



Kotak Mahindra Bank

PRIVATE AND CONFIDENTIAL

REF No: CRE/KMBL/0110/2018-19

Date: 26/02/2019

PS Primarc Projects LLP

Registered Address:

6A, Elgin Road,  
Post Office LR Sarani,  
Police Station Bhawanipore,  
District South 24 Parganas  
Kolkata - 700020

Correspondence Address:

6A, Elgin Road,  
Post Office LR Sarani,  
Police Station Bhawanipore,  
District South 24 Parganas  
Kolkata - 700020

Kind Attention: Mr. Sidharth Pansari

Dear Sir,

**Banking Facilities**

We Kotak Mahindra Bank Ltd. 5<sup>th</sup> Floor, Kotak Infiniti, Building No.21, Infinity Park, Off Western Express Highway, General AK Vaidya Marg, Dindoshi, Malad (East), Mumbai - 400097, India (herein after referred to as "the Bank" or "KMBL") are pleased to inform PS Primarc Projects LLP (hereinafter referred to as "the Borrower" or "PSPPLLP") that the following facilities has been sanctioned as per the enclosed facility/ies schedule/s. (The expression "Borrower(s)" shall, unless repugnant to the context or meaning thereof, be deemed to include, (i) where the Borrower(s) concerned is an individual or a proprietorship firm, his/her heirs, executors and administrators; (ii) where the Borrower(s) concerned is a partnership firm, the partners or partner for the time being of the said firm, the survivors or the survivor of them and their heirs, executors and administrators of the last surviving partner; (iii) where the Borrower(s) concerned is a Hindu undivided family, the member or members for the time being of the said Hindu undivided family, and their respective heirs, executors and administrator; (iv) where the Borrower(s) concerned is a company, its successors in title and permitted assigns.) The facility/ies is/are subject to the terms and conditions contained in the Master Facility Agreement to be executed by you together with the Schedules contained there-under and all other transaction documents (as defined in the aforesaid Master Facility Agreement and those that the Bank may from time to time stipulate and not limited to those mentioned in Annexure & Schedules hereto)

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(PS Primarc Projects LLP)

(26/02/2019)

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FACILITY DETAILS											
S. No	Name of Facility	Earlier Amount (INR in Crore)	Revised Amount (INR in Crore)	Status	ROI (Fixed / Floating - Linked to PLR / Base Rate/ MCLR)/ Commission	Margin	Max Tenor/ Usance (Months)	Revolving /Non - Revolving	Facility Review Date / Validity	Takeover Applicable (Yes/No)	PSL Status (Yes/ No)
1	Term Loan Limit	-	30.00								
1.1	Term Loan	-	30.00	New	11.50% p.a. linked to 6M-KMCLR	Nil	Up to 48 months	NR	4 years	No	No
2	Working Capital Limit	-	10.00								
2.1	Overdraft	-	10.00	New	11.50% p.a. linked to 6M-KMCLR	Nil	Up to 48 months	R	1 year	No	No
	<b>A. Total Funded</b>	-	<b>40.00</b>								

**Notes:**

Current Bank K-MCLR Six Month rate 8.85% p.a.

All charges / fees and any other amounts payable under this facility/facilities by the Borrower to the Bank as mentioned herein do not include any applicable taxes, levies including GST etc. and all such impositions shall be borne by the Borrower additionally. All stamp duty and documentation fees/charges etc. in respect of the facilities shall be borne by the Borrower and shall be payable in Kolkata. Without prejudice to any arrangement or writing whatsoever, all costs, charges, expenses etc., payable in respect of the creation of Security, either by the Borrower or any other Security Provider shall be borne and paid by the Borrower and the Bank shall be entitled to debit the account of the Borrower for such amounts.

Please note that this Sanction Letter forms an integral part of the Master Facility/Loan/Facility Agreement. It is clarified that the Bank shall be entitled to vary any of the Facilities sanctioned, by issue of such further letters (by whatever name called) to the Borrower as the Bank may deem fit. Such further letter(s) issued by the Bank modifying the Facility / Facilities shall be considered to be a part of this Sanction Letter and any reference to the Sanction Letter shall be deemed to be a reference to such further letter(s) also. Also, may it be noted that in the event of there being a conflict between the Sanction Letter and the Master Facility Loan/Facility Agreement due to duplication and/or repetition of terms and conditions, then as far as such duplicated and/or repeated term/s and condition/s is concerned, the Sanction Letter shall prevail over the Master Facility/Loan/Facility Agreement.

Further it may be noted that Interest shall be charged on the outstanding(s) in the accounts opened in respect of the Facilities at such rate(s) as may be determined by the Bank from time to time at the Bank's sole discretion provided that the rate(s) shall be subject to changes in the Bank's Benchmark Prime Lending Rate/ Bank's Base Rate and/or changes in interest rates prescribed by the Reserve Bank of India from time to time and the rate shall be read as "the Bank's Benchmark Prime Lending Rate/ Bank's Base Rate" where ever the rate is identified as Bank's Benchmark Prime Lending Rate in the Master Facility/Loan/Facility Agreement & Other related documents.



# Kotak Mahindra Bank

This letter and the Annexure hereunder shall form part of the Master facility/Loan/Facility agreement(s) and other related documents, which will be executed in favor the Bank following your acceptance of the offer.

In confirmation of your acceptance to be bound by the conditions stipulated herein please return the duplicate copy of this letter duly signed by the authorised signatories to the Bank at 5th Floor, Kotak Infiniti, Building No.21, Infinity Park, Off Western Express Highway, General AK Vaidya Marg, Dindoshi, Malad (East), Mumbai - 400097, India within **60** days from the date of this letter, after which this offer will lapse

We assure you of our best services at all times.

Warm regards,

For Kotak Mahindra Bank Limited,

Authorized Signatory

Name - Vinay Gaitonde

For Kotak Mahindra Bank Limited

Authorized Signatory

Name - Nidhi Keth

Annexure 'A'

<b>Standard &amp; Common Conditions (applicable to all Finance facilities)</b>	
Definition of Terms	<ul style="list-style-type: none"> <li>• <b>Borrower Group</b> shall hereinafter mean Borrower and Anemi Projects LLP.</li> <li>• <b>Land Owner</b> shall hereinafter mean Kaushalya Township Private Limited, Orion Abasaan Private Limited, Magnum Infracon Private Limited, Kaushalya Nirman Private Limited</li> </ul>
Primary Security	<ul style="list-style-type: none"> <li>• First ranking pari-passu charge with Kotak Mahindra Investments Limited through Registered mortgage of land admeasuring approx. 6.89 acres and building constructed/to be constructed thereon (known as "The Soul"), located at L.R. Dag nos. 2149, recorded in L.R. Khatian nos. 2502, 2462, 2517, 2464, 2541, 2542 and 2765 Mouza – Hudarait, J.L. No. 54, Police Station Rajarhat, within the jurisdiction of Chandpur Gram Panchayat, Sub Registration District Bidhannagar, District North 24 Parganas.</li> <li>• First ranking pari-passu charge with Kotak Mahindra Investments Limited on Borrower Group's share of (75.99%) (out of which 70.72% is owned by the Borrower and remaining 5.27% is owned by Anemi Projects LLP) and</li> <li>• 100% Escrow of receivables from the project "The Soul".</li> </ul> <p>Amount equivalent to three months interest to be kept as a Term Deposit (DSRA) with Kotak Mahindra Bank Limited and a lien in favour of KMBL to be marked on same. The lien so created over the said amount, shall continue until the repayment of the entire Facility and such deposit shall not be released or reduced in part, irrespective of the fact that the Facility has been repaid in part.</p>
Undated Cheques	The Borrower shall as and when requested and demanded by KMBL, for repayment of the Loan and discharge of the liabilities in respect of the facilities sanctioned by the Bank to the Borrower, provide the Bank with 2 cheques drawn in favour of the Bank totaling to INR 30.00 Crores
Guarantees	<ol style="list-style-type: none"> <li>1. Personal Guarantee of Mr. Sidharth Pansari (40%) and Mr. Surendra Kumar Dugar (60%), proportionate to the share of the associated promoters, as per the project documents.</li> <li>2. Corporate Guarantee of PS Group Realty Private Limited (60%), Primarc Projects Private Limited (40%), proportionate to their share as per the project documents.</li> <li>3. Guarantee of Anemi Projects LLP.</li> <li>4. Board Resolution of the Corporate Guarantor for giving the guarantee.</li> </ol> <p>Latest CA certified Net worth certificate to be submitted by all personal guarantors prior to disbursement (The same shall not be older than 6 months) and thereafter annually.</p>
Processing/Renewal Fee (Non-refundable)	0.75% i.e. INR 0.30 cr plus applicable taxes including GST on the facility(ies) amount shall be collected by debiting the current / account of the borrower / shall be collected upfront / shall be deducted from the disbursement proceeds
Standard Penalties & Charges	As per Annexure B attached.
Stamp duty & Charges	Documentation, Registration, Title Search, ROC Search, Valuation, Insurance etc. On actual amounts expended, to be borne by the Borrower.

Facility / Security Documents	As per the Bank's legal Department
End – Use of facilities	<ol style="list-style-type: none"> <li>1. Borrower to ensure that the facilities granted by bank is not used for any other purpose than specified;</li> <li>2. The borrower to provide an End-use certificate within 90 days of each disbursement to that effect.</li> </ol>
Submission of financials	<ol style="list-style-type: none"> <li>1. Audited Financial statement for Mar 31 shall be submitted by December 31, every year Provisional Financial statement for year ended Mar 31, shall be submitted by August 31, every year</li> </ol>
Insurance	<ol style="list-style-type: none"> <li>1. Comprehensive insurance of Property offered as security to the satisfaction of Lender.</li> <li>2. Insurance policy as requested hereafter shall be submitted within 45 days of disbursement of the facilities; In case of renewed policy: 45 days from expiry of existing policy.</li> <li>3. The borrower to ensure that the policy is assigned in the name of the bank.</li> <li>4. The Insurance policy should be comprehensive covering all risks and locations;</li> </ol>
Other Conditions	<ol style="list-style-type: none"> <li>1. The Borrower to obtain prior permission of the Bank before raising any further loans/ availing any facilities against the assets offered as security for facilities of the Bank.</li> <li>2. The Borrower shall keep the Bank informed of the happenings – any event likely to have a substantial effect on their stock, production, sales, profits etc. and such changes in the Senior Management, Labour problems, Go-down Location, Power cut, cases filed against the Borrower, happenings in the associate concerns etc, along with the remedial measures proposed and also provide the details of any addition/ deletion of associate/ sister concerns.</li> <li>3. The Borrower shall obtain and keep alive all statutory approvals (IT, GST, Factory approvals, PCB clearances etc) required for the Business and also ensure that there are no pending / overdues/ arrears in this regard.</li> <li>4. Any change in shareholding/ directorship / partnership / ownership shall be undertaken with prior permission of the Bank.</li> <li>5. The Borrower shall not allow any payout by way of Salary to directors / partners (other than professional directors) or by way of interest to other subordinated lenders or by way of dividend to shareholders in case of delay or default in repayment of any of the facilities availed by the Borrower from the Bank or any other Bank or Financial Institution.</li> <li>6. The Borrower shall provide all such permission and approval as may require under any law for the time being in force or pursuant to any provisions of any agreement and/or documents as may be required for the purpose of creation of security as mentioned hereinabove .</li> <li>7. The opinion of the Bank on the fitness/acceptability of the properties as security shall be final, conclusive and binding on the Borrower and Security Provider.</li> <li>8. All the facilities sanctioned shall be subject to the Bank's rules as well as the directives issued by RBI from time to time</li> <li>9. The Borrower to submit details of total foreign currency exposures undertaken and the unhedged portion of such exposures on a quarterly basis to the Bank on its Letter Head duly signed by an authorised signatory in line with the prevailing RBI guidelines.</li> <li>10. The Borrower to submit Annexure III to the Forms and Certificates as per RBI circular DBOD.No.BP.BC.94/ 08.12.001/ 2008-09.</li> </ol>

