

FROM : BANGALORE D.V.G. ROAD,	TO : AKEA FURNISH INDUSTRIES, NO 18 SY NO 92/1A AVALAHALLI, MAIN ROAD J P NAGAR 9TH PHASE, Bangalore - 560062, Karnataka
REF : 0473MS2019000278	Your ref : Your Proposal dated 24-12-2019

DATE : 06-01-2020

SANCTION LETTER

Dear Sir/Madam,

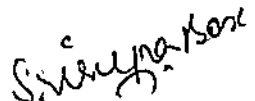
We are pleased to inform that Competent Authority of our Bank has permitted the following credit facilities -

(Amount is in Rs. Lakhs)

Open Cash Credit - General		Name of the Party AKEA FURNISH INDUSTRIES
		Branch BANGALORE D.V.G. ROAD,
Purpose	WC FOR MFG	
Product Code	251	
Scheme Code	60100-OD / OCC / KCC	
Limit	9.92	
Sub Limit		
Tenable Till		
Margin	PROFESSIONAL EQUIPMENTS:25%	
Rate of Interest	RLLR + 2.9%	
Security	Primary: PROFESSIONAL EQUIPMENTS, Hypothecation, INVESTMENT IN PLANT MACHINERY	
Age of the book debts		
Applicable Charges	501.00	

Other Terms And Conditions for the Facility - Open Cash Credit - General

- NA -


श्रीरुपा बोस, अधिकारी
SRIRUPA BOSE
Officer, S.P. No.63845

(Amount is in Rs. Lakhs)

P M EMPLOYMENT GENERATION PROGRAMME		Name of the Party AKEA FURNISH INDUSTRIES
		Branch BANGALORE D.V.G. ROAD,
Purpose	TERM LOAN	
Product Code	727	
Scheme Code	64100-PM EMPLOY GEN PROG (PMEGP)	
Limit	13.83	
Sub Limit		
Tenable Till		
Margin	PROFESSIONAL EQUIPMENTS:25%	
Rate of Interest	RLLR + 2.9%	
Security	Primary: PROFESSIONAL EQUIPMENTS, Hypothecation, INVESTMENT IN PLANT MACHINERY	
Repayment Details		
Tenor (In Months)		
Moratorium period in days		
DCCO		
Disbursement Details	Click to Add Details	

Other Terms And Conditions for the Facility - P M EMPLOYMENT GENERATION PROGRAMME

- NA -

I. b We are pleased to inform that Competent Authority of our Bank has permitted the following Permissions:**i. Existing Permissions:-**

Sr. No.	Permission Description
- NA -	

ii. Modification to Existing Permission:-

Sr. No.	Permission Description
- NA -	

iii. Fresh permission :-

Sr. No.	Permission Description
- NA -	

II. SECURITY DETAILS**a) PRIMARY SECURITY**

(Amount is in Rs. Lakhs)

Sr.	Security Type	Description	Value	Valuation Basis	Nature of Charge
For WC limits:					
1	PROFESSIONAL EQUIPMENTS	INVESTMENT IN PLANT MACHINERY	48.00	CANARA BANK	Hypothecation

For TL limits:					
1	PROFESSIONAL EQUIPMENTS	INVESTMENT IN PLANT MACHINERY	48.00	CANARA BANK	Hypothecation

b) COLLATERAL SECURITY:					
Sr.	Security Type	Description	Value	Valuation Basis	Nature of Charge
-- NA --					

c) Personal Guarantee		
Name	Tangible Networth	Source and date
-- NA --		

d) Corporate Guarantee		
Name	Tangible Networth	Source and date
-- NA --		

III. Processing Charges			(Amount is In Actual)
Sr. No.	Facility	Processing Charges	
1	Open Cash Credit - General	501.00	
2	P M EMPLOYMENT GENERATION PROGRAMME	10,372.50	

IV. CONDITIONS:

V. GENERAL TERMS AND CONDITIONS:

- 1 Penal interest of 2% on the outstanding liability shall be collected if the Audited financial statement is not submitted before 31st October of every year or within a fortnight from the date of Audit of financial accounts of the company whichever is earlier
- 2 Penal interest of 2% per annum shall be collected for delayed submission of stock/ Book Debts statement
- 3 Penal interest of 1% of the fund based liability and 0.25% of the Non Fund based liability shall be levied for delayed/ non submission of QOS/ HOS statement.
- 4 Whenever rating assigned by External Credit Assessment Institutions (ECAIs)/ internal rating is downgraded, Bank reserves the right to review and re-price the credit exposure.
- 5 The Bank may revoke in part or in full or withdraw/ stop financial assistance at any stage, by giving reasonable notice.
- 6 Charges in our Bank's favour should be registered with the RoC within 30 days and acknowledged copies of the relative forms filed with ROC should be submitted to us soon after creation of the charge.
- 7 The hypothecated assets (primary/ collateral) should be comprehensively insured for all relevant risks with usual Lenders clause.
- 8 Valuation of current assets by panel valuer of our Bank/ lead Bank shall be done as per the sanction terms/ policy guidelines at the cost of the borrower.
- 9 A consent letter for disclosure of Information to Credit Information Bureau of India Ltd, (CIBIL) shall be submitted by the borrower.
- 10 A Declaration to the effect that the Company is not having any overdue statutory liability under PF, Bonus, Gratuity, Taxes etc. is to be submitted by the Company. Else, details of Statutory dues in arrears, If any, and the programme to clear the same should be furnished to us.
- 11 The Company shall not give any Corporate/ Financial guarantee without obtaining prior permission from the Bank in writing.
- 12 Prior permission of the Bank shall be obtained whenever the Company proposes to merge with/ amalgamate with/ takeover a new Company. This is also applicable in the case of hiving off an existing Division/ Divisions by the borrower to another Company or converting the Division/s into a separate entity by way of a Subsidiary or otherwise.
- 13 A Letter of undertaking is to be submitted to keep the Statutory Approvals/ Permissions like Pollution Control Board/ Environmental clearance etc. in force and wherever there is a need for taking measures on anti-pollution and environmental safeguards, the Company will abide by fulfilling the conditions stipulated by the licensing/ other Governmental authorities.
- 14 All company law formalities should be complied with in respect of corporate borrowers.
- 15 Commitment charges at 1% will be levied for Non/ under utilization of the sanctioned limits, both Fund Based and Non Fund Based.

