

 बैंक ऑफ महाराष्ट्र Bank of Maharashtra भारत सरकार का उद्यम एक परिवार एक बैंक	शाखा / Branch: Bhubaneswar 426/22602, N.B. Tower, Nayapalli, Bhubaneswar - 751012 टेलीफोन / TELE: 0674-2564018, 2560432 ई-मेल / E-mail : brmrgr1182@mahabank.co.in/bom1182@mahabank.co.in	
	प्रधान कार्यालय : लोकमंगल, 1501, शिवाजीनगर, पुणे 411005 - Head Office: LOKMANGAL, 1501, SHIVAJINAGAR, PUNE-411005	

AI48//MSME/BBSR/GPIL /2022-23

Date 22/04/2022

Sanction no.	:	CAC/C/NP/2/2022-23
Ref. No.	:	AX1/Credit/49/2022-23
Date	:	22-04-2022

To
M/S Gupta Power Infrastructure Limited
Registered Office: EN-62, Sector-V, 7th Floor, Salt Lake City
Kolkata-700 091
Administrative Office: Station Road, Bhubaneswar – 751006
Dear Sir,

A/c Name : M/s. Gupta Power Infrastructure Limited

The captioned request was placed before the Credit Approval Committee. The committee in its meeting held on 18.04.2022 has accorded approval for sanction of credit facility of Rs.240.00 crore w.r.t. M/s Gupta Power Infrastructure Limited on terms and conditions as mentioned here under:

Facility	FBWC	Bank Guarantee	Letter of Credit
Banking Arrangement	Consortium led by Canara Bank		
Total Consortium Limit	Rs.1090.00 Crore (Rupees One Thousand Ninety crores only)	Rs.2500.00 Crore (Rupees Two Thousand Five Hundred Crore only)	
Our Bank Share / Limit	Rs.50.00 Crore (Rupees Fifty Crore Only)	Rs.40.00 Crore (Rupees Forty Crore only)	Rs. 150.00 Crore (Rupees One Hundred Fifty Crore Only)
Purpose	Working Capital requirement	<ul style="list-style-type: none"> All type of BGs including BID Bond, EMD, Performance, Financial, Advance Payment Guarantee, foreign BG. Sanction of BG limit of Rs.20.00 crore as a sublimit for issuance on behalf of Joint Venture 	Purchase of Raw material and working capital operations.



Facility	FBWC	Bank Guarantee	Letter of Credit
		(JV).	
Primary Security	First Pari Passu charge by way of Hypothecation of Raw Materials, Stock in Process, Finished Goods and Book Debts/ receivables of the Company. Charge along with all consortium members.		
Tenor	<ul style="list-style-type: none"> CC- 1 Year WCDL- Min: 7 days & Max: 360 days C/PCFC: 180 days 	Max- 10 Years	<ul style="list-style-type: none"> LC/FLC Period -180 Days LC/FLC Usance - 180 days
Margin	<ul style="list-style-type: none"> Raw Materials, Work in Progress, Finished Goods, Stores & Spares, Packing Material- 25% Receivables (cover period - upto 150 days)- 25% C/PCFC: 10% 	<ul style="list-style-type: none"> 5% in the form of Fixed Deposit on BG upto 5 Years. 25% in form of Fixed Deposit on BG above 5 Years. 	5% in the form of Fixed Deposit
ROI Commission	<p>CC - 1 Year MCLR (7.25%) + 1.15% + BSS (0.50%) i.e. 8.90% p.a.</p> <p>WCDL - 1 Year MCLR (7.25%) + 1.15% + BSS (0.50%) i.e. 8.90% p.a.</p> <p>PCFC / EBD in foreign currency: AAR + 2.75%</p> <p>PC/FOBN - Tenor Based MCLR</p>	<ul style="list-style-type: none"> 0.50% p.a. for Bid Bond/EMD/Security Deposit/ Export & Deemed Export BG and 0.75% p.a. for domestic, performance / Advance payment BGs. For BG above 5 Years: Full Commission. 	0.50% p.a. flat (all inclusive)
Review	Annually		
Processing Fees	0.35% of sanctioned limit + Applicable taxes		
Commitment charges	<p>Working Capital Limit if not utilized within 3 months: 0.50% p.a. from the date of documentation to actual date of utilization.</p> <p><u>Based on Utilization</u></p> <p>Utilization above 75%- Nil</p> <p>Utilization 50-75%- 0.50% p.a. of Unutilized limit</p> <p>Utilization below 50%- 1% p.a. of unutilized limit</p>		



