



**Sanction Letter**

Ref No. AXISB/KOL/SME/SEG/2017-18/52  
Date: 08.06.2017

To,  
M/s Luminous Developers LLP  
6A, Elgin Road, 2<sup>nd</sup> Floor, Kolkata-700020

**Kind Attn: Promoters**

Dear Sir,

**Sub: Sanction of Credit Facilities of Rs.700.00lacs**

With reference to your request and further discussion, we have pleasure in advising that the competent authority has approved the proposal in your favour, subject to the stipulated terms and conditions given in the annexure to this letter.

(Rs. In Crores)


Facility	Existing	Change (+/-)	Proposed
Project OD	0.00	+7.00	7.00
Project TL	0.00	--	--
<b>Total</b>	<b>0.00</b>	<b>+7.00</b>	<b>7.00</b>

The Credit facility shall be parked at our CBB Kolkata,  
Door to Door Tenure: 41 months from the date of first disbursement

You are requested to return the enclosed copy of this letter duly signed by the Directors & the Guarantors to our CBB Kolkata Branch (Address: AC Market Bldg, 3<sup>rd</sup> Floor, 1, Shakespeare Sarani, Kolkata-700071) as a token of acceptance of the terms and conditions of sanction.

Kindly also be in touch with CBB Kolkata Branch/the undersigned SME Relationship Manager, Mr. Jay Prakash (Cell No 9871768837) for completion of documentation & other related formalities as well as any further assistance/co-ordination in this regard.

Yours faithfully

  
Centre Head  
Kolkata SME Centre-I



  
Relationship Manager  
Kolkata SME Centre-I

Encl. a/a

Copy to:

1. Branch Head, Corporate Banking Branch, Enclosed also find copy of the Appraisal Note. Please be guided accordingly.
2. The Relationship Manager, SME Centre Kolkata for information



**Annexure to Sanction letter AXISB/KOL/SME/SEG/2017-18/52 dated 08.06.2017**

1.	Borrower	: Luminous Developers LLP
2.	Promoter (s) / Sponsor (s)	: Rajendra Kumar Vidhawan Saket Agarwal Mahesh Pansari
3.	Guarantor(s)	: M/S Trishul Projects Pvt Ltd M/S Primarc Projects Pvt Ltd M/S Rajtilak Mercantile Pvt Ltd Mr Rajendra Kumar Vidhawan Mr Mahesh Pansari Mr Saket Garwal
4.	Security Provider(s)	: M/s Luminous Developers LLP
5.	Obligors	: M/S Trishul Projects Pvt Ltd M/S Primarc Projects Pvt Ltd M/S Rajtilak Mercantile Pvt Ltd Mr Rajendra Kumar Vidhawan Mr Mahesh Pansari Mr Saket Garwal
6.	Security Trustee	Not Applicable
7.	Lender's Agent	Not Applicable
8.	Escrow Bank	Axis Bank Ltd
9.	Lender's Legal Counsel	Not Applicable
10.	Lender's Independent Engineer	: To be obtained at half yearly interval to ensure physical progress is in tandem with plans
11.	Facility details including sub-limits	: Total sanctioned limits : a) FB: Rs. 7.00 crores

(Rs in crores)	
Facility Type	Amount
Project Overdraft	7.00

<b>(A)</b>	<b>Facility</b>	: <b>Project OD</b>																																								
1.	Amount	: Rs.7.00 crores																																								
2.	Purpose	: To part finance the LLP's proposed residential project named "Primarc ALLURE", at 14/1 Matheshwariata Road (previously Premises No-14/1, South Tangra Road) of Ward No-58 of Kolkata Municipal Corporation, P.S. Tangra, Tangra Division -IV, Sub Division- I Holding No-58A Dist: South 24 Parganas, Pin -700046.																																								
3.	Project Cost & Means of Finance	: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">Cost of the Project</th> <th colspan="3" style="text-align: center;">Means of Finance</th> </tr> <tr> <th style="text-align: left;">Particulars</th> <th style="text-align: center;">Amount</th> <th style="text-align: left;">Particulars</th> <th style="text-align: center;">Amount</th> <th style="text-align: center;">%</th> </tr> </thead> <tbody> <tr> <td>Plan Sanction Cost</td> <td style="text-align: center;">37.00</td> <td>Margin:</td> <td></td> <td></td> </tr> <tr> <td>Construction Cost</td> <td style="text-align: center;">1,172.36</td> <td>Promoters Contribution</td> <td style="text-align: center;">166.25</td> <td style="text-align: center;">10.06%</td> </tr> <tr> <td>Overheads</td> <td style="text-align: center;">48.83</td> <td><b>Total Margin</b></td> <td style="text-align: center;"><b>166.25</b></td> <td></td> </tr> <tr> <td>Selling and Mktg.</td> <td style="text-align: center;">100.00</td> <td>Bank OD</td> <td style="text-align: center;">700.00</td> <td style="text-align: center;">42.35%</td> </tr> <tr> <td>Finance Charges</td> <td style="text-align: center;">294.65</td> <td>Advance from Customers</td> <td style="text-align: center;">788.59</td> <td style="text-align: center;">47.59%</td> </tr> <tr> <td><b>Total Project Cost</b></td> <td style="text-align: center;"><b>1652.84</b></td> <td><b>Total</b></td> <td style="text-align: center;"><b>1652.84</b></td> <td style="text-align: center;"><b>100.00%</b></td> </tr> </tbody> </table>	Cost of the Project		Means of Finance			Particulars	Amount	Particulars	Amount	%	Plan Sanction Cost	37.00	Margin:			Construction Cost	1,172.36	Promoters Contribution	166.25	10.06%	Overheads	48.83	<b>Total Margin</b>	<b>166.25</b>		Selling and Mktg.	100.00	Bank OD	700.00	42.35%	Finance Charges	294.65	Advance from Customers	788.59	47.59%	<b>Total Project Cost</b>	<b>1652.84</b>	<b>Total</b>	<b>1652.84</b>	<b>100.00%</b>
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4.	Rate of Interest	<p>1 year MCLR + 3.00% (presently of 11.25% p.a.), payable at monthly intervals.</p> <p>In case of rupee term loan, the rate of interest will be linked to MCLR on the date of first disbursement and the reset will be at intervals equivalent to tenure of the MCLR.</p>																																						
5.	Tenor/ Door to door tenor for Project Loans	<p><b>Door to Door Tenure:</b> 41 Months from the date of First disbursement.</p> <p><b>Drawdown + Moratorium Period:</b> 25 Months</p> <p><b>Repayment Period:</b> 16 months</p> <p>The 1st disbursement is expected to be commenced from the 1st quarter of 2017-18 and loan will be repaid by the end of 2nd quarter of 2020-21.</p>																																						
6.	Repayment	<p>Project OD to be repaid in 5 quarterly installments as per table provide below-</p> <table border="1"> <thead> <tr> <th rowspan="2">Particulars</th> <th colspan="4">2019-20</th> <th colspan="4">2020-21</th> <th rowspan="2">Total Repayment</th> </tr> <tr> <th>1<sup>st</sup> Qtr</th> <th>2<sup>nd</sup> Qtr</th> <th>3<sup>rd</sup> Qtr</th> <th>4<sup>th</sup> Qtr</th> <th>1<sup>st</sup> Qtr</th> <th>2<sup>nd</sup> Qtr</th> <th>3<sup>rd</sup> Qtr</th> <th>4<sup>th</sup> Qtr</th> </tr> </thead> <tbody> <tr> <td>Project OD</td> <td>-</td> <td>1.00</td> <td>1.00</td> <td>1.00</td> <td>2.00</td> <td>2.00</td> <td>-</td> <td>-</td> <td>7.00</td> </tr> <tr> <td><b>Total</b></td> <td>-</td> <td><b>1.00</b></td> <td><b>1.00</b></td> <td><b>1.00</b></td> <td><b>2.00</b></td> <td><b>2.00</b></td> <td>-</td> <td>-</td> <td><b>7.00</b></td> </tr> </tbody> </table> <p>The 1<sup>st</sup> repayment is expected to be commenced from the 2<sup>nd</sup> quarter of 2019-20 and loan will be repaid by the end of 2<sup>nd</sup> quarter of 2020-21.</p> <p>Interest to be serviced as and when charged in the account.</p> <p><u>Accelerated Repayment:</u> Quarterly cash inflows through booking advances are envisaged (as per cash budget appended in the sanction note) for the said project. If the actual advances / revenues are more than said projections, then 15% of the excess booking advances / sell proceeds amount shall be utilized towards accelerated prepayment of the Term loan / Overdraft. The said clause will be applicable after moratorium period.</p>	Particulars	2019-20				2020-21				Total Repayment	1 <sup>st</sup> Qtr	2 <sup>nd</sup> Qtr	3 <sup>rd</sup> Qtr	4 <sup>th</sup> Qtr	1 <sup>st</sup> Qtr	2 <sup>nd</sup> Qtr	3 <sup>rd</sup> Qtr	4 <sup>th</sup> Qtr	Project OD	-	1.00	1.00	1.00	2.00	2.00	-	-	7.00	<b>Total</b>	-	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>2.00</b>	<b>2.00</b>	-	-	<b>7.00</b>
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7.	Security	<p><b>Primary:</b></p> <ol style="list-style-type: none"> <li>Exclusive charge on entire current assets of the project including inventory, sales proceeds, security deposits etc. both present and future.</li> <li>Exclusive charge on cash flow from the project including sale proceeds, security deposits, and any other payment and termination repayments. (All the proceeds should be routed through the Overdraft account of the Firm with Axis Bank)- Restricted to Developers Share.</li> </ol> <p><b>Collateral:</b> EM over the project land and construction thereon admeasuring 17430 Sq.Ft. at Premises No.14/1, Matheswartola Road, within the limits of KMC. Ward no- 58, P.S. Tongra, Tongra Division - IV, Sub Division - I, Holding no. 58A, District- South 24 Parganas. Pin -700046</p> <p><b>Collateral coverage:</b> Minimum collateral coverage of 98% to be maintained based on value of land during the currency of the facility.</p> <p><b>Guarantors:</b></p> <ol style="list-style-type: none"> <li>Corporate / Personal Guarantee of Partners of LLP</li> <li>M/s. Trishul Projects Pvt. Ltd</li> <li>M/s. Primarc Projects Pvt. Ltd.</li> <li>M/s. Rajtilak Mercantile Pvt. Ltd.</li> <li>Mr. Rajendra Kumar Vidhawan having Net worth of INR 20.33 Crores</li> <li>Mr. Mahesh Parsari having Net worth of INR 4.05 Crores.</li> <li>Mr. Saket Agarwal having Net worth of INR 2.51 Crores.</li> </ol>																																						
8.	Prepayment	In case prepayment is through accruals from project/ sale of area/ no prepayment penalty /premium to be charged to Company.																																						

(A)	Facility	Project OD
		In other cases if borrower desires to prepay the loan, - a. Penal charges are levied @ 2.00% in case of pre-payment OR take-over of Project OD facilities by other Banks/Fis. c). The pre-payment charges shall be levied on entire outstanding balance at the time of such pre-payment or take-over.
9.	Penal Interest	<ul style="list-style-type: none"> <li>In the event of non-payment of TL instalment/ interest, penal interest at 2% per annum on the amount of overdue instalment/ interest will be charged. <b>[Note: It is in line with extant CCP norms.]</b></li> </ul>