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11. The Bank reserves the right at any point of time, to revoke or cancel the Facility(ies) sanctioned and/or vary, alter, modify or rescind, amend or change any one or more of the terms & conditions of the Facility, at the Bank's discretion, with such notice as the Bank may deem reasonable & without assigning any reasons. As regards the un-utilised limits, if any under the Facility(ies), the Bank reserves the right at any point of time, to revoke or cancel and/or vary, alter or modify the said un-utilised limits, at the Bank's discretion, without prior notice & without assigning any reasons thereof.
12. The borrower to get the Bank's facility rated from the Credit Rating Agency. A copy of the rating letter issued by the Credit Rating Agency to the borrower to be submitted to the Bank along with a covering letter indicating that the rating is accepted by the borrower **within 90 days** from date of sanction/disbursement.
13. The bank reserves the right to increase the interest rate on the sanctioned financial facilities, including increasing the interest spread, in the event of downgrade in Borrower's internal or external rating
14. In the event of the borrower desiring to foreclose the amount the borrower is required to give 30 days advance notice in writing to the bank of its intention to foreclose the account and seek consent from the bank.
15. In order to comply with the directions issued by Reserve Bank of India it is agreed between the parties that notwithstanding anything contrary contained either in the Facility / Security Agreements or their schedules or any other letter, agreement with respect to the rate of interest, its calculation/ methodology of computation and all the terms relating to the rate of interest, the rate of interest computation methodology mentioned in the Sanction Letter shall apply and such terms shall prevail over the interest rate clauses wherever they are mentioned in the Facility / Security Agreements or any other letter, agreement without any further act or deed between the Parties. Accordingly wherever Prime Lending Rate / Bench mark Rate / Base Rate / Reference Rate is mentioned the same be substituted and be read and understood as Applicable MCLR herein specified.
16. The Bank shall be entitled to vary / change the rate of interest (including any change as may be directed by Reserve Bank of India and / or any other regulatory / statutory body) from time to time or method of computation of such rate of interest or to charge an additional or penal rate and send to the Borrower an intimation in that regard. Upon intimation of such change / variation in the interest rates Borrower shall be deemed to have consented to such change / variation. The Borrower agrees / undertakes to pay interest at the rates as may be revised from time to time.
17. In such event under clauses 11, 12, 14, and 16 the Borrower shall have right to prepay the entire facility without any penalty, foreclosure charges or prepayment charges within 90 days of such event. Post expiry of the said period the penalty, foreclosure charges or prepayment charges shall be applicable as per the terms of the sanction letter.
18. NBC Guideline (wherever applicable)

**For specific lending to housing / development projects**

"The borrower shall ensure :

- (i) to disclose in the pamphlets, brochures etc., the charge of KMBL over the mortgaged property/project and shall obtain the prior NOC / permission of KMBL for the sale of flats/ property etc.

- (ii) to append/publish the information relating to the mortgage/charge of KMBL over the mortgaged property/project, while publishing an advertisement of the scheme in the newspapers, magazines etc..
- (iii) All inflows related to the project will be routed through Project Escrow account to be opened with the Bank
- (iv) to submit monthly statements/reports of project cost incurred, sales and all the material information.
- (v) Periodic inspection of the project site by a team of the Bank/empanelled agency.

19. NDMA Guidelines(whenever applicable)

The Borrower agrees and confirms that in case the security already provided or to be provided by the Borrower / Security Provider is a under construction project or where any construction is to be made in future, the Borrower shall ensure compliance of the all rules, regulations under National Building Code, Local Civic Authority or any such authority and any violation thereof shall be considered as default under this facility

The borrower shall obtain prior permission from the government /local governments, other statutory authorities for the project under construction/ to be constructed, wherever required. Further the Borrower shall ensure that the project/s is/are in line with provisions of The National Building Code and National Disaster Management Authority guidelines, such as general building requirements, fire safety requirements, stipulations regarding materials, structural design and construction (including safety), building and plumbing services, etc. Additionally borrowers shall ensure that the safety related codes and regulations as specified in NBC-2005 and as amended from time to time and various Indian standards are complied with and the designs of the proposed buildings and structures are multi-disaster-resilient."

