPC facility.
2	Advance under the limit shall be covered under ECIB (WT-PC) [earlier called as WTPCG] / ECIB (WT-PS) [earlier called as WTPSG] of ECGC. Necessary reporting requirement shall be complied with.
3	Individual buyer's policy to be obtained for non LC export credit
4	No PCL shall be released, if earlier PCL/export bill has become overdue.
5	In the event of non-shipment / non-export of goods covered under the packing credit loan, the rate of interest shall be charged at commercial rate as per the Bank / RBI rules
6	Packing credit shall not be granted for exports to countries placed under restricted cover by ECGC.
7	Stock statement shall be submitted by the company at monthly intervals
8	The facility shall be released in permitted currencies only.
9	The combined rupee and foreign currency liability shall be within the sanctioned limit.
10	The Branch shall obtain necessary clearance of TIBD Mumbai from funds angle before extending PCFC facility.
11	All the operative guidelines issued by RBI / TIBD Mumbai relating to PCFC facilities shall be strictly complied with.
12	The branch shall inform the bifurcation of outstanding rupee and foreign currency liabilities separately in their correspondence
13	Refund of interest on early realization of foreign currency loans is subject to Bank / RBI rules prevailing.
14	Funding cost, if any, on account of early / late realization will be covered as per bank's rule in vogue at a particular time.

For Letters of credit facility:

1	Import LCs shall be established only against valid import license as permitted by the import trade control authorities from time to time and guidelines of Exchange Control / FEMA stipulations / RBI guidelines shall be complied with.
2	LCs shall not be established in favor of associate / group concerns.
3	LC to be opened for genuine trade transactions only.
4	In case of devolvement, generally fresh LC should not be opened till all devolved amount is recovered.
5	Suitable mechanism for meeting LC liability on due date should be put in place. An undertaking from the borrower to retire the documents under LC without devolvement should also be obtained.
6	In case of import LC, exchange fluctuation risk if any has to be borne by the borrower.

	Suitable undertaking in this respect be obtained.
7	LC with 'without recourse' clause should not be opened.
8	LC should not also be opened for procurement of goods other than those dealt with by the borrower in normal course of business without specific permission from competent authority
9	Before opening first LC in favor of a new beneficiary, credit report on the beneficiary shall also be obtained.

Letter of comfort (for availing the Buyers Credit)

1	Letter of Comfort tenor generally be less than or equal to 180 days.
2	The period of such letter of comfort shall be co-terminus with the period of credit.
3	Reference should be made to Head Office (wherever applicable) for any rollover that exceeds 180 days from the date of shipment of the underlying LC &/ bill.
4	Forward cover to hedge Exchange rate risk generally be obtained.
5	LOC should be issued through FEX centre.

For Bank Guarantee facility

1	Guarantees generally be issued in the approved format of the Bank. If a Bank guarantee is to be issued in some other format then vetting from law officer shall be obtained.
2	The company shall furnish an irrevocable authority to the Bank for debiting their account with the amount of claims received from the beneficiary with incidentals, if any.
3	Guarantees covering disputed liability of the borrower will invariably be issued with 100% cash margin.
4	Quarterly progress of performance under bank guarantee be obtained.
5	Guarantees shall not contain any onerous clause
6	In case of export guarantees, appropriate ECGC cover be obtained.
7	In case of foreign guarantees all exchange control guidelines shall be complied with
8	It should be ensured that mandatory clause of "Notwithstanding anything contained herein..." is incorporated in all BGs issued.
9	For Guarantees with validity period exceeding 10 years (except for in favor of courts) prior permission from competent authority should be obtained.

For Term Loan Facility:

1	The borrower to submit draw down schedule at the time of first drawal 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 then 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 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. A certificate be obtained from Chartered Accountant as to the breakup of the source of funds and use of funds in the project.
5	The capital expenditure already incurred, 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.
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 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 company shall pay prepayment penalty at 1% on the amount prepaid.

9	The borrower shall submit an undertaking, that he/she/It will not to create any other charge over the machineries / equipments hypothecated to the Bank.
10	The 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----- . SCOD 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 or a list of machinery / equipment etc and photocopies thereof duly certified by Chartered Accountant. The company 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. Company shall undertake to keep them valid and effective during the tenure of the loan.
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 company should undertake to give 1 st right of refusal to our bank for participation in their future working capital requirements including non fund based requirements on completion of the project.
15	In case of consortium: All other terms and conditions as stipulated by the leader bank / other bank in the consortium 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.
For Restructured advance	
1	Promoters contribution shall be higher of 20% of bank Sacrifice or 2% of Restructured loan amount whichever is higher i.e. Rs. _____. Same shall be brought in upfront by the promoters.
2	Bank reserves right to recompense. Bank also reserve right to accelerated repayment.
3	Bank guidelines on restructuring as enumerated in lending policy 2012-13 & Circular no AX1/CREDIT MONITORING/M CIR NO. 22 /2008-09 / dated 05/11/2008 & Cir. Dated 17/04/2009) are complied with
For Forward Purchase / Sale Contract	
1	The booking should be done against specific request of the borrower company as per laid down procedure.
2	The booking should be for genuine business transactions. Customer's purchase orders / LCs shall be verified before booking the contract.
3	The company should undertake to make good any loss arising on account of extension / cancellation /early delivery of the contract if any
4	All the relevant Exchange control regulations / FEMA / FEDAI and RBI guidelines should be adhered strictly.
5	Our Bank's lien shall duly be endorsed on the relative export orders / LCs / bills/purchase orders.
6	Forward Contracts should be booked on ensuring compliance with Reserve Bank of India guidelines in this regard issued vide Master Circular No. 12 / 2011-12 dated 1 st July 2011 "Risk Management & Inter – Bank Dealing", as well as guidelines issued by our Bank in this regard from time to time.
7	In case of borrower not providing the additional margin whenever advised to provide within the stipulated period, the Bank will be free to cancel the contract without any further reference to the borrower. The borrower shall indemnify the bank and undertake to bear all the charges, costs, exchange difference, swap costs, interests etc. once the contract is cancelled.
8	Substitution of the contract & the commodity shall be at the discretion of bank and as per rules framed by FEDAI.
9	The borrower shall undertake that the contracts are being booked against genuine

exposure and shall not indulge in speculative activities. In case it appears to the bank that the borrower is indulging in speculative transactions, bank will be at liberty to take any action against the borrower which may include cancellation of contracts at the ongoing exchange rates at borrower's risk, responsibility and costs, reporting the matter to RBI or any other regulatory agency, withdrawal of the limits etc.

Commercial Real Estate.

- 1 No part of the facility shall be utilized for reimbursement of the cost of land already purchased /to be purchased for the project. It shall be ensured that no part of such funds is used for any speculation in land.
- 2 The borrower should submit approved construction plan, sketch plan of the location and detailed architects estimates with cost of construction for the project. Same along with project cost and its break up shall be subject to due verification by Chartered engineer & / Panel Valuer.
- 3 The builder/developer/company shall disclose in the pamphlets/Brochures etc. the name of the bank(s) to which the property is mortgaged
- 4 The builder/developer/company shall also append the information relating to the mortgage while publishing advertisement of a particular scheme in newspapers/magazines etc.
- 5 The builder/developer/company shall indicate in their pamphlets/brochures, that they would arrange to provide No Objection Certificate (NOC) /permission of the mortgagee from bank to the buyer of the flat/property at the time of sale, if required.
- 6 The borrower shall obtain all necessary statutory permissions / clearances / approvals from regulatory, governmental, environmental and other statutory agencies, wherever required, and copies of the same should be submitted before disbursement. Field authorities shall confirm that applicant firm has all necessary permissions (i.e. plan approval for all the floors etc.) in place to construct the project as envisaged at the time of term loan assessment.
- 7 Field authorities shall visit the project and confirm the physical progress and shall ensure that there is no material variation from the physical progress envisaged at the time of term loan assessment
- 8 The proposed project should be in compliance with National Building Code (NBC - 2005). Suitable undertaking in this respect should be obtained from the borrower.
- 9 Disbursement shall be as per the approved cash budget accepted at the time of assessment of term loan. Disbursement shall be in proportionate to the margin brought in. Loan to Value Ratio shall not exceed 60% at any point of time. Quarterly progress report shall be obtained from panel engineer.
- 10 Search and valuation report of the property offered as security be obtained from the panel advocate/ panel valuer of the Bank.
- 11 NDMA i.e. National Disaster Management Authority guidelines should be complied with. **(wherever applicable)**
- 12 Filed authorities shall monitor the project closely and shall ensure that there is no material variation between actual sales price per Sq. ft, (as per agreement) and Sales price accepted at the time of sanction.
- 13 The firm should undertake to provide first right of refusal to the bank in respect of housing loan application of the prospective buyers of the flats & / Property.
- 14 Bank may issue NOC for any other bank or financial institution's charge on specific flat. However our charge on property shall be released only after full and final payment for the specific flat by the Firm.
- 15 At every stage of disbursement and also at regular interval during loan tenure field authorities shall obtain certificate from valuer or Architect in respect of cost already incurred, cost proposed to be incurred. Actual progress of the project vis a vis progress envisaged at the time of assessment of term loan shall be confirmed. Architect / Valuer shall confirm that construction is made as per sanction plan.
- 16 All other guidelines as mentioned in circular no AX1/CrMon/Cir no 10/2012-13 dated