#### TERMS COMMON TO ALL FACILITIES COVERED IN PART II

1.	Date of Completion/ Date Of Commencement Of Commercial Operations (DCCO)	The project shall be completed in all respects by 3 <sup>rd</sup> Quarter of 2020-21 wherein Core construction activity to finished by 2 <sup>nd</sup> quarter of 2020-21. Any time overrun shall be bought to the notice of the Bank immediately.
2.	Borrower's undertaking	<ol style="list-style-type: none"> <li>In event of the cancellation of any Sale in the Project, the Lenders shall have charge on the corresponding area from the Project already sold.</li> <li>Any contribution by promoters/ group company/ directors/ other related parties in the form of shareholder loan/ unsecured loan/ NCD/ OCD etc would be subordinate to credit facilities availed from Lenders, and the Principal or interest (if applicable) on such loans / funds shall not be paid during the tenure of the Facility without the prior permission of the Bank.</li> <li>In case of any savings in the Project Cost, the Debt for the Project would be reduced on a pro-rata basis.</li> <li>The borrower to undertake to provide the declaration, as detailed in Annexure – B (Format given at the end of this term sheet), every quarter, within 10 days from the end of the quarter.</li> <li>Company to provide an undertaking that it agrees to               <ol style="list-style-type: none"> <li>Disclose in the Pamphlets / Brochures etc., the name(s) of the Lender to which the property is mortgaged.</li> <li>Append the information relating to mortgage while publishing advertisement of a particular scheme in newspapers / magazines etc.</li> <li>Mention in demand notice (to end customers) that payments need to be made in favour of the Designated Account (to be opened with Axis bank)</li> <li>Display boards indicating that the Project Assets/Property is mortgaged/ financed to Axis Bank/ Lenders</li> </ol> </li> <li>The borrower shall prior to seeking any disbursement under the facility provide an undertaking that:               <ol style="list-style-type: none"> <li>All the cash flows related to the project would be routed through the proposed Project OD A/c at Axis bank.</li> <li>The facility would be used only for the project related expenditures and for no other purpose</li> <li>Any overrun in the project cost from that given in the Base Case Business Plan to be funded by the borrower's own contribution;</li> <li>No other secured borrowing shall be outstanding post the disbursement of the facility, against the project.</li> <li>The facility will not be utilized for any activity not eligible for bank credit as per the RBI's guidelines, issued from time to time; and</li> <li>The company will not raise any further secured borrowings for the Project, without the prior written approval of Axis Bank;</li> <li>The borrower undertakes to comply with the terms and conditions as mentioned in the annexure with respect to the</li> </ol> </li> </ol>



*[Handwritten signature]*



**TERMS COMMON TO ALL FACILITIES COVERED IN PART II**

		disbursal/Monitoring of the limits.
3.	Promoter's/ Sponsor's Undertaking :	<ol style="list-style-type: none"> <li>1. Any shortfall in the customer advances/ sales proceeds, or any overrun in Project Cost shall be financed by unsecured funds from Promoters/ Promoter's equity.</li> <li>2. The promoters of the borrower shall also undertake to finance any shortfall or delay in receipt of subsidy to ensure smooth implementation of the project.</li> <li>3. The terms and conditions governing various means of financing shall be made available to the Bank. These shall be satisfactory to the Bank.</li> <li>4. Promoter shall maintain existing shareholding (i.e. 100%) in the Borrower and Land Owning Companies at all times during the currency of the Facility. They shall not reduce their stake without prior written approval from the Bank.</li> <li>5. Promoter shall meet any shortfall in meeting Debt servicing for the Facility, during the entire tenor of the facility.</li> <li>6. The Promoter/s or Promoter group entities would provide additional security to the satisfaction of the Lenders in case the existing security becomes inadequate to cover the outstanding amount (with a minimum FACR of 1.33 times) in the opinion of the Lenders.</li> <li>7. They will take all possible steps including prepayment, to indemnify the Lenders of the Project on account of any legal proceeding/ suits/ litigations, expected to adversely impact the Project to the opinion of the Lenders;</li> <li>8. There is no non-compliance with respect to Section 275/165 of the Companies Act 1956/2013 with regard to the number of directorship of the Promoters in other companies.</li> </ol>
4.	Conditions precedent to the initial disbursement	<p>The availability of the Facility shall be subject to satisfaction of the following conditions/submission of following documents:</p> <ol style="list-style-type: none"> <li>(i) The borrower shall obtain all necessary statutory permissions from regulatory, governmental, environmental and other agencies. It shall provide copies of such permissions to the Bank for its record.</li> <li>(ii) The Bank reserves the right to withhold disbursement of the loan at any time if in its opinion there occurs any event that adversely affects the viability of the Project.</li> <li>(iii) Payment of non-refundable processing fees and applicable taxes, as stipulated herein above.</li> <li>(iv) Satisfactory inspection report by Relationship Manager.</li> <li>(v) Completion of documentation formalities and upfront security creation.</li> <li>(vi) All statutory approvals like sanctioned building plan, fire clearance, power connection, height clearance and approval for Water Connection approval etc. to be in place and borrower to submit copies of such permissions to the Bank for its record.</li> <li>(vii) The borrower to submit an undertaking that the environmental consent is not applicable for the concerned project.</li> <li>(viii) Execute all documents, submit all undertakings and comply with such other conditions like opening specific accounts as may be required by the stipulated terms and conditions;</li> <li>(ix) Submit In-House Engineer's / Architect's Certificate certifying that all requisite permissions/approvals from the competent authorities to successfully undertake the project have been obtained;</li> <li>(x) Provide an affirmation that all its permissions/ MOIs/ Agreements/ deeds and other project documents executed by it are current and there is no dispute or default committed by any of the parties to</li> </ol>



**TERMS COMMON TO ALL FACILITIES COVERED IN PART II**

		<p>such agreements:</p> <ul style="list-style-type: none"> <li>(xi) Submit a CA certificate providing the details of already incurred expenses on the Project, the details of customer advances already received, Borrower's contribution brought into the project;</li> <li>(xii) Submit a declaration stating that "the directors/ promoters/partners of the borrowing company/ concern are not related to any of the directors/senior officers of the bank" and incase if the declaration is found to be false at any later date, then the bank would be entitled to revoke and /or recall the credit facility;</li> <li>(xiii) The builder/ developer/ firm would agree to disclose in the Pamphlets/ Brochures/official website etc., the name(s) of Axis Bank(s) as project financing Bank.</li> <li>(xiv) The builder/ developer/ firm would agree to append the information relating to financing of the project by Axis Bank while publishing advertisement of a particular scheme in newspapers/ magazines etc.</li> <li>(xv) Company to undertake that the project will be compliant with National Building Code (NBC-2005) &amp; NDMA guidelines in line with Reserve Bank of India directives.</li> </ul>
5.	Disbursement conditions	<p>The disbursement of the Project OD shall be subject to compliance/submission of the followings:</p> <ul style="list-style-type: none"> <li>i. Satisfactory Title Search &amp; Valuation report of land to be obtained upfront.</li> <li>ii. The firm shall operate the Project OD account as a collection account as well as expense a/c. All the cash inflows of the Project [like sales advances, promoter contribution or equity etc.] should be deposited in this "OD Account" and project expenses to be debited from the OD a/c.</li> <li>iii. Overall debt-equity ratio of the project shall be 4.21:1 However; OD shall be disbursed based on debt-equity ratio of 1:1 wherein Equity shall include Advances from Booking.</li> <li>iv. Disbursements may be allowed as advance payments to developer/ contractor/ vendors based upon estimates for each HY and also upon receipt of satisfactory progress of the project on HY basis. The progress of the project to be examined vis-à-vis HY schedule of execution which is to be obtained before 1st disbursement.</li> <li>v. In the event the Facility is used for reimbursement of capex, the Borrower shall provide a certificate from its statutory auditor confirming that the capital expenditure for which financing in form of reimbursement (if applicable) is sought, was earlier incurred by the borrower from cash accruals of the business or promoters contribution in the form of ownership rights or retained earnings or such other owned funds of the borrowing entity. Simultaneously, sample verification of invoices are also to be done.</li> <li>vi. First Disbursement will be after 75% of the promoters' contribution has been invested in the project i.e. the firm to bring in upfront margin of Rs.124.69lacs prior to disbursement of any credit facility. No reimbursement for land cost shall be made.</li> </ul>
6.	Other Covenants	<ul style="list-style-type: none"> <li>i. The Bank shall have the right to conduct a review of the Project at any stage before or after commencement of commercial production and the Borrower shall facilitate the same.</li> <li>ii. The promoter shall bring in the upfront equity upto 75% and the same shall be certified by the CA. Subsequent disbursements to be done such that the Debt to equity ratio is always maintained.</li> </ul>





**TERMS COMMON TO ALL FACILITIES COVERED IN PART I**

- (This could be as per negotiation)
- iii. The Borrower shall provide a certificate from Chartered Accountant, to the satisfaction of the Bank, certifying end use of term loan availed from the Bank and contribution/margins brought in by the borrower at the time of each availment / within 6 months of availment of each tranche of the term loan.
  - iv. The drawdown should comply with the agreed construction budget and drawdown schedule and has not been objected by the Lenders' Independent Engineer (LIE) in respect of such drawdown.
  - v. The Bank reserves the right to withhold disbursement of the loan at any time if in its opinion, there occurs any event that adversely affects the viability of the project or there has been an Event of Default under any Agreement/MOU/other document executed by the Borrower for the purpose of the Project, including but not limited to the Loan Agreement.
  - vi. The Borrower agrees that if as a result of the review, the Bank determines that the borrower has not implemented/is not likely to implement the project within the project cost and / or the completion date, the Bank may stipulate additional conditions including strengthening of management set up, change in means and terms of financing and other measures that may be required for better project management and are beneficial to the project viability.
  - vii. Bank at its own discretion may appoint a Technical Firm to monitor the progress of the project. The expenses in this regard will have to be borne by the borrower.
  - viii. Half-yearly LIE reports to be submitted by the LIE in case of project loans till the project is completed
  - ix. The borrower shall appoint technical, financial and executive personnel with appropriate qualifications and experience for the key positions and shall satisfy the Bank on the adequacy of the organizational set up for smooth implementation and operation of the project.
  - x. The Borrower shall not make any material changes in the project documents without the prior permission of the Lenders.
  - xi. If any substantial changes in the technical, financial aspects of the project are contemplated by the company either on its own or for any reason whatsoever, the company shall inform the Lenders / Lenders Agent of the details of the proposed changes without delay and shall obtain prior written approval of the Lenders / Lenders Agent for such changes.
  - xii. Borrower shall have procured and furnished copies of all insurance policies of the Project whose assets are charged for the facility (or appropriate endorsements, certifications or other satisfactory evidence of insurance) as advised by the insurance consultant to the satisfaction of the Lender. All costs/expenses for the same shall be borne by the Borrower. The Borrower shall have further agreed to obtain/renew adequate insurance cover during the tenor of the facility;
  - xiii. The borrower shall finalize its selling arrangements to the satisfaction of the Bank.
  - xiv. The borrower shall obtain necessary sanction of power, water, fuel, etc. from the relevant authorities to the satisfaction of the Bank.



**TERMS COMMON TO ALL FACILITIES COVERED IN PART II**

		<p>xv. The borrower shall make adequate arrangements for treatment and disposal of effluents, solid waste and emissions from its project and shall furnish appropriate approvals from the authorities in this regard.</p> <p>xvi. The borrower shall carry out safety/environment/energy audit of its project to the satisfaction of the Bank.</p> <p>xvii. The Bank reserves the right to appoint qualified accountants / technical experts /management consultants of its choice to examine the books of accounts, factories and operations of the borrower or to carry out a full concurrent/statutory audit. The cost of such inspection shall be borne by the Borrower.</p> <p>xviii. In case any condition is stipulated by any other lender that is more favorable to them than the terms stipulated by the Bank, the Bank shall at its discretion, apply to this loan such equivalent conditions to bring its loan at par with those of the other lenders.</p> <p>xix. The borrower shall not undertake any new project or expansion or make any investments or additional borrowings/leases during the tenor of the Bank's assistance without prior written approval of the Bank / prior intimation to the Bank</p>
7.	Issuance of Cheque Book	<p>As is a project OD account, the company may be issued cheque book to meet its expenses requirement. However the DP in the OD account shall be made available considering the following parameters:</p> <p>a. DP shall be calculated based upon CA Certificate for source and utilization of fund related to project. Further DP shall be enhanced on the basis of CA Certificate indicating actual expenses incurred along with promoter's infusion and advance booking from retail buyers in the project.</p> <p>b. Debt Equity ratio to be maintained as per sanction</p> <p>c. The project FACR including land cost is maintained at the stipulated level during the currency of finance.</p> <p>d. All project related cash flows including advance booking and infusion of promoters contribution shall be mandatorily routed through OD Account</p> <p>e. Submission of Physical progress of the project and Booking status</p>
8.	NOC for sale / release of Lender's charge on Project units	<p>The company has to obtain NOC before sales/Booking of the flats from the bank. The company shall intimate within 2 working days after receipt of booking amount for issuance of NOC.</p> <p>NOC will be issued only up to 80% of the saleable super built-up area. NOC for any portion over and above 80% shall be issued only after repayment of debt pertaining to the said unit. This repayment will be over &amp; above normal repayment.</p>

1.	Upfront/ Non-refundable Processing Fee:	<p><u>(A) Upfront/ Processing Fees</u></p> <p>1.25% of the aggregate Limits i.e. 8/5000 plus applicable taxes:</p> <p><u>(B) Other Charges / Fees / Commission</u></p> <p>The Borrower shall bear all standard charges/ fees (including service tax, if any) over and above those mentioned in this sanction letter on upfront basis</p> <p>The upfront/processing fees, and other charges/fees may be paid by either of the following methods:</p>
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		<p>i) By cheque favouring Axis Bank - Processing fee A/c; or</p> <p>ii) By specific debit advice (*) to Axis Bank for debiting the Borrower's account maintained with Axis Bank and crediting Axis Bank - Processing fee A/c;</p>
2.	Availability Period / Last Date of Drawdown	Unless otherwise agreed by the Bank in writing, disbursement under the Facility shall not be permitted beyond 31.08.2020. Any disbursement request after this date shall be on such terms and conditions as acceptable to the Bank.
3.	Validity of Sanction	The sanction shall be valid for acceptance 15 days ("Validity Period"). The Sanction Letter should be duly accepted by the authorised signatory of the relevant obligors on or before expiry of the Validity Period.
4.	Interest Reset / Spread Reset	<p>The Bank reserves the right to alter the Interest rate or the spread or the interest reset date upon occurrence of any of the following:</p> <ol style="list-style-type: none"> <li>RBI enhancing the standard provisioning requirements/risk weightage for banking assets; or</li> <li>downward revision in the credit rating of any of the Obligors by a Credit Rating Agency and/or internal ratings; or</li> <li>occurrence of an Event of Default or potential event of default; or</li> <li>bank's internal reviews and/or changes in externally prevailing directives of regulatory authorities; or</li> <li>RBI changing the methodology for computation of interest from time to time.</li> <li>if determined by the Bank upon annual review of the Borrower.</li> </ol> <p>In the event the interest reset is not acceptable, the Borrower shall have the option to prepay the entire amounts outstanding under the Facility within 30 days from the reset date without prepayment premium.</p>
5.	Interest-Calculation	The interest per annum shall accrue and be calculated for 365 days (for rupee loans), and 360 days (for foreign currency loans), irrespective of leap year.
6.	Key Financing Document	<p>In addition to the other document that will be required in terms of the Sanction Letter, the key financing documents shall mean the Bank's standard documents as are customarily used for a transaction of this nature including but not limited to the following:</p> <ol style="list-style-type: none"> <li>Term loan / facility agreement.</li> <li>Security documents in relation to [hypothecation], [mortgage], [pledge], [charge], assignment, [guarantee]</li> <li>[Sponsor support undertaking, letter of comfort, non-disposal undertaking]</li> <li>[Security trustee agreement]</li> </ol>
7.	Security Timeline Creation	<p>The following security shall be created and perfected upfront :</p> <ol style="list-style-type: none"> <li>EM over the project land and construction thereon admeasuring 17430 Sq.Ft. of Premises No.14/1, Matheswartola Road, within the limits of KMC, Ward no- 58, P.S- Tangra, Tangra Division - IV, Sub Division - I, Holding no. 58A, District- South 24 Parganas. Pin -700046</li> </ol>
8.	Utilization	<p>Under no circumstances shall the Facility be utilised for:</p> <ol style="list-style-type: none"> <li>Subscription to or purchase of shares/debentures</li> <li>Extending loans to subsidiary companies/associates or for making inter-corporate deposits.</li> <li>Any speculative purposes.</li> <li>Activities not eligible for bank credit as per RBI guidelines</li> </ol>

9. Financial Covenants	<p>The below Financial Covenants shall be tested on a quarterly/semi-annual/annual basis based on audited results of the Borrower:</p> <table border="1" data-bbox="515 241 1190 477"> <thead> <tr> <th>S. No.</th> <th>Ratios</th> <th>Parameter</th> </tr> </thead> <tbody> <tr> <td>I.</td> <td>FACR (security cover)</td> <td>1.33</td> </tr> <tr> <td>II.</td> <td>Average Cash Flow Coverage Ratio</td> <td>1.50</td> </tr> <tr> <td>III.</td> <td>Debt/ Equity</td> <td>4.21:1</td> </tr> </tbody> </table> <p>The Borrower/Sponsor shall provide a CA certificate ascertaining the compliance of the financial covenants within 45 days of the end of the financial year / 30 days of publishing of financial results, whichever is earlier.</p>	S. No.	Ratios	Parameter	I.	FACR (security cover)	1.33	II.	Average Cash Flow Coverage Ratio	1.50	III.	Debt/ Equity	4.21:1
S. No.	Ratios	Parameter											
I.	FACR (security cover)	1.33											
II.	Average Cash Flow Coverage Ratio	1.50											
III.	Debt/ Equity	4.21:1											
10. Information Covenants	<p>In addition to the information covenants which are customary to a facility of this nature, the following covenants to be provided by the obligors (unless indicated below to be provided only by the Borrower), if shall:</p> <ol style="list-style-type: none"> <li>Keep the Bank informed of the happening of any event which is likely to have an impact on their profit or business and more particularly, if the monthly production or sale and profit are likely to be substantially lower than already indicated to the Bank. The obligors will inform accordingly with reasons and the remedial steps proposed to be taken;</li> <li>inform the Lenders within 30 days of the occurrence of any social, labor, health and safety, security or environmental incidents, accidents or any other circumstances which could reasonably be expected to have any material adverse effect on the Borrower's business;</li> <li>The Borrower to submit annual net worth statement of the Personal Guarantors along with the detailed breakup of assets (Asset type - Land/ Building/ Listed shares and other liquid investments/ unlisted shares / Jewellery etc: Geography of ownership) [if applicable];</li> </ol>												
11. Positive Covenants	<p>Borrower/Obligor shall:</p> <ol style="list-style-type: none"> <li>comply with all applicable laws and obtain/maintain all authorisations;</li> <li>maintain proper books of accounts to accurately reflect its financial condition;</li> <li>obtain prior approval of the Bank for change in its statutory auditors;</li> <li>amend its constitutional documents as required by the Bank;</li> <li>pay all applicable taxes and stamp duty;</li> <li>utilise the facility only for the purpose it is sanctioned;</li> <li>permit the Bank/its employees/consultants to inspect its assets and premises;</li> <li>enter into arrangements with third parties on arm length basis;</li> <li>Ensure that commensurate share of all businesses such as cash management service, foreign exchange business and employee salary accounts are routed through the Bank.</li> </ol>												
12. Negative Covenants	<p>Borrower/Obligor shall not, without the prior written approval of the Bank:</p> <ol style="list-style-type: none"> <li>enter into any merger/amalgamation etc. or do a buyback;</li> <li>make any Restricted Payments other than as permitted;</li> <li>wind up/liquidate its affair;</li> <li>agree/authorise to settle any litigation/arbitration having a material adverse effect;</li> <li>change the general nature of its business or undertake any expansion or invest in any other entity;</li> </ol>												



*[Handwritten Signature]*



	<ul style="list-style-type: none"> <li>vi. permit any change in its ownership/control/management (including by pledge of promoter/sponsor shareholding in the Borrower to any third party);</li> <li>vi. change remuneration of its directors in any manner other than as mandated by legal or regulatory provisions;</li> <li>viii. effect any change in its accounting method or policies;</li> <li>ix. make any amendments to its constitutional documents;</li> <li>x. avail any loan; and/or stand as surety or guarantor for any third party liability or obligation; and/or provide any loan or advance to any third party, save and except as per the projected financials submitted to the bank</li> <li>xi. Encumber its assets, save and except as permitted above under the Security Clause';</li> <li>xii. pay any commission to its promoters/directors/security providers;</li> <li>xiii. dispose its assets other than as permitted by the Bank in writing; and</li> <li>xiv. utilize the Facility sanctioned for any purpose other than the end use as permitted;</li> <li>xv. change its financial year-end from the date it has currently adopted; and</li> <li>xvi. Enter into arrangement whereby its business/ operations are managed or controlled, directly or indirectly, by any other person.</li> </ul>
13. Other Conditions	<ul style="list-style-type: none"> <li>i. <u>Assignment</u>: The Bank shall have a right to sell or transfer whole or part of the Facility to any person/entity under such terms and conditions as the Bank may decide in its sole discretion without consent of, or prior intimation to, the Borrower/obligors. The Borrower shall not be entitled to directly or indirectly assign, transfer or novate its rights or obligations under in part or in whole to any person</li> <li>ii. <u>Set-Off</u>: The Bank shall have the right to settle any indebtedness owed by the Borrower to the bank any document/agreement, by adjusting, setting-off any deposit(s) and/or transferring monies lying to the balance of any account(s) held by the Borrower with the Bank without giving prior notice to the Borrower. The Bank's rights hereunder shall not be affected by the Borrower's bankruptcy, death or winding-up.</li> <li>iii. <u>Disclosure</u>: The Bank shall be entitled to disclose all information relating to the Borrower (including defaults committed) to Credit Information Companies ("CIC") authorised by RBI and/or any other person pursuant to the Insolvency and Bankruptcy Code, 2016; and/or to any other statutory or regulatory or law enforcement authority (including Court and/or Tribunals), and/or with other banks / financial institutions involved in the financing arrangement. Any CIC and any other agency so authorised may use, process the said information and data disclosed by the Bank in the manner as deemed fit by them to other banks / financial institutions / credit providers and the Borrower shall not hold the Bank liable in any manner for use of such information.</li> <li>iv. <u>Willful Defaulter</u>: No one on the Borrower's board or in the senior management of Borrower has been identified as a willful defaulter by RBI or CIBIL or whose name appears in any caution/defaulters list of any nature published by the RBI or any similar regulatory or governmental authority. The Borrower shall not induct a person identified as willful defaulter as its director/senior officer/ partner / member / trustee and shall take expeditious and effective steps for removal of such person if so inducted.</li> <li>v. <u>Mandate to Auditor</u>: The Bank has a right to award a separate</li> </ul>



mandate to the statutory auditor of the Borrower or any independent auditor to obtain a specific certificate regarding utilization/diversion /siphoning of funds by the Borrower at the Borrower's expense.

vi. Hedging: The hedging of the foreign currency exposure, if any should be undertaken through the Bank.

vii. Insurance: All the assets secured to the Bank shall be insured for full value plus 10% covering all risks with usual Bank clause. The Borrower shall ensure that the name of the Bank is duly enclosed as the "Beneficiary"/"Loss Payee" on such insurance policies and all renewals thereof. The Borrower shall arrange for the comprehensive insurance on the assets and a copy of the Insurance Policy(s) is to be submitted to the Bank.

viii. Inspection/ Stock Audit: The Borrower shall permit the Bank to inspect the Borrower's premises, assets, documents in the possession of the Borrower and inter alia conduct forensic audit and stock audit at such intervals as decided by the Bank (and in any event at a minimum of once in \_\_\_ months) by the Officers of the Bank or external experts appointed for the purpose. The cost of inspection/audit is to be borne by the Borrower. The frequency of stock audit may change subject to change in the rating of the Borrower.