FBWCL may be availed in form of CC/WCDL/PC/BD/PCFC/FOBN/EBD. The Aggregate of total limits shall not exceed Rs.50 Crore.

Details of Collateral Security & Personal / Corporate Guarantee.

All the above facilities shall be further secured by the following

Collateral Security	Value
Land (Gharabari) at Sauria, Athagarh in the name of Sri M.K. Gupta measuring Ac 21.30 Dec	MV-3.20 CV-2.72
Land (Gharabari) at Tangi, Choudwar in the name of Sri Abhishek Gupta measuring Ac 2.99 Dec with Plot Nos 315,3090,316,317,314,313,318,319 & 310/423.	MV-3.59 CV-3.05
Land (Gharabari) at Tangi, Choudwar in the name of Sri Abhishek Gupta measuring Ac 13.52 Dec	MV-5.41 CV-4.60
Land (Homestead) at Gopinathpur, Nuagaon, Nayagarh in the name of Sri Abhishek Gupta measuring Ac 16.16 Dec	MV-3.23 CV-2.74
Land (Homestead/ Gharabari) at Bramhapura, Khurda in the name of M/s GPIL measuring Ac 11.579 Dec	MV – 7.30 CV – 6.20
Land (Gharabari) at Lahanga, Khurda in the name of M/s GPIL measuring Ac 3.980 Dec	MV – 3.98 CV – 2.97
Land (Gharabari) at Lahanga, Khurda in the name of M/s GPIL measuring Ac 4.367 Dec	MV – 6.55 CV – 5.57
Land (Gharabari) at Mukundaprasad, Khurda in the name of M/s GPIL measuring Ac 2.574 Dec	MV – 7.67 CV – 6.52
Land (Gharabari) at Mukundaprasad, Khurda in the name of M/s GPIL (erstwhile Gupta Cables Pvt Ltd) measuring Ac 0.750 Dec	MV – 2.74 CV – 2.33
Land (Gharabari) at Mukundaprasad, Khurda in the name of M/s GPIL (erstwhile Gupta Cables Pvt Ltd) measuring Ac 0.935 Dec	MV – 3.42 CV – 2.91
Land (Gharabari) at Kataksahar, Ranapur, Nayagarh in the name of M/s GPIL	MV – 1.27



measuring Ac 0.770 Dec with Plot Nos 33,55& 80.	CV – 1.08
Land (Gharabari) at Kataksahar, Ranapur, Nayagarh in the name of M/s GPIL measuring Ac 1.210 Dec with Plot Nos 21,66,93 & 85.	MV – 1.99 CV – 1.69
Land (Gharabari) at Kochilanuagaon, Cuttack in the name of Sri M.K. Gupta measuring Ac 20.00 Dec with plot nos 110/109.	MV-6.00 CV-5.10
Land (Gharabari) at Biramachandrapur, Sakhigopala, Puri in the name of Sri J. M. Gupta measuring Ac 6.83 Dec	MV-6.15 CV-5.23
Land (Gharabari) at Kataksahar, Nayagarh in the name of M/s GPIL measuring Ac 8.33 Dec	MV-17.07 CV-14.51
Land (Gharabari) at Kaipadar, Khurda in the name of M/s GPIL measuring Ac 9.137 Dec As per LSR: Agr. Land: Ac 0.130 Dec Non Agr. Land: Ac 9.007 Dec	MV-11.91 CV -10.12
Subtotal (A)	76.99
Others –	
Fixed assets of the Company comprising of Building, Plant & Machineries, WIP etc (Land cost & Intangible assets as per ABS is excluded)	156.70
FDRs in the Name of GPIL	
2080.401.2088/4	2.56
2080.401.2549/2	0.93
Subtotal (B)	160.19
Lease Hold Land/ Factory Land	
IDCO Leasehold Land at Mukundaprasad, Khurda in the name of M/s GPIL measuring Ac 0.750 Dec with Plot Nos 2308 (P) [F/9/1], 2325 (P) [F/18/1] & 2317 (P) [C/40/1]	MV – 1.80 CV – 1.80
IDCO Leasehold Land at Mukundaprasad, Khurda in the name of M/s GPIL measuring Ac 1.034 Dec with Plot Nos 2308 (P) [F/4].	MV – 2.48 CV – 2.48
IDCO Leasehold Land at Mukundaprasad, Khurda in the name of M/s GPIL measuring Ac 1.501 Dec with Plot Nos 2308 (P) [65/A & 68/B].	MV – 3.60

	CV – 3.60
IDCO Leasehold Land at Mukundaprasad, Khurda in the name of M/s GPIL measuring Ac 9.141 Dec with Plot Nos F/9 & F/16.	MV-19.19 CV -19.19
SIPCOT Leasehold Land at Gummidipoondi, Chennai in the name of M/s GPIL measuring Ac 2.55 Dec with Plot Nos D10S1	MV – 2.55 CV – 2.55
SIPCOT Leasehold Land at Gummidipoondi, Chennai in the name of M/s GPIL measuring Ac 0.440 Dec with Shed no 13 & Shed no 18	MV – 1.00 CV – 1.00
Factory Land at Kashipur, Utarakhand, in the name of M/s GPIL measuring Ac 0.68020 Dec with Plot Nos 145.	MV – 1.90 CV – 1.90
Factory Land at Kashipur, Utarakhand, in the name of M/s GPIL measuring Hec 2.5068 with Plot Nos 132A, 132B & 132C.	MV – 7.02 CV – 7.02
Subtotal (C)	35.89
Partially Converted Land - (Only non agricultural portion considered for value)	
Land (Homestead) at Bramhapura, Khurda in the name of M/s GPIL measuring Ac 5.106 Dec As per Bhulekh Website Agr. Land: Ac 0.925 Dec Non Agr. Land: Ac 4.181 Dec	MV – 2.64 CV – 2.24
Land (Bagayata&Jalasaya) at Biramachandrapur, Puri in the name of Sri Abhishek Gupta measuring Ac 6.20 Dec As per Bhulekh Website: Agr. Land: Ac 0.83 Dec Non Agr. Land: Ac 5.37 Dec	MV-4.83 CV-4.11
Land (Gharabari) at Kottam, Dhenkanal in the name of Sri J. M. Gupta measuring Ac 5.80 Dec As per Bhulekh Website: Agr. Land: Ac 4.23 Dec Non Agr. Land: Ac 1.57 Dec	MV-0.63 CV-0.53
Subtotal (D)	6.88

Total Value (A+B+C+D)

279.95

The total value of the above A+B+C+D is Rs.279.95 crores.

The above security will be on pari-passu basis with the Consortium banks. Any other security provided to other member bank under consortium shall also be provided to our bank.

**The company has offered Additional security of Rs.25.00 crores. It is not considered in security coverage as Equitable Mortgage is not created for property. Creation of equitable mortgage of additional collateral security offered should be completed within 2 Months from the date of disbursement failing which penal interest @ 2% p.a. to be collected. The valuation of the property to be not below Rs.25.00 crore.*

All the above facilities will be further secured by Personal guarantee of following directors:

S No	Names of the Guarantors	Net worth (As on 31.03.2021) [Rs.Crore]
1	Mahendra Kumar Gupta	18.30
2	Abhishek Gupta	14.87
3	Jitendra Mohan Gupta	13.66
4	Kiran Devi Gupta	11.24

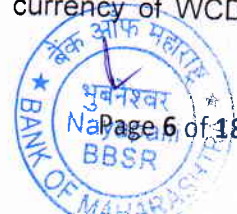
**As per Net worth statement dated 21.07.2021, by MKPS & Associates (UDIN- 21066022AAAAKJ6495)*

Pre disbursement Conditions:

1. Company to submit a board resolution accepting the terms of sanction. The resolution should include the authorized persons/directors who are to execute the documents and affixing of common seal (if applicable) among other things.
2. Release of credit limit based on individual documentation is allowed subject to-
 - a. Induction of our Bank in Consortium.
 - b. Noting/ acknowledgement of our Bank's sanctioned limit by Consortium.
 - c. Consent of all Consortium member banks for issuing NOC & sharing of security on pari passu basis (both primary & collateral security)

Specific Terms & Conditions:

- The final due date for WCDL to coincide with the tenability of regular working capital limits.
- Branch/Zone to obtain Passport detail of Mr. Akkal Dudhwewala, if available.
- Undertaking to be obtained from the company officials that no litigation is pending against the company other than normal business litigations. The borrower shall keep the bank informed of the legal action, if any, initiated against the company/directors in any court of law during the currency of the credit facilities which is having material impact.
- Branch/ Zone to ensure adequate coverage of insurance on all the securities.
- Creation of equitable mortgage of Additional collateral security offered should be completed within 2 Months from the date of disbursement failing which penal interest @ 2% p.a. to be collected. The valuation of the property to be not below Rs.25 crore.
- Availment of WCDL facility in tranches with period of WCDL being 7 days and maximum 360 days.
- In case WCDL is prepaid, no fresh WCDL will be permitted during the currency of WCDL originally permitted (ostensible due date).



- Liability WCDL should be within the sanctioned limit or drawing power whichever is lower.
- BG on behalf of JVs to be issued subject to:
 - a. Company's share in the Joint Venture shall be 51% or more.
 - b. Company to give declaration that no separate funding for JVs is available.
- Company to submit request for opening new BG or for any extension.
- Company is advised to return original BG after the expiry of claim period.
- Company is required to submit quarterly BG progress report for consortium as a whole.
- Company shall submit a fresh request for opening new LC (or amendment) under the limit along with letter addressed to Bank of Maharashtra clearly stating the purpose of LC along with relevant details if any such as Quantity, Quality and Type.
- Company to ensure that adequate funds are available on due date/Maturity date of Bills under LC.
- Company shall adhere to all the guidelines prescribed by FEMA/RBI in respect of foreign LC.
- Branch to ensure that allocation of WCL and CC as per stock statement / DP allocation statement received from the lead bank i.e. Canara Bank on monthly basis.
- The Branch shall obtain necessary clearance of TIBD Mumbai for availability of funds before extending PCFC facility.
- All the operative guidelines issued by RBI / TIBD Mumbai relating to PCFC facilities shall be strictly complied with.

Other terms and conditions:

- Company to obtain ECAI rating covering the full/proposed consortium exposure.
- FLCs/FBGs shall be adequately hedged.
- Company to submit CA certified end use certificate for working capital limit with our bank.
- Branch/Zone to ensure that renewed copy pf insurance is obtained from company and is held on record before disbursement.
- Satisfaction of charge to be done for all the closed/merged credit facilities within 3 months from the date of first disbursement.
- 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.

