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Date:   20-01-2021

**To**

 Customer Name

 Address A

 Address B

**Contact Details:**

Name:        Sherin A

Number:    90892323232

Email ID:    test@gami..com

Dear Sir

**SUB: SANCTION OF CREDIT FACILITY**

With reference to your application for Credit facility and further discussions between us in this regard, we are pleased to communicate the  **short term loan**sanction of following credit facilities. The terms and conditions governing the credit facilities made available by Samunnati Financial Intermediation & Services Private Limited (hereinafter called “Samunnati”) to    **Customer Name** (“hereinafter called “Borrower”) are provided here under:

|  |  |  |
| --- | --- | --- |
| **Facility** | **Existing Limits** | **Revised Limits** |
|  |  |  |
|  |  |  |
|  |  |  |
| Aggregated Limits |  |  |

**TERMS AND CONDITIONS AGAINST FACILITY**

|  |  |
| --- | --- |
| Purpose | short term loan purpose |
| Revolving/Non-Revolving | Revolving |
| Tenure | 12 months |
| Validity/Review of limit | 10 months |
| Margin | Nil |
| Repayment | Principal:  Principal Frequency  Interest:   Interest Frequency |
| Primary Security | Hypothecation over stock & book debts created out of loan availed from Samunnati Financial Intermediation & Services Pvt. Ltd, both present and future |
| Collateral Security | Nil |
| Personal Guarantee | Guarantor Details |
| Specific Condition | Five (5) Undated Cheques (UDCs) from the Borrower for overall limit from Cash Credit account having    12232323232323333333 with    IOB in favour of “Samunnati Financial Intermediation & Services Pvt. Ltd.,” with each cheque superscription as “Not Exceeding **Rupees**    Two (2) Undated Cheques from the personal bank account of each of the Personal Guarantor in favour of Samunnati Financial Intermediation and Services Private Limited with each cheque superscription “Not exceeding **Rupees** |
| Rate of interest | |  |  |  | | --- | --- | --- | | **Facility Details** | **Rate of Interest** | **Interest in Amount** | |  |  |  | |  |  |  | |  |  |  |   **(Interest shall be subject to revision prospectively from time to time)** |
| Additional Finance Charges | Any irregularity on account of non-payment of interest/charges/instalments will attract additional Finance Charge of   No per annum over and above the contracted.    If non-compliance to covenants and conditions continues to persist for more than 60 days, additional Finance Charges at  No per month over and above the contracted rate would be levied. |
| Documentation Charges | 12  Inclusive of Taxes to be collected from the Borrower in the form of an account payee cheque from their operative account favouring **Samunnati Financial Intermediation and Services Private Limited.**    Note: Charge is to be collected via cheque from the account held with   IOB  having Account Number   12232323232323333333 , prior to disbursement |
| **Processing Fee** | 1% p.a of the overall limit to be collected upfront applicable taxes.    3 Inclusive of Taxes |
| **Mode of Operation** | Modde of operation |
| **Documentation** | 1. Accepted Sanction Letter duly acknowledged by the Borrower. 2. Board Resolution 3. Partnership Confirmation Letter 4. Sole Proprietorship letter 5. DP Note for the limits Sanctioned 6. DPN Delivery Cum Waiver Letter 7. Term Loan Agreement 8. Hypothecation Deed 9. Special Power of Attorney 10. Necessary charges to be registered with respective ROC , prior to disbursement of limits and document evidencing charge creation to be submitted to Samunnati 11. General Declaration & Undertaking 12. Personal Guarantee Deed from each of the Guarantors 13. CA certified Net-worth statement of Guarantors 14. Corporate Guarantee deed backed by Board Resolution 15. Corporate Guarantee deed backed Partnership confirmation letter 16. Five (5) Undated Cheques (UDCs) from the borrower as mentioned under specific conditions. 17. Four(4) Undated Cheques (UDCs) from the borrower as mentioned under specific conditions. 18. Two (2) Undated Cheques (UDCs) from each of the Guarantors as mentioned under specific conditions. 19. Twelve (12) Post Dated Cheques from the Borrower , against the EMI 20. Twenty Four (24) Post Dated Cheques from the Borrower , against the EMI 21. Thirty Six (36) Post Dated Cheques from the Borrower , against the EMI 22. Tittle Search Report (from empanelled advocate) 23. Valuation Report (from empanelled valuer) 24. Mortgage deed/Memorandum Of Deposit of Title deeds 25. Tripartite Agreement 26. Signed NACH Form along with NACH Mandate Letter 27. Undertaking letter 28. Other Document for KYC Compliance 29. Declaration cum indemnity for ESCROW account (on Stamp paper) 30. ESCROW declaration (on letter head) 31. Buyer Acknowledgement letter from the Buyers (prior to disbursement) 32. Fax cum Email Indemnity Letter 33. Any other documents, as may be required. |
| **Loan Covenants** | Loan Covenants |
| **Other Conditions** | In the event of non-repayment of dues on the respective due dates, **M/s.Samunnati** would utilize the NACH mandate to recover the overdues on the next working date. |
| **General Terms and Conditions** | 1. Borrower will keep Samunnati Financial Intermediations and Service Private Limited advised of any circumstances adversely affecting their financial position including any action taken by any creditor, Government authorities against them. 2. Borrower shall pay the charges as per Samunnati’ s standard schedule of charges for various services rendered by Samunnati. 3. Borrower shall maintain adequate books and records which should correctly reflect their financial position. |