ix. Financial Information: The Borrower shall provide the Bank provisional financial statements within 45 days of year-end and audited financial statement within 6 months of financial year end. Quarterly financial statements shall be submitted within 30 days from the end of each quarter or within 30 days of filing with stock exchange for listed borrower.

x. Limits

a. The Bank shall have an unconditional right to cancel the undrawn/unavailed/unused portion of the Facility at any time during the subsistence of the Facility, without any prior notice to the Borrower, for any reason whatsoever. In the event of any such cancellation, all the provisions of this sanction shall continue to be effective and valid and the Borrower shall repay the Facility in accordance with the terms of this sanction.

b. In addition to the right of the Bank under Clause (a) above, the Bank may, in its own discretion without assigning any reason and upon written notice to the Borrower cancel the Facility and demand repayment of all outstanding under the Facility. Delivery of such notification by the Bank shall constitute sufficient notice of such cancellation, and thereupon the Loan, all interest due and payable thereon and other facilities shall become due and payable by the Borrower immediately to the Bank.

xi. Information

a. The Borrower submits the following information as required vide RBI circular No. DBOD.No.SP.BC.94/08.12.001/2008-09 dated December 3, 2008 (as may be amended, modified, supplemented from time to time): (i) under Annexure I of the abovementioned circular; (ii) exchange of information with other lenders as required under Annexure II of the abovementioned circular; and (iii) submit a certificate from a company secretary / chartered accountant, regarding compliance of various statutory prescriptions that are in vogue, as per specimen given in Annexure III of the abovementioned circular;

b. The Borrower shall provide the Lenders with the Unhedged Foreign



Currency Exposure (UFCE) Certificate in line with regulatory guidelines and make good any incremental cost the Lenders may incur on account of UFCE guidelines;

- c. The Borrower shall also provide such other information as requested by the Bank from time to time.
- xii. **Others:** The Bank shall have the first right of offering its services for any fund raising / advisory / merger / acquisition / disinvestment / asset sale / trustee services or any similar business of the Borrower either directly or through any of its subsidiaries subject to mutually acceptable terms and conditions.
- xiii. **Security:** If any Security is to be created over immoveable property acquired by the Borrower subsequent to the execution of the facility agreement, the Borrower shall, forthwith upon acquisition of each such immoveable property, inform the Bank of the details of the immoveable property acquired.
- xiv. **Statutory Dues:** The Borrower shall provide a certificate from its authorised signatory confirming its outstanding statutory and other financial obligations including income tax dues (including disputed amounts), provident fund and gratuity statement (deductions and deposits), additional emoluments (compulsory deposit), electricity dues as and when demanded by the Bank with clarification as requested by the Bank.
- xv. **Strategic Debt Restructuring:** As per RBI circular No. RBI/2014-15/627 DBR.BP.BC. No.101/21.04.132/2014-15 dated 08.06.2015 regarding strategic debt restructuring, the Bank shall have the right to convert loan to equity or other capital in accordance with the regulatory guidelines for conversion of debt to equity in stressed situation or restructuring of debt. The Borrower shall provide shareholder resolution/ authorization allowing Lender (s) the right to facilitate such conversions. Suitable undertaking as per Banks standard format to this effect to be provided by the borrower;
- xvi. **Borrower's Undertaking:**
  - a. none of the directors of Axis Bank or their relatives as defined in the RBI Master Circular - Loans and Advances - Statutory and Other Restrictions is a director / partner, manager, managing agent, employee or guarantor of the borrower or of a subsidiary of the borrower or of the holding company of the borrower and that none of them hold substantial interest in the borrower or its subsidiary or its holding company.
  - b. to the best of the borrower's knowledge none of the directors of any other bank or the subsidiaries of the banks or trustees of mutual funds / venture capital funds set up by the banks or their relatives as defined in the RBI Master Circular - Loans and Advances - Statutory and Other Restrictions is a director / partner, manager, managing agent, employee or guarantor of the borrower or its subsidiary or its holding company and that none of them holds substantial interest in the borrower or its subsidiary or its holding company.
  - c. to the best of the borrower's knowledge none of senior officials of the bank or the participating banks under consortium or their relatives as defined in the RBI Master Circular - Loans and Advances - Statutory and Other Restrictions is a director / partner, manager, managing agent, employee or guarantor of the borrower or its subsidiary or its holding company and that none of them hold substantial interest in the borrower or its subsidiary or its holding company and
  - d. in case if any of the above requirement is breached, the borrower

		<p>shall inform the Bank the same immediately.</p> <p>e. The borrower shall be required to provide an undertaking w.r.t. to declaration of beneficial owner in line with the Reserve Bank of India's guidelines stated in Rule 9 (1A) of the Prevention of Money Laundering Rules, 2005 and Section 12 of the Prevention of Money Laundering (Amendment) Act (PMLA), 2012.</p>
14.	Events of Default	<p>In addition to the events of default as are customary to a facility of this nature, the occurrence/likely occurrence of the following shall constitute and event of default:</p> <ol style="list-style-type: none"> <li>i. the Borrower defaults in payment of any amount due (including principal and interest);</li> <li>ii. any obligor defaults payment of any amount to any person when due or any person demands repayment of dues of the obligors ahead of its agreed repayment terms or a moratorium is declared in respect of any indebtedness of the obligors;</li> <li>iii. The Borrower and/or any of the other obligors defaults in performing any of its obligations under this Agreement or any of the Financing Documents or breaches any of the terms or conditions of this Agreement or any other Financing Documents;</li> <li>iv. the obligors default under any other agreement between the obligors and the Bank (excluding the Financing Documents) or between obligors and any third party;</li> <li>v. any notice / action in relation to actual or threatened liquidation/dissolution/bankruptcy/insolvency/ceasing to carry on business of any obligor (voluntary or involuntary);</li> <li>vi. any change or threat to change the general nature or scope of the business of any obligor;</li> <li>vii. any information provided by any obligor is incorrect or untrue;</li> <li>viii. failure by any obligors to create and perfect Security as stipulated;</li> <li>ix. any security documents fails to create security / have priority as stipulated or ceases to be in full force and effect;</li> <li>x. occurrence of any event which is or is likely to be prejudicial to or impairs or imperils or jeopardizes or depreciates any security;</li> <li>xi. the value of the any security depreciates entitling the Bank to call for further security and failure to provide such additional/alternate security;</li> <li>xii. occurrence of any material adverse effect;</li> <li>xiii. the Borrower and/or any of the Security Provider fails to create the security as provided herein in accordance with the terms of this Agreement;</li> <li>xiv. appointment of a receiver in respect of any assets of the obligors;</li> <li>xv. any attachment, distress, execution or other process against any obligor, or third party enforcement of Security created in favour of Bank;</li> <li>xvi. if the Facility is utilised for any purpose other than the purpose for which it sanctioned;</li> <li>xvii. any change in the control the obligors without the prior consent of the Bank;</li> <li>xviii. Commencement of any litigation / arbitration against the obligors having material adverse effect.</li> </ol>
15.	Consequences of Events of Default	<p>In addition to the consequences of events of default as are customary to a facility of this nature, the Bank shall have the right to forthwith:</p> <ol style="list-style-type: none"> <li>i. declare outstanding amounts immediately due and payable;</li> <li>ii. cancel the undrawn commitments under the Facility;</li> <li>iii. suspend any withdrawal under the Facility;</li> <li>iv. enforce the Security;</li> </ol>