It shall be the responsibility of the Borrower/s to ensure, that the Mortgagor/security provider, shall obtain prior permission from the government /local governments, other statutory authorities for the project/s, wherever required and that the project/s is/are in line with provisions of The National Building Code and National Disaster Management Authority guidelines, such as general building requirements, fire safety requirements, stipulations regarding materials, structural design and construction (including safety), building and plumbing services, etc. Additionally Borrower/s shall ensure that the Mortgagor/security provider duly complies, with the safety related codes and regulations as specified in NBC-2005 and as amended from time to time and various Indian standards and the designs of the proposed buildings and structures are multi-disaster-resilient."

- 20. The Borrower undertakes to adhere to the National Building Code (NBC) formulated by the Bureau of Indian Standards (BIS) in view of the importance of safety of buildings especially against natural disasters.
- 21. The Borrower to obtain all the necessary sanctions/permissions from all requisite authorities
- 22. The Borrower agrees and confirms that it shall not modify the plans and permissions approved and granted by respective Corporation or Local Authorities or make public, advertise in respect of any matter concerning the assets given to the Lender as security without prior intimation to the Lender.

	<p>23. The Borrower confirms that the Financials of ongoing projects, Sales Data and future projections thereon, as provided by the Borrower for Sanction of this facility through email, hard copy, fax or in any other manner but not verbally, are true, correct and genuine and the Bank can make proper calculations and assumptions on that basis with regard to networth, income and projections of the Borrower.</p> <p>24. The Borrower confirms that it maintains and will maintain accurate and proper inventory and on demand forthwith supply all information about such stock, units, premises constructed, under construction and to be constructed and sold, registers etc. to the Lender for the purpose of verification.</p> <p>25. The Borrower agrees that further funding by the Lender and repayment by the Borrower is not linked with the project success and completion.</p> <p>26. The Borrower agrees and confirms that the Bank shall have right to interact, approach and discuss with one or more buyers of units, premises, sold or agreed to be sold in the project/premises/assets to be given as security or already given as security, for any reason or purpose whatsoever as the Bank may decide and in case of default by the Borrower, the Bank shall be entitled to interact, approach and discuss with such buyers as attorney holder of the Borrower or in the individual capacity of the Bank being prime interested party in the project.</p> <p>27. The Borrower agrees and confirms that any of the following events will also constitute an event of default:</p> <ol style="list-style-type: none"> <li>Cessation of construction activity for a consecutive period of three months in respect of the Project which is give as a security to the Lender except for the Force Majeure.</li> <li>Encroachment done by any person on the assets of the Borrower which is granted to the Lender as security with or without the knowledge of the Lender.</li> <li>In case any secured asset is a project under construction and ready for sale and the Borrower fails to maintain required statutory registers, books and accounts as required under laws, rules and status prevailing in respective state with regard to construction, management and sale of the units/flats/premises to the purchasers.</li> </ol>
<p>Other Variable Conditions</p>	<ul style="list-style-type: none"> <li>• The Borrower hereby agrees, declares and confirms that none of the partners/directors is a director or specified near relation of a director of a banking company; and</li> <li>• The Borrower shall open any new current account with any Bank only after obtaining NOC from the Bank.</li> <li>• The Borrower shall not advance or give any loans to group companies and promoters without prior approval of the Bank.</li> <li>• It shall not to create any encumbrance or charge on the properties without the prior written consent of the Bank. (Negative Lien)</li> <li>• In the event of any escalation in project cost for any reasons, it shall make arrangements to raise such additional funds as may be required to complete the project to the satisfaction of the Bank.</li> <li>• It shall ensure to route all payments received from its customers/purchasers of the property mortgaged to the Bank through Escrow account of the Kotak Mahindra Bank.</li> <li>• It shall ensure to execute / arrange to execute the documents as may be necessary to create a first exclusive charge over the said property in favour of the Bank before disbursement.</li> </ul>
<p>Validity for availing facilities.</p>	<p>The borrower to avail facilities within 3 months of date of sanction letter. The facilities shall stand cancelled if not availed within 3 months.</p>