**OTHER GNERAL TERMS AND CONDITIONS**

1. The credit facilities offered by us will be available for utilization, subject to compliance of all the terms and conditions of the Sanction Letter and upon receipt of all the requisite documents, security charge creation, as set out in herein, in a form acceptable to us. Please arrange to return the duplicate of this Sanction letter duly signed by the authorized signatories of Borrower and the Guarantor(s) within 30 days from the date hereof, else the Sanction Letter’s validity will automatically expire.  The credit facilities offered herein may continue to be offered at the sole discretion of Samunnati, if this Sanction Letter is accepted by the Borrower not later than 30 days of this Sanction Letter date.
2. (i) All the facilities are subject to Samunnati's customary overriding right of seeking repayment on demand and shall expire on  21-02-2023 Thereafter, Samunnati may renew the same for a further period, subject to the conduct of the account being satisfactory. For this purpose, the Borrower shall submit the relevant financial information to Samunnati latest by    21-02-2023  (ii) The Facility falls due for review on  21-02-2023 .  For this purpose, the Borrower shall submit the relevant financial information to Samunnati latest by  21-02-2023 .
3. The loan shall be utilised for the specific purpose for which it is sanctioned, and it should not be utilised for the following:
   1. Any Capital Market activities.
   2. Extending loans to subsidiary companies / associates without written permission
   3. Any Speculative purposes
4. During the Currency of the Facilities, the Borrower shall intimate Samunnati in writing in respect of the following occurrence,
   1. Implement any Scheme of Expansion/Modernisation/Diversification
   2. Formulate any Scheme of Merger/Acquisition/Amalgamation/Reconstitution
   3. Any change in the Management Set up / Capital Structure of the Company
   4. Enter into borrowing either in a secured or unsecured manner with any other Bank / Financial Institution / Corporate Body.
   5. Invest / deposit / lend funds to Group Firms & Companies / Proprietor / Family Members/ other Corporate Bodies/ Firms / Persons.
   6. Create any further, charge, lien or encumbrance over the assets charged to Samunnati in favour of any other Bank, Financial Institution, firm or person or otherwise dispose of any other Fixed Assets.
   7. Undertake Guarantee obligation on behalf of any other Borrower, Group firms/Companies, Person.
   8. Pay commission / brokerage /fees etc to Guarantor / or any other person for guaranteeing facilities sanctioned to the Borrower.
   9. Declare dividends for any year, except out of the profits related to that year, after paying all dues and making provisions as required for that year, provided there is no default in repayment obligation of the company.
5. The Borrower shall maintain adequate books and records which should correctly reflect their financial position.
6. The Borrower shall not include the Receivables financed by Samunnati Financial Intermediation & Services Pvt Ltd. in their Monthly Drawing Power calculation being submitted to other Financial Institution.
7. Samunnati Financial Intermediation and Services Pvt Ltd., or its authorized agency shall have the right to check the Credit Bureau Reports of the Borrower & Guarantor at any point of time during the currency of this sanction.
8. The Borrower will furnish information / documents including quarterly / annual financial accounts as may be required by Samunnati for review / renewal of Credit Facility from time to time, upon request.
9. The Borrower, Director, Partners and the Guarantors hereby confirm as under:
   1. Have not defaulted to any Financial Institution or Creditor.
   2. Do not figure in the Defaulters List of RBI/Credit Information Agencies/Export
   3. There are no pending litigations against the borrower in any civil/criminal courts or any other legal forums.
   4. None of their group entities are currently classified as defaulters by any Bank or Financial Institution.
10. The Borrower shall pay the charges as per Samunnati’ s standard schedule of charges for various services rendered by Samunnati.
11. In the event of non-repayment of dues on the respective due dates, Samunnati shall have the irrevocable right to utilize the NACH mandate to recover the overdues and the borrower shall ensure funds are made available in the account.   In the event of any change in bank account, the Borrower confirms that the same will be intimated to Samunnati and a fresh mandate will be provided.
12. The Borrower hereby confirms that no consideration by way of Commission, Brokerage, Fees etc., has been paid to the Guarantors directly or indirectly.
13. The Borrower and its Directors / Guarantors undertake that none of them is related to any Director of Samunnati.
14. In case of fresh renewal and receipt of fresh UDCs, the old UDCs would be destroyed by Samunnati, at is sole option and discretion. In the event of closure of the loan, the UDCs of the Borrower held with Samunnati would be shredded/ destroyed.
15. The credit facility under the sanctioned limit is uncommitted. Accordingly, notwithstanding anything contained to the contrary herein, whether or not any such unutilised portion of the working capital limits is to be made available by Samunnati, shall be determined by Samunnati at its discretion and that Samunnati has unconditional right to cancel any such unutilised limits, either partially or fully without prior notice.
16. Other Covenants:
    1. The Borrower covenants to Samunnati that:
       1. It shall comply with all laws (including Environmental and Social Laws) applicable to the Parties.
       2. It agrees that it shall not directly or indirectly, take part in or financing any activity, production, use of, trade in, distribution of, or otherwise involved in any Excluded Activity.
       3. It shall put in place appropriate procedures and policies to restrict its employees, consultants or other agents from causing breach of (a) any conditions, covenants or undertakings under this [agreement] and (b) Environmental and Social Laws.
       4. The borrower shall, if required by Samunnati, shall finalize an E&S Action Plan and comply with the milestones provided therein.
       5. It shall deliver to Samunnati, such information on the [project] as may be considered necessary or desirable to Samunnati, and to report on serious incidents within 24 hours (including, without limitation, explosions, any workplace accidents that result in death, serious or multiple injury, material pollution, or any violent labor unrest or dispute between the Company and local communities).
       6. It shall promptly, upon receiving 7 days prior notice from Samunnati] permit Party Samunnati (through its representatives, delegates or persons nominated by it), to inspect, examine and audit, the operations, business and activities of Borrower.
17. Events of Default:
    1. Non-adherence to covenants and conditions.
    2. Non-payment of any amount payable on due date
    3. Any other prospective /actual events of default such as misrepresentation, insolvency, unlawfulness, invalidity, expropriation, material adverse change in the Business of the Company etc.
    4. An event of default shall be continuing, unless it is remedied / specifically waived by Samunnati in writing.
    5. In case of escrow payment directly received to the borrower from the buyer and the borrower is not paying that immediately to Samunnati would tantamount to Criminal Breach of Trust and can be used for prosecuting the borrower under criminal clauses
18. Cross Default - Default to any of the existing lenders in repayment of interest, or principal shall be construed as a   default event and entail Samunnati to recall the loan or seek accelerated repayment as the case may be.
19. In the event of default in repayment of sanctioned facilities.   Samunnati shall have right, at its sole option and discretion, to appoint nominee on the Board of Directors of the Borrower (if the Borrower is a Company) to look after its interests.
20. In the event of default in repayment of sanctioned facilities, Samunnati shall have at its sole option and discretion, an option to convert the loan amount into equity capital of the Borrower Company at book value or market value, whichever is lower and sell the loan or assign the rights to any Third Party, as Samunnati may deem fit and proper.
21. Samunnati reserves the right to discontinue the credit facilities /advance / loans and/ or to withhold / stop any disbursement/s without assigning any reasons / giving any notice, in case of non-compliance / breach of any of the terms & conditions stipulated therein and from time to time as also in the relevant document or any information / particulars furnished to us found to have incorrect or in case of any development or situations wherein in the opinion of Samunnati, its interest will be/likely to be prejudicially affected by such continuation or disbursement.
22. As per RBI guidelines, Samunnati follows a risk based pricing approach.  Accordingly, the pricing offered is based on our internal evaluation and assessment of each Borrower from a risk perspective.  The risk assessment is based on Samunnati’s internal assessment norms”.
23. The rate of interest, margin and other charges are subject to change as per RBI’s directive / Samunnati’s internal policy, which is subject to revision from time to time.
24. The Borrower further agrees to bear and pay all present and future stamp, registration and similar taxes or charges which may be payable in connection with the acceptance, delivery, performance or enforcement of the Agreements and/or any Facility Documents as listed in this Sanction letter. The Borrower agrees to indemnify and keep Samunnati indemnified at all times against any and all loss, costs, charges, expenses and liabilities including penalties with respect to or resulting from delay or omissions to pay any such stamp, registration and similar taxes or charges. Such stamp, registration and similar taxes or charges (if not paid or reimbursed by the Borrower) shall be deemed to be the amounts due under/in relation to the Facilities.