Yours faithfully,



Chief Manager
Bhubaneswar Branch



STANDARD TERMS AND CONDITIONS (As applicable for the borrower Company)

For Working Capital – Cash Credit facility:

1. The company/firm shall submit to the Bank monthly stock statement / book-debt statement in the prescribed form within 25th day of each succeeding month. The drawing shall be restricted to Drawing Power arrived on the basis of paid stocks and eligible outstanding book debts or the sanctioned limit whichever is less, subject to retaining the stipulated margin.
2. The company/firm should submit FFR statement on regular basis and the drawing shall be restricted to the operating limit arrived at on the basis of FFR or the sanctioned limit whichever is less subject to retaining the stipulated margin. This condition is applicable where the fund based exposure is Rs.50.00 lakhs and above.
3. In case of Consortium, advance 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, 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). Details of facilities availed with other banks and drawings allowed shall be obtained on regular basis from the members of the consortium.
4. DP shall not be allowed against obsolete stocks, stocks released under trust receipt, debtors beyond 180 days and doubtful debts. 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 is fully paid
5. The receivables / book debts due from associate / group companies shall not be reckoned for the purpose of computation of DP unless specifically permitted in sanction terms.
6. Bills discounted under LCs shall not be considered as eligible receivables for the purpose of calculation of DP.
7. Advances against Bank guarantee for working capital purpose shall be treated as eligible creditors for calculation of DP in case of facility granted to contractors.
8. In respect of WC limits of Rs 200.00 lakhs and above, all the Current Assets of the Unit will be verified and valued by an External Auditor to be appointed by the Bank or lead bank in case of consortium account on half yearly basis and the fees of such auditor shall be borne by the company/firm. This is in addition to the verification that may be carried out by the Bank Officials during their visits to the unit of the company/firm from time to time.
9. Stock of inventory hypothecated to the 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
10. The company/firm shall undertake to route all transactions through their account with us if the facilities are solely availed from our bank. In case of consortium/MBA/JLA, the company/firm shall undertake to route proportionate turnover through the account with us.
11. The facilities shall be due for annual review/renewal by May 2023 (Considering release of credit facility in May). Therefore, Audited Balance Sheet as of 31.03.2022, CMA data base with assumption for Provisional of FY 2022-23 and Estimates/Projections for FY 2023-24 be submitted to the Branch



by February 2023.

12. The facility is subject to review within 12 months. In case the account is not reviewed within 12 months from the date of sanction and is reviewed before the end of 15 months from the date of sanction, penal interest of 1% will be recovered over and above the ROI charged. In case the account is not reviewed within 15 months from the date of last sanction, the same can be reviewed subject to discretion of the bank and recovery of 2% penal interest over and above the sanctioned Rate of Interest.

For Export Credit facility:

1. Releases of amount under the limit shall 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 from ECGC to be obtained for non LC export credit
4. No Packing Credit limit shall be released, if earlier Packing Credit /export bill is overdue for payment.
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 category by ECGC.
7. Stock statement shall be submitted by the company/firm at monthly intervals
8. PCFC 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 for availability of funds 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 prevailing rules of Bank / RBI.
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.

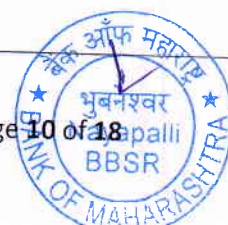
For Letters of Credit (LC) facility:



1	LCs should be issued through SFMS/ SWIFT
2	Import LCs shall be established only against valid import license as permitted by the import trade control authorities from time to time and FEMA stipulations / RBI guidelines shall be complied with.
3	LCs shall not be established in favour of associate / group concerns unless allowed by sanctioning authority.
4	LC to be opened for genuine trade transactions only.
5	In case of devolvement, fresh LC should not be opened till all devolved amount is recovered.
6	Suitable cut-back mechanism for meeting LC liability on due date should be put in place. An undertaking from the company/firm to retire the documents under LC without devolvement should also be obtained.
7	In case of import LC, exchange fluctuation risk if any has to be borne by the company/firm. Suitable undertaking in this respect be obtained.
8	LC with 'without recourse' clause should not be opened.
9	LC should not also be opened for procurement of goods other than those dealt with by the company/firm in normal course of business without specific permission from competent authority
10	Before opening first LC in favour of a new beneficiary, credit report on the beneficiary shall also be obtained.
11	In case of devolvement of LC, the concession in commission allowed (if any) shall be withdrawn. Further in case the account is overdue for review/ renewal, the said concession shall also be withdrawn.

For Bank Guarantee (BG) 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, the format should be got approved / vetted from law officer.
2	The company/firm 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 company/firm will invariably be issued with 100% cash margin
4	Quarterly progress of performance under performance 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 FEMA 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 BGs issued in favor of courts) prior permission from Priority/ Credit Department, HO should be obtained.
10	In case of invocation of any BG, the concession in commission rate allowed (if any) shall be withdrawn. Further in case the account is overdue for review/ renewal, the said concession shall also be withdrawn.

For 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	<p>Bills in respect of genuine commercial and trade transactions only shall be discounted under irrevocable LCs. Branch / Zonal Office shall conduct suitable due diligence in this respect.</p> <p>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 for the purpose.</p>
3	Zonal Office shall ensure all terms and conditions in respect of discounting of bills of non-constituent applicant/ 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 be 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 '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.



Annexure- A Other General terms and conditions (As applicable for the borrower Company)

1. **The company/firm shall submit an undertaking to the effect that it will:**
 - A. Not utilize the working capital finance for acquisition of fixed assets and for speculative purposes.
 - B. Obtain NOC from the Bank for availing of credit facilities from other Banks / FIs 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.
 - C. Submit a certificate at the end of every quarter furnishing details of accounts opened with other Bank/s or it shall submit nil certificate if no account is opened during the quarter.
 - D. 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.
 - E. Maintain the level of unsecured loans estimated and accepted if any at the time of sanction throughout the currency of the bank finance.
 - F. Not transfer / invest funds from the facility/ies availed from the Bank in whatsoever manner in any other concern.
2. **The company/firm/trust shall submit a declaration stating that:**
 - A. They have no objection for disclosure of the names of Company/ directors/ firm/ partners/ proprietor/ trustees of the trust/ guarantors to RBI/CIBIL.
 - B. The payment to small investors (if public deposit is accepted) is up to date and dues to MSE suppliers are paid on time.
 - C. It is not a company/firm in which any of the directors of other banks hold substantial interest or is interested as a Director/Partner or Guarantor.
 - D. The directors of the company/partners/proprietor of the firm/ trustees of trust are not directors / relatives of directors of bank.
 - E. No litigation (other than arising in normal course of business) is pending against the Company/ directors/ firm/ partners/ proprietor/ trustees/ guarantors/ group concerns.
 - F. They are not related to any of the Senior officials of the Bank.
3. The company/ firm should maintain adequate books of accounts, as per applicable accounting practices and standards, which should correctly reflect its financial position and scale of operations and should not radically change its accounting system without notice to the Bank.
4. The company/firm 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 company/ firm to the Bank as on the date of publication of the company/ firm's annual accounts.
5. The company/firm should not induct into its Board a person whose name appears in the wilful defaulters list of Credit Information Companies. 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.
6. The company/firm shall keep the Bank informed 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.
7. The company/firm 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 company/ firm'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.
8.	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.
9.	The company/firm 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 company/ firm shall immediately inform the Bank with explanations and the remedial steps taken and / or proposed to be taken
10.	The company/firm shall not effect 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
11.	No commission/ consideration to be paid by the company/ firms to the guarantors for guaranteeing the credit facilities sanctioned by the Bank to the company/ firms.
12.	The company/ firm will utilise the funds for the purpose they have been lent. Any deviation will be dealt with as per Bank/ RBI guidelines
13.	Promoter's shares in the borrowing entity should not be pledged to any Bank/ NBFC/Institution without Bank's consent
14.	<p>The undernoted covenants will be subject to prior notice being given by the company/ firm and being agreed to by the Bank. If the Bank turns down the company/ firm's request but the later still goes ahead, the Bank shall have the right to call up the facilities sanctioned</p> <ol style="list-style-type: none"> Formulating any scheme of amalgamation or reconstruction. 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. 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). Entering into borrowing arrangement either secured or unsecured with any other bank, financial institution, company or otherwise or accepting deposits which increases indebtedness beyond permitted limits, stipulated if any at the time of sanction. Undertaking any guarantee or letter of comfort in the nature of guarantee on behalf of any other company (including group companies) 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. Creating any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, company, firm or persons. Selling, assigning, mortgaging or otherwise disposing of any of fixed assets charged to the Bank. 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 company/ firm/ 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 company/ firm to the Bank.
 - xiv. Approaching capital market for mobilizing additional resources either in the form of debt or equity.

Documentation

15. The credit limits shall be released after completing documentation. If the branch is under concurrent audit, then concurrence of the auditor to be obtained at the time of disbursement
16. In respect of accounts with exposure of Rs. 50 lakhs and above, upon completion of documentation, the same shall be subject to verification by law officer/ panel advocate before release of facilities. In case of consortium/ JLA vetting by LLC be obtained.
17. 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. 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.
18. Our charge / modification of charge shall be registered with ROC wherever applicable within the prescribed period. Further our charge on the property/ies/hypothecated securities by way of mortgage/hypothecation should also be registered with CERSAI. Before creation of our charge with CERSAI it should be ensured that no prior charge is created / is in existence on the property/ies/securities which is proposed for mortgage/ hypothecation to avoid multiple charges on the same property/security and to prevent fraudulent transactions
19. 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
20. 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, and if there is 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
21. 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 company/firm and Bank with bank's clause duly incorporated therein.

22. 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.

23. 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.

Restrictive Covenant

24. The company/ firm 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 not withstanding anything contrary to the above or any other agreement

25. The company/ firm should not make any drastic change in their management set up without the Bank's permission.

26. The sanction accorded by the Bank does not vest in any right to claim any damages against the Bank for any reasons whatsoever

27. The Company shall not declare any dividend unless satisfactory arrangements are made for debt servicing.

Bank Reserves the unqualified right (that / to)

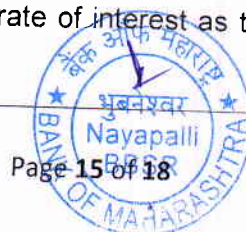
28. In case of default in repayment of the loan/ advances or in the payment of interest thereon or any of the agreed instalments of the loan on due date(s) by the borrower, the Bank and / or the RBI will have an unqualified right to disclose or publish the company/ firm's name or the name of the company/ firm/ 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.

29. Bank will have right to examine at all times the company/ firm's books of accounts and to have the company/ firm'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 company/ firm.

30. 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.

31. To assign/shift a part /full of the advance to any bank/FI without notice to the company/firm by way of participations

32. 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.



33.	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
34.	To review and re price the credit exposure in case external rating of applicant company/firm is downgraded.
35.	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 company/ firm to look after its interests
36.	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
37.	After provision for tax and other statutory liabilities, unless expressly permitted otherwise, the Bank will have a first right on the profits of the company/ firm for repayment of amounts due to the Bank
38.	In the event of default, or where signs of inherent weakness are apparent, the Bank shall have the right to securitise the assets charged and in the event of such securitization, the Bank will suitably inform the company/ firm(s) and guarantor(s)
39.	<p>Cancel the limits (either fully or partially) unconditionally, without prior notice in case of occurrence of all or any of the following events :</p> <p>a) The limits / part of the limits are not utilized.</p> <p>b) Deterioration in the loan account in any manner whatsoever</p> <p>c) Non-compliance of terms and conditions of sanction</p> <p>d) Any other reason which the bank considers appropriate to cancel the facility</p> <p>Borrower's Consent Letter for Unequivocal and Unconditional accord in this regard to be submitted / obtained. (Applicable for sanctioned limits of Rs. 10 lakhs and above.)</p>
Branch shall ensure that :	
40.	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 company/firm with all the existing banks are in order and are standard is obtained and kept on record.
41.	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 borrowers.
42.	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.
43.	Latest personal information forms duly filled in by the directors / partners/ proprietor/ trustees /guarantors and Net worth details supported by relevant tax returns / duly certified by their auditors are obtained.
Charges:	
44.	Processing charges / Upfront Fees / Supervision / Inspection / Commitment / Amendment / NOC issuance charges etc wherever applicable shall be collected as per the Banks' guidelines unless



specifically waived / concession is granted.

Processing fee is to be recovered on annual basis for review renewal of 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.

45. Each of the following events will attract penal interest, over and above the normal interest rate applicable in account :

- I. Non-compliance of terms of sanction @ 1.00% p.a.
- II. Non-creation of security @ 1.00% p.a.
- III. Late / non submission of monthly stock / receivables statements beyond expected due date every month @ 1% for period of default.
- IV. In case of payment default; for the period of overdue interest/ instalment in respect of Term Loan accounts and over-drawings above the drawing power/ limit on account of interest / devolvement of Letter of Credit/ Bank Guarantee, insufficient stocks and receivables etc. in case of Fund Based Working Capital accounts @ 2% on the portion of overdrawings.

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

46. The Branch should reconfirm the External Rating of the company/firm 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

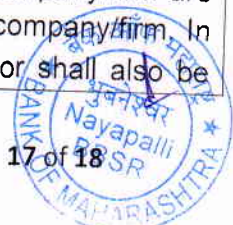
47. The company/firm shall submit to the Bank, every year, audited annual accounts within a period not exceeding 6 months / three months (in case of listed companies) from the close of the previous accounting year. Similarly quarterly results wherever applicable shall also be submitted within 45 days from the end of the last quarter

48. In respect of accounts with exposures above Rs. 5 crores, external rating as required under Basel 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.

49. 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.

50. Field authorities shall make visit to unit/s of the company/firm including registered / corporate offices once in 3 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.

51. End use certificate from the company/firm be obtained certifying that funds have been used for the purpose for which the facilities have been sanctioned. Where the accounts of the company/firm are subject to audit, the end use certificate should be obtained from the auditors of the company/firm. In case of branches under concurrent audit, end use certificate from concurrent auditor shall also be



	obtained in respect of disbursement of loans and advances of above Rs. 10.00 Lakhs. The branches shall send the confirmation of end use to the sanctioning authority.
52.	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 analyse interlocking of funds, diversion of funds etc. Any material negative observation revealed from above exercise shall be reported to the sanctioning authority
53.	The branch should submit "Certificate of Compliance of Terms and Conditions of sanction" to the Zonal Office prior to disbursement.
54.	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 company/firm.
55.	The company/ firm shall submit a 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 submitted.
56.	A certificate from CA stating that all statutory dues are paid up to date be obtained.
57.	All the facilities sanctioned are subject to annual review
58.	In case of MBA/ Consortium/ JLA, exchange of information should be ensured at Quarterly intervals and Bank's guidelines shall be adhered to strictly (Wherever applicable)
59.	Field authorities shall adhere to extant guidelines and instructions 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.
60.	Bank's policy on un-hedged foreign exchange exposure shall be adhered to strictly in case of un-hedged foreign exchange exposure.
61.	Additional Interest as stipulated in HO circular no. AX1/Cr. Mon/Cir. No.24/2014-15 dated 26.03.15 on un-hedged 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.
62.	The period of validity of sanction is 3 Months.