*[Handwritten Signature]*

			<ul style="list-style-type: none"> <li>v. exercise any other rights under the Financing Documents/ applicable law;</li> <li>vi. to review/restructure the management and board of Borrower;</li> <li>vii. to appoint [1 (one)] nominee director on the Borrower's Board;</li> <li>viii. to appoint [1 (one)] observer on the Borrower's Board;</li> <li>ix. convert the Facility (or any part thereof) into equity share capital of the Borrower;</li> <li>x. Appoint any CA/cost accountants, as auditors, for carrying out any specific assignments or as concurrent or internal auditors, or for conducting a special audit of the Borrower.</li> </ul>
16.	Governing Law / Jurisdiction	:	<ul style="list-style-type: none"> <li>i. <u>Governing Law</u>: The financing documents shall be governed by and construed in accordance with Indian law.</li> <li>ii. <u>Jurisdiction</u>: The Borrower agrees that the Courts / Tribunals of East Zone shall have exclusive jurisdiction. The Bank shall have the right to proceed in any other court/ tribunal of competent jurisdiction.</li> </ul>

You are requested to return duplicate copy of this letter duly signed by you/the authorized signatory(s) of the company and guarantors on all the pages as token of acceptance of the terms and conditions of sanction and arrange for execution of loan/security documents at an early date.

Yours faithfully

  
Centre Head  
Kolkata SME Centre-I

  
Relationship Manager  
Kolkata SME Centre-I

I/We hereby acknowledge receipt of the original of the above letter and accept the offer contained therein and undertake to comply with the terms and conditions. I/We also authorize you to debit the processing fee/charges as mentioned in the sanction letter to our account with your bank.

**Acceptance by Authorized Signatories of the Borrowing Entity:**



**Annexure-A: Format of NOC for sale / lease and release of charge on area sold  
[Applicable for Real Estate Proposals]**

Date: \_\_\_\_\_

To,  
\_\_\_\_\_  
\_\_\_\_\_

Dear Sirs,

**Sub: No Objection Letter – Your request.**

Pursuant to the Loan availed from our Bank for the purpose of the construction of the project / commercial premises, the property being \_\_\_\_\_ <<<mention details of the property>>>\_\_\_\_\_ has been mortgaged to us by you.

We have been informed by you that the premises / area being \_\_\_\_\_ on \_\_\_\_\_ floor in the building known as \_\_\_\_\_ admeasuring \_\_\_\_\_ sq. ft. ("said Premises") constructed on the said mortgaged property has been sold/is proposed to be sold to \_\_\_\_\_ for a total consideration of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) by an Agreement for Sale dated \_\_\_\_\_/to be executed.

The carpet/built up area of the said premises \_\_\_\_\_ is \_\_\_\_\_ sq. ft. We have been requested to issue our No Objection for the said sale.

We wish to inform you that we have No Objection for your selling the said Premises to said \_\_\_\_\_ subject to the condition that the total consideration mentioned above shall be deposited by way of cheque/s drawn payable to the Current Account No. \_\_\_\_\_ maintained by you with Axis Bank. The cheque/s shall be given directly to Axis Bank Limited.

Yours faithfully,  
\_\_\_\_\_





**Annexure B - <Format of letter to be submitted by the Borrower on a quarterly basis>  
[Applicable for Real Estate Proposals]**

Date: \_\_\_\_\_

To,  
Axis Bank Ltd  
<CBB Address>  
Dear Sirs,

Sub: Confirmation of security details as required under RBI guidelines on finance to Commercial Real Estate

We refer to the Facility of Rs <facility amount>, sanctioned by Axis Bank to us for our Project<Project Name> located at <Address>. As per relevant RBI guidelines, we confirm security details and compliances as below, for the period from <date> to <date>:

Sr. No.	Compliance requirement	Confirmation (Yes/No)	Remarks/Comments (if any)
1	The Pamphlets/Brochures etc. for the Project, duly disclose that the Project Assets/Property is mortgaged to Axis Bank (copies enclosed).		
2	The information relating to mortgage has been appended while publishing advertisement of a particular scheme for the Project in newspapers / magazines etc.		
3	The demand notice (to end customers) indicates that payments need to be made in favour of the Designated Account <Account Number> to be opened with Axis Bank (format enclosed).		
4	All payments received with respect to the Project (after <date of first disbursement>) are deposited in the Designated Account <Account Number> with Axis Bank.		
5	NOC from Facility Agent/ Axis Bank has been obtained for sale of area in the Project (after <date of first disbursement>).		
6	Display boards indicating that the Project Assets/Property is mortgaged/ finance to <Axis Bank>, have been located appropriately at the Project site.		

Yours faithfully,  
<Authorised Signatory of the Borrower>

Encl:  
a) Copies of Pamphlets/Brochures  
b) Format of demand notice