25. This Agreement/Sanction Letter is made and shall be construed and interpreted according to the Laws of India, in general and the local laws, in particular. The courts and authorities of Chennai shall have exclusive jurisdiction over all controversies and disputes which may arise under or in relation to this Agreement, especially with respect to the execution, interpretation and compliance thereof, the parties hereto waiving any other jurisdiction to which they might be entitled by virtue of domicile, habitual residence or otherwise.
26. It is agreed that, Samunnati’s employees or authorized representatives may from time to time contact the Borrower/Guarantor/Authorised representatives of Borrower and/or Guarantor by phone calls, SMS and/or email, such other mode of messaging services to: (i) communicate reminders on the payment obligations of the Borrower; (ii) seek confirmation on periodic compliances of covenants by the Borrower; and (iii) seek any other information from the Borrower, relevant to the loan.
27. The Borrower and/or Guarantor hereby declares that any mismatch regarding the name/ address/signature/ date of birth, if any, in the KYC documents submitted to Samunnati is due to an inadvertent error and all the information provided in the self-attested latest KYCs are true and accurate and the Borrower and/or Guarantor, authorized signatories agrees to indemnify Samunnati for and against any claim, losses, fines, penalties and liabilities which may occur due to false information/document provided by the Borrower and/or Guarantor
28. The Borrower and/or Guarantor agrees, acknowledges and declares that if there is any mismatch regarding the name/address/ signature/date of birth, in the submitted KYC documents, then the Borrower and/or Guarantor agrees not to make any claim, against Samunnati in respect thereto.
29. The Borrower and the Guarantor agrees that the Sanction Letter, Facility Documents and any other documents to be delivered or executed by the Borrower and / or the Guarantor as per the terms of the Sanction Letter and / or the Facility Documents (“the Documents”), may be electronically signed and that any electronic signatures appearing on the Sanction Letter, Facility Documents and / or the Documents are the same as handwritten signatures for the purposes of validity, enforceability and admissibility under law.
30. In the event that an electronic signature is, for any reason whatsoever, not recognised by any relevant person, entity or authority in any applicable jurisdiction, the Borrower and / or the Guarantor undertakes, upon request, to promptly provide a handwritten signature on the Sanction Letter, Facility Documents and / or the Documents.
31. The Documents executed/Charges created pursuant to the earlier sanction letter(s)  SL001  Dated  20-01-2021  continue to be binding on the Borrower and would cover the facilities extended through this Sanction Letter, unless and until explicitly stated/ communicated by Samunnati, otherwise.

Your Samunnati Relationship Manager is  sherin A  and you can reach him at  121212 or  test2@gmail.com (E-Mail) for any clarifications/requirements.

By signing the last page of this Sanction Letter, the Borrower hereby agrees to be bound by all terms and conditions stated on this page and all the preceding pages of this Sanction Letter.

                                                                                                                                                                                                                            Acknowledged, Agreed and Signed by:

**For Samunnati Financial Intermediation & Services Private Limited                                                                                                         For   Customer Name**

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Authorized Signatory                                                                                                                                                                                         Authorized Signatorie(s)

Name:                                                                                                                                                                                                                 Name:

Date:                                                                                                                                                                                                                   Date:

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                                                                                                                                                                                                                            For "Guarantor"

                                                                                                                                                                                                                            \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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