Specific Conditions	<ol style="list-style-type: none"> <li>1. Borrower to close all the accounts with other bank pertaining to the project "The Soul" except for the already existing account with Axis Bank which is to be used for making statutory payments only. Confirmation for the same to be obtained on Borrower's Letter.</li> <li>2. DSRA in form of FD lien marked in favour of KMBL equal to three month interest to be taken in proportion to Term Loan disbursed.</li> <li>3. Valuation of security shall be done as per Bank policy.</li> </ol>
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**Schedule '1.1'**

<b>Conditions For Term Loan Facility</b>	
Facility	Term Loan
Limit	INR 30 crores (Rupees Thirty Crores Only)
Type	Non-Revolving
Purpose	Towards construction and development expenses of the project "The Soul".
Validity	Up to 90 days from the date of sanction
Tenor	Maximum 48 months including moratorium of 24 months
Applicable MCLR	MCLR 6-Month
Rate Of Interest	<p>Applicable MCLR rate + 2.65% (Spread)</p> <p>Applicable MCLR prevailing on the first disbursement under each Facility (whether partial or full) plus spread shall be the Rate of Interest for that Facility until next Reset Date.</p> <p>As on date the Rate of Interest is 11.50% consisting of Applicable MCLR rate @ 8.85% and the spread @ 2.65%</p> <p>The Interest shall be debited to current account of the Borrower with the Bank on effective monthly basis.</p>
Reset Date	<p>First Reset Date: All the loans will be reset on the first day of the sixth calendar month (in case of MCLR 6M) excluding the month of disbursement.</p> <p>Subsequent Reset Date /s: will be the date which is immediately succeeding to the date on which six calendar months (in case of MCLR 6M) are completed from the earlier Reset Date.</p> <p>Applicable MCLR prevailing on the Reset Date + Spread shall be the Rate of Interest for that Facility until next Reset Date.</p> <p>To illustrate: For a disbursement made on April 12, 2016 (in case of MCLR 6M) first reset date will be October 1, 2016 and the subsequent Reset date will be on April 1, 2017.</p>
Disbursement Method	<ol style="list-style-type: none"> <li>1. Towards construction finance of the project "The Soul" as construction advance or reimbursement of cost incurred</li> <li>2. Disbursement as per request from client directly to current account of borrower maintained with Kotak Mahindra Bank Limited or as per instructions from borrower</li> </ol>
Repayment Method	<ul style="list-style-type: none"> <li>• Interest shall be payable on monthly basis.</li> <li>• Principal amount shall be repaid in 24 equal monthly installments starting from 25<sup>th</sup> month of disbursement.</li> <li>• Repayment Through Escrow Mechanism:</li> </ul>