- 16 Prorata business, including ancillary business and Non Fund Based business, should be passed on to us.
- 17 Copies of Sanction letters received from other Consortium Member/ MBA Banks shall be submitted to us.
- 18 A comprehensive vehicle Insurance plan offers complete protection against the damages to your vehicle due to an accident or a road-mishap*. A comprehensive plan covers the damages of Insured vehicle, including third-party insurance, theft, along with the personal accident coverage. In case of the borrower's failure to do so, the bank financing the vehicle shall have a right to obtain such Insurance at the cost of and to the debit of the borrower's vehicle finance account
- 19 The Bank may revoke in part or in full or withdraw/stop financial assistance at any stage by giving reasonable notice to the borrower. Credit facilities sanctioned are to be availed within six months from the date of this letter, failing which the limits will automatically stand cancelled.
- 20 The vehicle is to be insured for the full value of the vehicle. Vehicle Insurance to be renewed annually before expiry of the policy and original policy to be submitted to Bank.
- 21 Verification of vehicle should be arranged half yearly/yearly.
- 22 Bank's lien to be noted on RC Book/Smart Card Immediately & Copy of RC Book/Smart Card and Register extract are to be submitted to the Bank within a period of 45 days from the date of disbursement of loan failing which penalty will be charged at 2% on the loan amount.
- 23 This sanction does not vest in you right to claim damages against the Bank or its officials for whatsoever reason
- 24 EMI shall stand revised with the changed rate of Interest.
- 25 The MCLR Rate and actual lending rate are subject to review and variation from time to time as per Bank/RBI guidelines. The changes in the MCLR Rate and the actual Lending Rate will be notified in the notice Board of the Bank from time to time and also in the bank's website.
- 26 Original RC Book/Smart Card to be produced for verification by Bank's officials
- 27 The vehicle to be purchased is to be registered in the name of the applicant.
- 28 It is the policy of the Bank to mandatorily report to Credit Information Company(CIC) all cases of delay in payment of dues/installments. Thus, any delay in payment of dues/installments will lead to adverse remark which will impact the credit score, which in turn, can affect your ability to raise loans on beneficial terms in future. As such, you are advised to strictly comply with the repayment schedule
- 29 ECS mandate will be obtained in locations where facility of ECS/RECS (Debit) is operational
- 30 This sanction does not vest in any one, the right to claim any damages against the Bank for any reason whatsoever.
- 31 The rate of Interest and charges/ fees stipulated are subject to review and changes as decided by the bank from time to time.
- 32 MCLR Rate shall be subject to change from time to time. The MCLR Rate notified by the Bank on its Website and notice board of the Bank/ branch shall be conclusive notice to the borrower in respect of change of MCLR Rate.
- 33 The Borrower hereby specifically waives serving notice by the Bank for any variation in Interest rate including enhancement from time to time as may be directed by the Head Office of the Bank.
- 34 The Rate of Interest stipulated is subject to changes as communicated by us from time to time.
- 35 The Bank reserves the right to re-price the credit exposure permitted on receipt of audited financial statements. Besides, as and when rating assigned by ECAs is downgraded, Bank reserves the right to review and re-price the credit exposure.
- 36 Borrowing Power Resolutions under Section 292 and 293 (i) (d) should be submitted, covering the entire loan sanctioned and duly certifying that the above borrowings are within the unexhausted borrowing powers of the Company.

VI: POST DISBURSEMENT CONDITIONS:

1. The Borrower should submit the periodical information like, OCC, Stock Statements cum MSOD, Book Debt Statement, Financial Statements, from time to time failing which the bank will charge additional interest not exceeding 2% on the outstanding liability.
2. Bank may at its discretion entrust the job of periodical valuation of securities charged, to a valuer approved by the bank and such expenses shall be borne by the borrower.
3. Copies of ITAO or statement of return/auditors certificate regarding submission of upto date Tax returns of company/partner/ guarantor shall be submitted
4. The Bank reserves the right to reprice the credit exposure permitted on receipt of audited financial statements. Besides, as and when rating assigned by internal rating is downgraded, Bank reserves the right to review and reprice the credit exposure.
5. The validity of the rate of Interest permitted shall only be upto the next renewal date. (FOR THE SANCTION WHERE ANY CONCESSION IS GIVEN).
6. The bank may revoke in part or in full or withdraw/stop financial assistance at any stage without any notice or giving any reason for any purpose whatsoever.
7. This sanction does not vest in any one, the right to claim any damages against the bank for any reason whatsoever.
8. The rate of interest stipulated is subject to changes as decided by the bank from time to time.
9. Any other Charges / expenses incurred by the bank with respect to limits sanctioned shall be borne by the Borrower.

Remarks:

- NA -

I / We hereby confirm having gone through the above sanction terms & conditions and agree to comply with the same.

Asma Ichanur
Signature of Borrower:

Date:

Place:

