

20 January 2016

**The Regional Manager,**  
 Eastern Region,  
 Kolkata

Dear Sir,

This has reference to the loan application for Construction Finance from M/s Unimark Mirania Projects LLP for their Project – "Lakewood Estate" coming up at R.S. Dag Nos. 79.80,81,85,86, L.R. Dag Nos. 86,87,88,92, & 93 Mouza Garagacha, J.L. Nos. 45, Touzi No. 56, Holding No. 266, Garagacha, Raipur Sonarpur Municipality, P.S- Sonarpur, District- South 24 Parganas. The Executive Committee in its meeting dated 19.01.2016 has sanctioned loan of Rs. 15.00 Crs on the following terms and conditions:

<b>Application No.</b>	2000000092
<b>Name of Borrower</b>	M/s Unimark Mirania Projects LLP.
<b>Name of Co-Borrower</b>	M/s Regent Highrise (P) Ltd.
<b>Project Address</b>	'Lakewood Estate' in R.S Dag No. 79.80,81,85 & 86 corresponding to L.R Dag No. 86,87,88,92 & 93 lying in Mouza Garagacha, J.L No. 45, Touzi No. 56, Municipal Holding No. 266, Garagacha under Rajpur Sonarpur Municipality, P.S Sonarpur, District – 24 Parganas, Kolkata-700 084.
<b>Purpose/ Utilization</b>	For construction of the Project 'Lakewood Estate'
<b>Total Loan Amount</b>	Rs. 15 Cr.
<b>Term of Loan</b>	Term of 42 months (including moratorium period of 30 months from the date of first disbursement). LIC HFL reserves the right to accelerate the repayment based on review of cash flows.
<b>Rate Of Interest</b>	13.70% Floating – i.e. Project LHPLR – 150 bps. Payable Monthly linked to Project LHPLR. Current Project LHPLR is 15.20%
<b>Administrative Fees</b>	0.25% of the loan amount sanctioned + Applicable Service Tax
<b>Security</b>	<ol style="list-style-type: none"> <li><b>Equitable Mortgage</b> of the Project Land admeasuring an area of 160 cottahs 09 Chittacks 33 Sq.ft. situated at – 'Lakewood Estate' R.S Dag No. 79.80,81,85 &amp; 86 corresponding to L.R Dag No. 86,87,88,92 &amp; 93 lying in Mouza Garagacha, J.L No. 45, Touzi No. 56, Municipal Holding No. 266, Garagacha under Rajpur Sonarpur Municipality, P.S Sonarpur, District – 24 Parganas, Kolkata-700 084 and structure at thereon.</li> <li>Land Owners to join in creation of Mortgage.</li> <li>Assignment / Hypothecation of receivables of the Builders share from the project – 'Lakewood Estate'</li> <li>Security Cover at any point of time to be at least 1.50 times of the loan amount. For calculation of security cover only builder's share to be considered.</li> <li>Negative Lien on the Builders share in project to the extent of 1.50 times of the loan amount based on Market Value.</li> </ol>





	<ol style="list-style-type: none"> <li>6.             <ol style="list-style-type: none"> <li>a. Personal Guarantee of all the partners of LLP</li> <li>b. All the Partners are individually and severally liable.</li> <li>c. All the loan related documents to be signed by all the Partners of Limited Liability Partnership (LLP).</li> <li>d. Personal Guarantee of all the promoter directors of M/s. Regent Highrise Pvt. Ltd.</li> </ol> </li> <li>7. M/s Regent Highrise (P) Ltd. to join as co-borrower.</li> <li>8. Registration of our charge with Central Registry / ROC at borrower's cost</li> <li>9. Enforceability Certificate to be obtained from Law Firm.</li> </ol>
<b>Pre-commitment Condition</b>	<ol style="list-style-type: none"> <li>1. Net worth certificate of all persons providing personal Guarantee duly certified by the Chartered Accountant.</li> <li>2. Satisfactory credit worthiness certificate from the existing lender.</li> </ol>
<b>Other terms of Main security</b>	<ol style="list-style-type: none"> <li>a. The Builder/ Developer/ Company (Borrower) would disclose in the pamphlets/ Brochures etc. the name of LIC Housing Finance Ltd to which the property is mortgaged.</li> <li>b. The Builder/ Developer/ Company (Borrower) would append the information relating to mortgage while publishing advertisement of a particular scheme in newspapers/magazines etc.</li> <li>c. The Builder/ Developer/ Company (Borrower) would indicate in their pamphlets/ brochures, that they would provide No Objection Certificate (NOC) / Permissions of the mortgagee LIC Housing Finance Ltd for sale of flats/ property, if required.</li> </ol> <p>Regional Office to ensure the compliance of the above terms and conditions and the same should form part of documentation. Copy of such disclosure in pamphlets/ Brochures/ Advertisements, etc. should be kept as record along with Original Documents.</p>
<b>Additional Interest in case of default.</b>	<ol style="list-style-type: none"> <li>1. If Interest Installment/s due/s are defaulted / delayed, Additional Interest @ Rate of Interest as applicable + 6 % p.a.. on the interest Installment Due (Calculated from Due Date till Date of Payment) compounding monthly will become payable.</li> <li>2. If Principal Installment/s are defaulted, Additional Interest @ 6% p.a. from the Due Date till the Date of Payment compounding monthly will become payable in addition to the regular Interest mentioned in this Letter above.</li> </ol>
<b>Prepayment Charges</b>	Prepayment charges will be levied @ 2% of the Principal amount prepaid ahead of the repayment schedule. However, prepayment charges will not be levied in respect of the Principal amount being





	adjusted / repaid out of the individual loans received from the Project 'Lakewood Estate' and/or from sale proceeds of units in the project 'Lakewood Estate'.
<p><b>Pre-Disbursement Conditions</b></p>	<ol style="list-style-type: none"> <li>1. Clear, Unencumbered, Enforceable &amp; Marketable Title of Property to be given as Security and Assignment/ Hypothecation of Receivables.</li> <li>2. Regional office to call for Specific Verification by our law firm &amp; our panel valuer in respect of clearances applicable on the project given as security for our loan.</li> <li>3. Registered Conveyance deed between the land owners and Vendors.</li> <li>4. No payment to be made to the land owners till pendency of LICHFL Loan.</li> <li>5. Board resolution from M/s. Regent Highrise (P) Ltd for borrowing money from LICHFL. Registration of our charge with ROC (if applicable) at borrower's cost.</li> <li>6. Building plan approval and all other approvals for construction and completion of the project based on the stage of construction to be in place before making any disbursement for the Construction Finance. Saleable area as per approved plan for G+11 storied not to be less than 113876 sq. ft. The same to be confirmed from Panel Valuer and found satisfactory.</li> <li>7. MOEF Clearance – if applicable.</li> <li>8. Due diligence by an Auditor referred by us on the following :             <ol style="list-style-type: none"> <li>a) Amount Spent and Means of Finance.</li> <li>b) Promoters Contribution invested in the project.</li> <li>c) Sales, Advances received and Bookings made in the project.</li> <li>d) WIP/ Advances/ Sales schedule.</li> <li>e) Payment of Deposit of Rs. 5.50 Cr. to Land Owner</li> </ol> </li> <li>9. Undertaking/ Affidavit from the Borrower / Company/ Promoters that :             <ol style="list-style-type: none"> <li>a) It will not withdraw Promoters Contribution from the project without the approval of LICHFL, until Repayment of the Loan is made entirely to LICHFL with Interest &amp; all other dues.</li> <li>b) It shall not violate the sanction plan approved by competent authority and that the construction shall be strictly as per sanction plan.</li> <li>c) Any shortfall in project funding on account of booking money would be met by the promoters.</li> <li>d) Any increase in project cost would be met by Borrower. Any time and cost overrun and additional charges are to be borne by the promoters.</li> </ol> </li> </ol>





	<p>c) Funds brought in by the Promoters in the form of equity/ unsecured loans and invested in the project not to be withdrawn during the currency of LICHFL loan nor interest on them will be paid.</p> <p>f) The loan availed will be utilized solely for the construction/ development business purpose and shall not be deployed either directly or indirectly for any investment in stock exchange and/ or in capital market/ for land purchase.</p> <p>g) During the currency of LICHFL loan neither any liability nor any third party interest would be created by Promoters/ Directors/ Partners in respect of the Project 'Lakewood Estate' without prior written permission from LICHFL.</p> <p>h) Undertaking that all the assets charged to LICHFL to be fully insured against all risks during the currency of LICHFL loan.</p> <p>i) Undertaking that the Agreement for sale to be entered by the builder with the prospective customers (irrespective of negative lien) should contain the clause that project is mortgaged with LIC Housing Finance Ltd.</p> <p>10. During the currency of LICHFL loan there should not be any change in shareholding pattern/ Sharing Ratio of borrowing LLPs' and Co-borrower Company and profit sharing ratio of land owning company without prior written permission from LICHFL.</p> <p>11. No Space from the developers share in the project will be sold without previous written permission from LICHFL.</p> <p>12. Saleable area and all other aspects as mentioned in Project Details to match with Construction at site.</p> <p>13. Regional Office to obtain and found satisfactory :</p> <p>a) Number and quality of employees and contract labour engaged. Timeliness of payment of Employees' State Insurance Corporation (ESIC) and Employees Provident Fund (EPF) dues.</p> <p>b) Insurance details of workmen and the assets at the site.</p>
<p><b>Disbursement Schedule</b></p>	<p>Disbursement of loan will be based on :-</p> <ol style="list-style-type: none"> <li>1. In proportion to investment of Promoters Contribution in the project.</li> <li>2. Progress of Construction of Project.</li> <li>3. Security Cover of 1.50 times of outstanding loan to be maintained.</li> </ol> <p>Regional office to obtain the following and should be kept as records before proceeding for subsequent disbursement:</p> <ol style="list-style-type: none"> <li>1. Project Pamphlet / Brochure mentioning:</li> </ol>





	<p>a) The project is mortgaged to LICHFL.</p> <p>b) NOC / Permission from LICHFL will be provided for sale of flats / property if required.</p> <p>2. Copy of advertisement, if any, depicting mortgage with LICHFL.</p> <p>3. Photos of Display Board mentioning mortgage with LICHFL at the project site.</p> <p>4. Copy of sale agreement entered with customers / buyers mentioning mortgage with LICHFL.</p>
<p><b>Other Conditions</b></p>	<p>1. Monthly progress report along with sales report has to be submitted.</p> <p>2. Borrower to submit quarterly un-audited financials.</p> <p>3. Borrower to submit audited financials within 6 months from the end of the relevant Financial Year.</p> <p>4. Bi-monthly / Quarterly audit of the project by an auditor appointed by LICHFL – at the cost of the borrower.</p> <p>5. LICHFL reserves the right to appoint Security Trustee and the expenses to be borne by the applicant company.</p> <p>6. C.A. Certificate has to be submitted within a period of 45 days for the utilization of funds at each stage of disbursement.</p> <p>7. LICHFL name should be displayed at conspicuous parts of the site mentioning that the project is financed by LICHFL.</p> <p>8. Intimation to existing buyers to deposit the balance receivables in the escrow account opened for this project.</p>
<p><b>Payment of Interest &amp; Repayment of Loan</b></p>	<p><b>Interest :</b> Interest to be paid monthly.</p> <p><b>Principal:</b> After completion of moratorium period of 30 months from the first disbursement repayment in 12 monthly instalments of Rs.1.25 Cr. Each.</p> <p>1. The entire receivables from the developer's share in the project '<b>Lakewood Estate</b>' would be routed through Escrow Account. The Interest and Principal repayment to be made from Escrow Account. The receipts should also include the balance payments receivable/ to be received on the flats already sold (from the developer's share) in the project (if any), prior to our loan.</p> <p>2. The Borrower to route all receivables from the developer's share in the project including sale proceeds, security deposits, any other payments and termination repayments into a designated account.</p> <p>LICHFL can review the cash flows and accelerate/ change the repayment schedule. In that case pre-payment charges will not be applicable.</p>



Kindly obtain in writing the loan repayment schedule along with the acceptance of the loan offer from the Builder within 30 days of issuance of LOL. Administrative fees to be paid simultaneously with the execution of acceptance of Loan Offer. If the first disbursement of loan is not availed within 6 months from the date of issuance of LOL, this offer gets cancelled.

A confirmation towards the compliance of all the terms and conditions and the repayment schedule to be sent to Corporate Office immediately after disbursement of loan.

Kindly refer to SOP issued vide Circular No. 25 dated 29.06.2012 for all other terms and guidelines. Loan agreement to be finalized in consultation with Approved Law Firm and taking into consideration the above terms and draft Loan Agreement mentioned in the above Circular. **The declaration as per circular No. 24 is to be obtained before disbursement.**

A copy of the duly accepted Loan Offer Letter by the Applicant Company / Firm should be sent to Corporate Office

Thanking you,

Yours faithfully,

  
**Chief Manager (Project Finance).**

Encl

- 1) Other Conditions to be incorporated in Loan Offer Letter.
- 2) Project Details for our internal use
- 3) Cash Flow for our internal use.





**Other Conditions to be incorporated in LOL:-**

1. Bureau of Indian Standards has formulated National Building Code (NBC) of India 2005, providing guidelines for regulating the building construction activities. The Builder has to agree for adherence to the above National Building Code specifications in the Project.
2. Applicant/Borrower to adopt National Disaster Management Authority (NDMA) guideline to ensure safety of building especially against natural disasters.
3. All documentation charges and Quarterly Audit charges shall be borne by the Applicant Company / Firm. The Audit fees will be paid by LICHFL and the same to be reimbursed by the Applicant Company / Firm.
4. The said loan will be used for construction of housing project "Lakewood Estate" coming up at R.S. Dag Nos. 79.80.81.85.86, L.R. Dag Nos. 86.87.88.92, & 93 Mouza Garagacha, J.L. Nos. 45, Touzi No. 56, Holding No. 266, Ganagacha, Raipur Sonarpur Municipality, P.S- Sonarpur, District- South 24 Parganas and it is clearly understood that the said loan or any part thereof shall not be utilized for any other purpose whatsoever.
5. LICHFL's individual Loan Schemes will be given wide publicity in the Builder's brochure and literature. Builder should ensure that maximum numbers of intending borrowers are sent to LICHFL for individual loans.
6. A clause to be incorporated in the Loan Agreement for referring individual loan applications to LICHFL.
7. Appropriate hoardings of LICHFL will be displayed on the project financed by LICHFL.
8. If there is any interest tax levied by the Government of India or any other Authority under the Interest Tax Act 1974 or under any other law, Applicant Company / Firm shall reimburse to LICHFL any such tax imposed or levied by the Government of India or any other authority on interest and/or other payments required to be paid by borrower to LICHFL in connection with the said loan facility.
9. It is the responsibility of the Applicant Company to ensure that the "Property" for which the loan is availed / and / or the "Property" taken as security for loan to be duly insured at the Applicant Company's/ Firms cost and expenses for all risk and the same to be assigned in favour of LICHFL.

10. The title of the property to be clear, marketable, unencumbered and the same to be satisfactory and acceptable to LICHFL. The search in the ROC and in the Sub-Registrar's Office to be done and the same should be satisfactory.

11. Approved Building Plan along with all other approvals from various authorities relating to the Project to be obtained for commencement and completion of the project. The details of the project are enclosed herewith.





12. Post dated cheques for the entire Principal amount covering the full tenure of loan to be taken.
13. NOC from other Financial Institutions and / or Banks from where the Builder might have taken loans for any other Projects if such an approval is stipulated in the agreement / arrangement with them.
14. The Applicant Company/Firm or any of their group Companies should not have defaulted with any of the lenders in the past. A declaration from the Applicant Company / Firm and a Confirmation from their auditors to be obtained in this regard.
15. The borrower shall not raise any loans for this project from any other source without prior written permission from LICHFL.
16. The Borrower will at all times maintain/open:
  - a. Open a separate account with a bank acceptable to LICHFL, which account shall be used for the purpose of all disbursements of the said Loan made to borrower, which will be deposited by borrower in this account.
  - b. Inform all the flat purchasers in the project, to draw all cheques in favour of this account and also undertake that all receivables in connection with this project are deposited only in this account.
  - c. Utilize the funds from this account for the specific purpose of completion of this project and make repayments to LICHFL and not to any other purpose whatsoever; and
  - d. LICHFL shall have full authority to monitor, including auditing all transactions through this account in such manner as it may deem necessary.
17. In the event Borrower sells any space in the project financed, borrower will deposit all the sale proceeds in the designated account opened and maintained as conveyed above. LICHFL will have the first option to adjust the sale proceeds against the principal outstanding/ other dues.
18. The Borrower will give the following irrevocable instructions to the concerned Bank with reference to the said account:
  - a. That the Bank will be authorized to send to LICHFL statements pertaining to this account directly to LICHFL at such frequency as LICHFL may required at anytime.
  - b. That LICHFL has a right to cause the Bank to freeze the account at any time without borrower's confirmation and that on the request of LICHFL, the Bank will on freezing the account or otherwise transfer the outstanding credit in the account to LICHFL, as instructed by LICHFL, without having to obtain any further instruction from borrower;
  - c. That the Bank will abide by any instruction that LICHFL may give to the Bank in connection with the said account without any reference to borrower.





Borrower shall procure and produce to LICHFL a written confirmation of the above from the Bank prior to execution of the loan agreement.

19. The Borrower will also undertake and confirm that in the event the cash flow in the account is not sufficient to service the said Loan, interest or other dues, the shortfall will be met through inflow of fresh funds therein by borrower in a manner and form as mutually acceptable to borrower and LICHFL. The support shall be kept valid until repayment of the entire loan with interest and all other dues.
20. The Borrower will not withdraw any funds to repay the principal to the providers of subordinate debt, if any, until repayment of the entire said Loan to LICHFL with interest and all other dues is made to LICHFL.
21. This letter of offer shall stand revoked and cancelled and shall be absolutely null and void if:
  - a Any information as may be required by LICHFL from time to time pertaining to the project is not furnished in the form prescribed/ approved by LICHFL.
  - b There are any material changes in the proposal for which the said loan is sanctioned.
  - c Any material fact concerning borrower's profits, etc., or ability to repay, or any other relevant aspect of borrower's application of loan is withheld, suppressed, or concealed or not made known to us.
  - d Any statement made in the loan application is found to be incorrect or untrue.
22. C. A. Certificate has to be submitted within a period of 45 days for the utilization of funds at each stage of disbursements.

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