	18/06/2012 shall be adhered to strictly.
For FCDL	
1	Availability of FCDL is subject to availability of foreign currency funds & account not being overdue for review.
2	FCDL shall be allowed subject to availability of drawing power in limit sanctioned. The present working capital facility to be earmarked to the extent of FCDL.
3	Securities for the existing facilities will continue to be extended to FCDL. Suitable modification / modified security documents be obtained (wherever required)
4	Roll over of the FCDL will be entirely at the discretion of the bank.
5	Branch in co-ordination with Dealing Dept. shall ensure that the value of security does not fall short on account of exchange rate fluctuations.
6	Premature payment of loan will be entirely at the discretion of the bank and subject to exchange rate fluctuations and recovery of swap charges as the bank may deem fit.
7	Bank will be at liberty to crystallize the liability of the borrower at any time during the currency of the loan with due notice to the borrower.
8	After conversion of FCDL, the remaining portion of sanctioned limits be continue on its existing terms and conditions in Rupee terms.
9	FCDL shall be hedged by adequate forward cover.
10	FCDL would be allowed at designated branches of the bank.
Bills discounting Under LC	
1	The application prescribed as per H.O. circular requesting the discounting of bills under irrevocable LC shall be obtained from the beneficiary before discounting of bills.
2	Bills shall be discounted under irrevocable LCs, in respect of genuine commercial and trade transactions. Branch / Zonal Office shall conduct suitable due diligence in this respect. In case of inland LC, discounting shall be done only after confirmation of due date of payment and receipt of unconditional acceptance by LC issuing bank to make payment of documents on due date. In case the issuing bank is situated in the same city, confirmation of LC be obtained by deputing our official to the said bank. In no case the job is to be assigned to the customer / their representative for obtaining such confirmation. In case the LC issuing bank is situated in different city, services of our branches in such city be availed.
3	Zonal Office shall ensure all terms and conditions in respect of discounting of bills of non-constituent borrower are adhered to strictly. (wherever applicable)
4	Only bills accompanying documents drawn in strict conformity with LC terms shall be discounted. Thus discrepant documents shall not be discounted. Before discounting bills under LC documents towards actual shipment of goods (e.g. bill of landing / RR / MR) must be obtained and verified.
5	Accommodation bills shall not be discounted. The underlying trade transactions should be clearly identified and a proper record thereof maintained at the branches conducting the bills business. Before negotiating bills under irrevocable LCs, genuineness of documents shall be established.
6	LC and bills bearing the 'without recourse' clause shall not be negotiated &/ discounted. The authenticity of LC should be verified by obtaining the verification of signature by making independent back reference to the opening bank.
7	All other existing guidelines & guidelines that may be issued from time to time for bills discounting under LC shall be adhered to strictly. All other terms and conditions as per lending policy, Circular no AX1/CrMon/ Cir.16/2008-09 Date: 9 September 2008 etc., shall be adhered to strictly.
Take Over.	
1	Branch Manager shall ensure that account of the borrower is in standard asset category with all existing bankers. All installment and interest dues are regularly paid as per existing terms of sanction and there are no bunched payments.

2	It shall be confirmed that borrower account is not rephrased by existing bank or financial institutions.
3	It is to be ensured that required formalities for security creation including documentation are completed before releasing facilities or advance.
4	Field authorities shall make discreet enquiries about true health of the account. Field authorities shall confirm that no irregularities have been committed in account of the borrower with transferor bank in relation to sanction, disbursement and monitoring of account.
5	Field authorities shall obtain necessary credit information from the transferor bank as per format prescribed in HO circular NO AX1/CCC/Cir no 37/2008-09 dated 16/02/2009 on Lending under Multiple banking arrangement / Consortium.
6	All other guidelines as enumerated in point no 5.4 of lending policy 2012-13 shall be adhered to strictly.

Other General terms and conditions:

Undertakings

1	Branch to obtain all Regulatory Declarations as per Lending Policy/ Bank guidelines.
2	Undertaking from borrower be obtained that borrower 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 be obtained.
3	Company shall undertake 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.
4	Undertaking be obtained from the borrower as well as guarantors that no consideration whether it be by way of commission, brokerage, fee or in any other form will be paid by the former or received by the latter directly or indirectly in connection with guarantees furnished in favor of the Bank.
5	Field offices to obtain suitable declaration from the applicant company / firm, its Directors &/ partners, guarantors that no litigation is pending against them prior to disbursement of funds.
6	Field authorities shall obtain certificate at the end of every quarter, furnishing details of accounts opened with other banks if no such account is opened, a nil certificate should be obtained.
7	Borrower shall undertake 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. Applicant shall undertake to maintain the estimated TOL/TNW ratio, NWC failing which penal interest @1% may be charged for the period of default.
8	The borrower to undertake to maintain the level of unsecured loans estimated and accepted at the time of sanction throughout the currency of the bank's dues.
9	The borrower shall undertake not to transfer / invest funds from the facility/ies availed from the Bank in whatsoever manner in any other concern.
10	The Company shall undertake to inform the bank about, the following (during the currency of the Bank's credit facilities)
	a) Any change effected in their capital structure;
	b) Any scheme of amalgamation or reconstruction formulated by the Company;
	c) Any new project or expansion scheme undertaken
	d) Any investment made in other concern by way of share capital or advance funds or deposits. Normal trade credit or security deposits in usual course of business or advances to employees are however, not covered by this covenant;
	e) Any borrowing arrangements entered into, either secured or unsecured, with any other bank, financial institution, company or otherwise, except for those arranged as part of means of finance of the present project;
	f) Guarantee obligations undertaken on behalf of any other company

	g) Any change in their management set up.
11	A certificate from CA stating that all statutory dues are paid up to date be obtained.
Documentation	
12	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
13	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.
14	If the applicant is a Company (Public or Private) certified copy of the resolution passed at the Board meeting of the Company authorizing borrowal of credit limits from the Bank and execution of the loan documents be obtained.
15	Our charge / modification of charge shall be registered with ROC wherever applicable within the prescribed period.
16	Legal opinion on the immovable properties offered as primary / collateral shall be obtained from our panel advocate. Mortgage / documentation formalities shall be completed under due legal advice. It shall be confirmed that our bank's charge is duly noted with revenue authorities / CERSAI.
17	Valuation report of the immovable / movable fixed assets to be mortgaged / hypothecated shall be obtained from the Banks' approved valuer. There shall be minimum two independent valuation reports from panel valuers for fixed assets (Building, machinery, equipment, furniture, real estate) valued at Rs.5 crore and above. In case of variation in value as per valuation reports lower of the two shall be considered.
18	All securities charged to the Bank shall be insured against all risks for the full value at the Company's cost and the policy shall remain in the joint names of the Company and Bank with bank clause duly incorporated therein.
19	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.(wherever applicable)
20	In case of Consortium- The facility shall be operative subject to formal admission of our Bank as member of consortium & Joint Documentation by consortium OR execution of individual documents by obtaining letter ceding pari-passu charge on primary and collateral security along with NOC from consortium.
Restrictive Covenant	
21	The borrower is prohibited from using the loan 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 loan amount or any part thereof at once notwithstanding anything contrary to the above or any other agreement
22	The company should not make any drastic change in their management set up without the Bank's permission.
23	The sanction accorded by the Bank does not vest in any one right to claim any damages against the Bank for any reasons whatsoever
24	The bank reserves the right to transfer part or full credit to any other FI / Bank / Asset Reconstruction company / Institution.
25	Company shall not declare any dividend unless satisfactory arrangements are made for debt servicing.
Bank Reserves the Right (that / to)	
26	In case the borrower commits default, in repayment of any of the facilities or in the repayment of interest thereon or any of the agreed installment of the loan on the due dates, the bank shall and or the RBI / CIBIL will have an unqualified right to disclose or publish the name of the firm and its directors as defaulters in such manner and through

