

Balaji Krushi Seva Kendra
Proprietor

AU
SMALL
FINANCE
BANK

Date: 29/06/2018

Ref. No. AUSFB/BB/AUB/001291

Sanction Letter

Mrs. Rajana Chandrabhan Gite
M/s. Balaji Krushi Seva Kendra
H No 1166, Ugaon Road, Niphad, Nashik -422303.

Namaskar,

Re: Your request to sanction Credit facilities

We (the "Lender" or "the Bank") have pleasure in extending you M/s. Balaji Krushi Seva Kendra (Borrower) the following facilities (the "facilities") subject to the following terms and conditions: -

1. Facility Details I:

Facility Description			Terms Description	
Nature of facility	Overdraft		Pricing: Applicable Rate of Interest	12 Month average of 1year T-Bill + 5.61% % i.e. 12.00% p.a. variable to be reset every quarter and interest to be paid on monthly basis. At present 12 Month average of 1year T-Bill is 6.39%. Bank shall at any time or time to time be entitled to vary the interest rate and margin based on Credit Risk Assessment of the Borrower at its sole discretion.
			Interest reset	Quarterly, first reset date shall be on 30.09.2018 and then on last day of every subsequent quarter.
Amount (In Figures)	(In Rs. 20,00,000/-)		Margin	Nil
Amount (In Words)	(In Rupees Twenty Lacs Only)		Personal Guarantee	Mr. Yogesh Chandrabhan Gite
Nature	Revolving		Security	<ul style="list-style-type: none"> Exclusive charge by way of Hypothecation on Current assets and movable fixed assets both present & future. Equitable mortgage of properties mentioned below: Property situated at Gat No 371, Gala No.1 Ugaon Road Near Oriental Bank, Niphad, Nashik in the name of Mrs. Ranjana Chandrabhan Gite having present valuation of Rs. 14.56 Lacs Gat No 371, Gala No. 3 Ugaon Road Near Oriental Bank, Niphad, Nashik in the name of Mrs. Ranjana Chandrabhan Gite valuation approx. Rs. 26 Lacs Fixed Deposits of Rs. 4 Lacs in
Tenor	12 months			

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		Additional Security	favour of AUSFB N.A.
Purpose	<u>Working capital facility</u>	Corporate Guarantee	N.A.
Availability	12 months subject to annual review	Special Conditions if any	As mentioned below
Repayment	On Demand/Annual review		
Stock & Book Debts Statement Frequency	Half yearly		

Facility details II:

Facility Description		Terms Description	
Nature of facility	Bank Guarantee	Commission	2% P.A., to be paid upfront at the time of issuance for entire tenure of BG
		Margin	20% in the form of FD
Amount (In Figures)	Rs. 20,00,000/-	Personal Guarantee	Mr. Yogesh Chandrabhan Gite
Amount (In Words)	Rupees Twenty Lacs Only	Security	Same as OD facility
Nature	Non-Revolving	Corporate Guarantee	N.A.
Tenor	36 Months	Special Conditions if any	As mentioned below
Purpose	Purchase of Raw Material		
Availability	12 Months		
Interest rate in case of Devolvement/Invocation	24% per annum.		

2. Other conditions

1	Processing Fees	1% of the facilities plus applicable taxes will be payable upfront at the time of acceptance of this Sanction letter.
2	Overdue Rate of Interest	24% per annum on overdue amount
3	Review date	Notwithstanding the terms herein and in conformity with normal business practice, we reserve the right to review this facility or any of the terms and conditions thereof or any other documents or security relating thereto. The facility will be reviewed by 25/06/2019.
4	Special conditions and condition precedent	<ul style="list-style-type: none"> 1) BG to be issued in a format acceptable to the Bank and with quantum and duration of the liability clearly specified in unequivocal terms. The guarantee should contain our usual limitation clause, 2) Commitments under the BG will be honoured by the borrower from its own resources, 3) BG in favour of group concerns cannot to be issued, 4) BGs should be provided in favour of various Banks like SBI / UBI / Nova Scotia Bank etc. only, 5) FD taken as collateral to be used as margin at time of BG issuance, 5) BG to be issued in favour of Smartchem Technologies Ltd and Zuari

	<p>Agro Chemicals Ltd only; BG issuance to any other company will require credit team approval.</p> <ul style="list-style-type: none"> Any change in occupancy status of collateral (partial or/and full) shall be with prior approval of AU small finance Bank in writing. If any of the properties mortgaged to AU bank is leased out, NOC shall be sought and there shall be appropriate clause in the lease agreement for charge of bank, as per the bank's guidelines. (Undertaking to that effect shall be provided by the firm & property owners). Customer to undertake to maintain minimum Adjusted Tangible Net Worth including unsecured loans shall be maintained at a level of Rs. 11 Lacs FY 2018 and maintain it during the currency of the AUSEFB loan wherein Tangible Net Worth shall be defined as "Share Capital + Reserves & Surplus + unsecured loans subordinated - intangible assets-advances/investments to/ in sister concerns). Borrower to undertake to do sole banking with AU Small Finance Bank & route 85% of turnover through AUSEFB. In case of failure, penal interest @ 2% to be levied. Customer to close all the current/CC/OD accounts maintained with other banks except any one account for statutory payments within 60 days from date of disbursal. And wherever possible current accounts, saving accounts and salary accounts of the borrower and group should be opened with AUSEFB. Technical vetting to be done from Technical team for both valuation reports and revised valuation report with no adverse remark or approval on remarks. Stock Audit to be done annually Stock statement to be submitted by 15th of following month of half year post disbursement. Bank Statement of April-17 to June-17 of Nasik District Industrial & Mercantile Co-Op Bank Ltd and VAT/GST return for April-17 to Dec-17 duly Vetted by Credit team. CA Certified Financials of F Y 16-17 to be Vetted by Credit and C A certificate confirming NIL pending statutory dues as on 31.03.2018 duly vetted by credit Value of 2nd collateral to be minimum Rs. 26 Lacs; any deviation to be approved as per delegation matrix. RCU, CERSAI to be done before disbursal All property owners to be taken as Guarantors. Upfront Insurance of Property and Stock with endorsement in favour of AUSEFB Up front Mortgage of collateral
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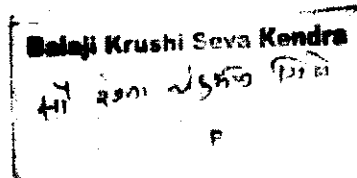
All Charges/fees paid to the Bank pursuant grant of facilities hereto are non-refundable. All documentation charges (including stamp duty), legal and valuation charges shall be borne by the Borrower and will be deductible from the disbursal amount.

Utilization of the above facilities shall be subject to discretion of the Bank, compliance of all the conditions precedent, execution of all documents as mentioned above and no event of default or potential event of default have occurred.

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Registered Office
AU SMALL FINANCE BANK LIMITED
 19-A Dhuleshwar Garden, Ajmer Road,
 Jaipur - 302001, Rajasthan, India
 Phone: +91 141 4110060/61, Fax: +91 141 4110090
 CIN: L36911RJ1996PLC011381
 Formerly known as Au Financiers (India) Limited

V.02-17/18



The borrower unconditionally agrees, acknowledges and undertakes that the Bank has an unconditional right to cancel the facilities, whether in part or in full, at any time during the currency of the facilities without any prior intimation of such cancellation of the borrower.

By accepting this Sanction letter, the borrower confirms that said facilities have been availed/obtained to meet genuine business needs, based on information provided by the Borrower to the Bank at the time of sanction/renewal and also hereby declares and confirms that the facilities availed will be strictly used for intended business purpose only. The Borrower also confirms that the funds will not be used for any Real estate business, capital markets and any other activities which are speculative in nature or which are prohibited under any law for the time being in force and as amended from time to time. Diversion of funds for other purpose amounts to an Event of Default.

It is the responsibility of the Borrower to ensure that the collateral securities in respect of which equitable / registered mortgage shall be created by the Borrower in favour of AU SMALL FINANCE BANK LTD be duly insured at their own cost & expenses for all risk & the same to be assigned in favor of AU SMALL FINANCE BANK LTD.

Standard Covenant forming part of Terms and Conditions: -

1. In case of takeover of facilities from other bank(s), the borrower(s) to submit No dues/No Charge/Satisfaction of Charge; Certificate/Letter from existing bank(s) within 30 days of the initial disbursement, failing which an additional interest up to 2% on the outstanding amount would be due and payable.
2. Borrower(s) to furnish to the Bank, provisional balance Sheet and Profit & Loss Account within 45 days of end of each financial year and audited accounts within 6 months from the end of each Financial Year.
3. The Borrower shall endorse/assign the Insurance policy/policies in favour of the Bank, covering the full value of assets, hypothecated/mortgaged/assigned to the bank. In case, the property/assets are found to be not insured/inadequately insured or the evidence to this effect is not made available to the Bank, in order to protect its interest, the Bank reserves the right to take adequate insurance cover for such property/assets. Any cost and risks arising out of this shall be borne by the Borrower(s) and the Bank reserves the right to debit the borrowers account towards the insurance premium charged by the insurance company. By accepting this Sanction letter, the Borrowers(s) authorizes the Bank to recover the amount of premium by debiting its account(s) maintained with the Bank.
4. Any change in occupancy (partial or/and full) shall be with prior approval of AUSEB in writing. If any of the properties mortgaged to AU Bank is leased out, NOC shall be sought and there shall be appropriate clause in the lease agreement for charge of Bank as per the banks guidelines. (Undertaking to that effect shall be provided by the firm & property owners).
5. Upon issuance if the pay order/counter guarantee in favour of the previous bank, the cancellation of the same will attract pre-closure charges at the Banks sole discretion.
6. Underutilization/Utilization of the Facilities at a level below 60% of limits for the quarter shall attract the levy of commitment charge(s) at the Bank's sole discretion.
7. The Bank will have the right to examine at all times, the borrower's books of accounts and to have the Borrower's sites, collateral security inspected from time to time by officer(s) of Bank and/or qualified auditors or concurrent auditors and/or technical experts and/or management consultants or other representative authorized by Bank. Cost of such inspections will be borne by the Borrower.

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Balaji Krus.

JRA

4th Jan 2018
 Proprietor

8. Working Capital facilities are payable on demand and are subject to annual renewal at the Bank's sole discretion. The loan amount may, at any point of time, exceed in the aggregate with interest thereon and other costs, if any and such limit(s) which the Bank may, from time to time decide in respect of each Facilities. Transaction Documents for renewal are to be submitted sixty (60) days prior to the due date of renewal. The Bank reserves the right to charge an additional interest up to 2% in case of documents/required information are not submitted prior to the due date resulting in delay and /or non-renewal of the Facilities.
9. AUSFB reserves the right to rearrange the repayment schedule and to call upon borrower to accelerate the payments, if borrower's financial position so warrants as per the opinion of AUSFB.
10. AUSFB reserves the right to amend any of the terms of sanction including ROI at any stage without any notice or giving any reasons for any purpose whatsoever, at our absolute discretion.
11. In case of renewal of the Facilities on annual basis, the utilization of the Facilities after the renewal due date amounts to deemed acceptance by the Borrower(s) and the Guarantors(s) to continue availing the Facilities and renewal of the Facilities on the same terms and condition as accepted at the time of initial sanction.
Such deemed acceptance/renewal shall attract charges for renewal of the Facility and the Bank reserves the right to debit such charges, at its sole discretion, on the same terms as mentioned above and the Borrower(s) by accepting this Sanction letter agrees to the same.
12. In case of takeover/foreclosure/ part foreclosure of facility/loan, a foreclosure/ part foreclosure fee of 4% shall be recovered.
13. The bank does not accept laminated title/security documents. Therefore, the Borrower is required to inform the Bank if the title/security documents pertaining to the mortgage security are laminated. The Bank further reserves its right to accept or reject any and/or such documents without assigning any reasons thereof. The decision of the Bank shall be final and binding on the Borrower (s) in this regard.
14. The Borrower shall submit all the financial and other related statements/ documents (Audited / Provisional) from time to time and as and when required by the Bank.
15. Borrower shall not avail any credit facility or borrow funds from any bank, financial institution or others without prior written consent from the AU SMALL FINANCE BANK LTD.
16. Event of Default by the Borrower & Consequences:-Following circumstances shall construed the event of default:-
 - a) Breach of any terms & conditions of the term sheet & transaction documents;
 - b) Use of funds for other than specified purpose.
 - c) Non submission of Insurance/stock statement;
 - d) Or any other situation which indicates non-compliance of any of the conditions of sanction ;

The Bank shall reserve the right to charge penal Interest @ 2% on outstanding facility amount without prior intimation to the Borrower in case of an Event of Default.
In the above circumstances of default, Bank shall be entitled to rights, including but not limited to demand immediate payment of the default amount out of his own sources;
17. The Bank reserves the right to stipulate any additional covenants at its sole discretion, prior to the disbursement of the above-mentioned approved amount.

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Prat
 128971

Kendra
 प्रपत्र
 Proprietor

18. All business through puts/transactions of the business shall be routed through the account of AU SFB only.
19. Borrower to ensure that all interest/ fees/charges debited to the borrower's account is cleared on their respective due date. Borrower shall ensure that adequate credit balances are maintained in their account with AU SFB at all times to ensure payments of dues pursuant to the Facilities by each due date, as may be applicable.
20. The proceeds of the facilities are not to be utilized by the borrower for investments in shares, debentures, advances and inter- corporate loans/ deposits to other companies (including subsidiary and other group companies).

The validity of sanction is Fifteen (15) days from the date of sanction letter to accept the same by the Borrower, We here by request you to sign the attached duplicate copy of sanction letter as your acceptance of the terms and conditions of the above limit(s) and return it to us.

We here by request you to sign the attached duplicate copy of sanction letter as your acceptance of the terms and conditions of the above limit(s) and return it to us. We look forward to your acceptance any of this sheet to expedite the conclusion of this transaction and the disbursement hereunder. The disbursement is subject to realization of Cheque towards Processing fees or other charges (if any).

Further, this sanction does not vest in anyone; the right to claim any damage against AU SMALL FINANCE BANK LTD for any reasons whatsoever.

Should you have any query regarding the above terms and conditions, please do not hesitate to contact the undersigned.

Thanking You,

For AU SMALL FINANCE BANK Limited

Authorized Signatory

[Signature]
128971

[Signature]
145665

I/We, M/s. Balaji Krushi Seva Kendra confirm acceptance of the above terms and conditions mentioned herein as also in the Facility Agreement or other transaction documents together with its schedules earlier executed by me in the matter. I/We hereby irrevocably authorize you to debit my/our account(s) maintained with your Bank towards processing fees, applicable taxes together with interest, costs, charges, expenses, commissions as may be applicable in relation to the above said credit facilities.

Accepted by:
Balaji Krushi Seva Kendra

Borrower/Proprietor

(Co-Borrower)

(Guarantors)

Date: 28/06/2018

Place: Nasik

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