	medium as the Bank or RBI / CIBIL in their absolute discretion may deem fit.
27	Bank will have the right to examine the books of accounts of the company and to have their assets inspected from time to time by officers of the bank and/or by outside consultants and the expenses incurred by the bank in this regard will be borne by the company.
28	Bank may at its sole discretion, disclose such information to any institution(s) in connection with the credit facilities granted to the company as permissible under any act.
29	Bank may assign/shift a part /full of the advance to any bank, without notice to the borrower, by way of participations
30	Rate of interest / commission and other terms applicable are subject to review from time to time and are liable to be modified at the sole discretion of the Bank. Interest as indicated will be / will continue to be charged at monthly rests. The bank reserves the right to give notice at any time and thereafter to charge such other rate of interest as the Bank may decide.
31	In case of default in repayment of any loan installment and/ or servicing of interest in any loan account (including working capital) for any month, the credit rating borrower may be adversely affected resulting in higher rate of interest. If the default continues subsequently the asset class of the borrower may also be adversely affected and the bank will reserve its right to recall the entire advance.
32	In case external rating of applicant company is downgraded then bank reserves the right to review and re price the credit exposure.

Branch / Zonal office shall ensure that

33	Confidential reports on borrower from all existing banker(s) is / are obtained and kept on record. Otherwise a certificate from the statutory auditors/ chartered accountant firm of the borrower stating that all accounts of the borrower with all the existing banks are in order and are in standard asset category be obtained and kept on record.
34	All un-rectified inspection/audit comments to be rectified prior to disbursement / release of facility (wherever applicable)
35	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.
36	Necessary wage agreement, wherever applicable, is in place between the management and the employees.
37	Credit reports (i.e. Credit report of CIBIL and Equifax) of directors / partners / Proprietors of the applicant company/ firm are obtained and same reflects satisfactory credit history.
38	Latest personal information forms duly filled in by the partners /directors /guarantors and Net worth details supported by relevant tax returns/ duly certified by their auditors is / are to be obtained.

Charges:

39	Processing charges / upfront fees/ Supervision / Inspection / Commitment /amendment/NOC issuance charges etc wherever applicable will be collected as per the Banks' rules. Processing fee is to be recovered on annual basis. All other charges as per extant guidelines of the bank and Service charge rules will be recovered (wherever applicable) unless specifically waived.
40	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

Monitoring

41	The 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
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	be submitted within 45 days from the end of the last quarter.
42	Cash Flow statements duly certified by the company's CA should be submitted at quarterly intervals (wherever applicable)
43	External Rating as required under Basel II to be renewed every year from an approved rating agency failing which penal interest of 1% shall be charged for the period of default. Whenever rating assigned by External Credit Agency is downgraded, Bank reserves the right to review and re price the credit exposure.
44	Proper sign board should be displayed / painted on the premises of the factory / go downs at a conspicuous place giving clear notice of the Banks' charge over the assets of the unit.
45	Field authorities shall make visit to borrowal units including controlling offices once in 6 months. Details of visit 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 proposed under collateralization be made and report thereof be held on record confirming the acceptability of the valuation given by the valuer on those properties.
46	End use certificate from the borrowers be obtained certifying that funds have been used for the purpose for which the facilities have been sanctioned Where the borrower's accounts are subjected to audit the end use certificate should be obtained from the borrower's auditor.
47	Study of balance sheets of sister concerns, as far as possible on a common date else balance sheet not older than nine months shall be obtained to analyze interlocking of funds, diversion of funds etc. Any material negative observation revealed from above exercise shall be reported to the sanctioning authority
48	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.
49	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.
50	All the facilities sanctioned are subject to annual review
51	Exchange of information In case of MBA/Consortium, 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.
52	Banks guidelines on JLA shall be adhered to strictly (Wherever applicable)
53	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.
54	In case of unhedged foreign exchange exposure , Banks policy on unhedged foreign exchange exposure as enumerated in Cir no Ax1/Credit Mon / 63 / 2012-13 shall be adhered to strictly.
55	Regular sanction conveyed to the borrower would be valid for a period of 2 months from the date of sanction. The borrower shall accept the terms and conditions of sanction supported by resolution / authority within a period of two months from the date of receipt of sanction letter from the Branch. Failing which the sanction shall lapse. The borrower shall complete documentation within a period of next one month and shall avail the sanctioned facility within a month from the date of documentation. Sanction for Short Term loan up to 180 days shall be valid for a period of one month from the date of sanction.
56	The branch should reconfirm the External Rating before disbursement of the 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.