	<p>All the Receivables from the proposed project shall be deposited in the Collection Account and minimum 70% of the amount as deposited in the Collection Account shall be first transferred to WBHIRA Account. Balance amount in Collection Account after transfer to WBHIRA Account shall be transferred to Escrow Account (however, once the full completion certificate for Security Properties is issued/obtained as per WBHIRA Act, then the entire amount remaining in WBHIRA Account and 100% of Receivables from Collection Account shall be transferred to Escrow Account). All amounts withdrawables by the mortgagor from the WBHIRA Account shall also be first transferred to Escrow Account.)</p> <p>The amounts lying in the Escrow Account shall be considered as Eligible Receivables which shall be first (unless the Lender decides otherwise) transferred and appropriated towards repayment of the loan Facilities and Outstanding Dues as under:-</p> <p>Borrower Group's share of collection shall be adjusted against the loan as follows:</p> <ul style="list-style-type: none"> <li>• 5% for collection till Rs. 50.00 crs.</li> <li>• 25% of incremental sales inflow for collection from Rs. 50.00 crs to Rs. 100.00 crs.</li> <li>• 35% of incremental sales inflow for collection beyond Rs. 100.00 crs.</li> </ul> <p>The priority of adjustment will be first towards KMBL Term Loan of Rs. 30 crs and then towards the KMIL Term Loan of Rs. 6.00 crs.</p> <p>The adjustment is to be done at a minimum average sale rate of Rs. 4,200 psf inclusive of all charges or actual sale rate whichever is higher.</p> <p>The Borrower to ensure compliance of the escrow mechanism with WBHIRA as applicable. The Bank shall be entitled to vary above appropriation ratios based on security cover available.</p>
Other Conditions	<ol style="list-style-type: none"> <li>1. The Borrower undertakes that the facility availed by the Borrower from Kotak Mahindra Bank Ltd shall not be used in any kind of capital market activity.</li> <li>2. The Borrower undertakes that the facility availed by the Borrower from Kotak Mahindra Bank Ltd shall not be used for acquisition of land.</li> <li>3. The Bank reserves the right to verify the status report on the vendors or obtain copies of reports as available with existing working capital bankers or the Borrower</li> <li>4. Cost overruns shall be borne by the Borrower.</li> </ol>
Specific Conditions	<ol style="list-style-type: none"> <li>1. DSRA to be taken from the disbursement proceeds.</li> </ol> <p><b>Pre-Disbursement Conditions (Term Loan + Overdraft):</b></p> <ol style="list-style-type: none"> <li>1. Latest CA certified networth certificate to be obtained for all the personal guarantors.</li> <li>2. Partnership authority letter to be obtained.</li> <li>3. Security to be created as per security clause and guarantees to be obtained.</li> <li>4. Land owners shall join security document execution personally. Share of Land owners shall be protected in all cases.</li> </ol>

**Schedule '2.1'**

Conditions For Overdraft Facility	
Facility	Overdraft (OD)
Limit	INR 10 Crores /-(Rupees Ten Crores Only)
Type	Revolving
Purpose	Project development expenses / Cash Flow Mismatch for project "The Soul".
Tenor	Repayable on demand (4 years with moratorium of 43 months subject to annual renewal)

Validity	The facility so sanctioned by the Bank to the Borrower is revolving in nature and is subject to review that shall be conducted by the Bank and shall at all times be available at the sole discretion of the Bank.
Applicable MCLR	MCLR 6 Months
Rate Of Interest	<p>Applicable MCLR rate 8.85% p.a.+ 2.65% p.a. (Spread)</p> <p>Applicable MCLR prevailing on the first disbursement under each Facility (whether partial or full) plus spread shall be the Rate of Interest for that Facility until next Reset Date.</p> <p>As on date the Rate of Interest is 11.50%p.a. consisting of Applicable MCLR rate @ 8.85% p.a. and the spread @ 2.65% p.a.</p> <p>The Interest shall be debited to Current account of the Borrower with the Bank on effective monthly basis.</p>
Reset Date	<p>First Reset Date: All the loans will be reset on the first day of the 6<sup>th</sup> calendar month (in case of MCLR 6 Months) excluding the month of disbursement.</p> <p>Subsequent Reset Date /s: will be the date which is immediately succeeding to the date on which 6 calendar months (in case of MCLR 6 Months) are completed from the earlier Reset Date.</p> <p>Applicable MCLR prevailing on the Reset Date + Spread shall be the Rate of Interest for that Facility until next Reset Date.</p> <p>To illustrate: For a disbursement made on April 12, 2016 (in case of MCLR 6M) first reset date will be October 1, 2016 and the subsequent Reset date will be on April 1, 2017.</p>
Disbursement Method	<ul style="list-style-type: none"> <li>The Limit shall be subject to security cover of 2.00 times.</li> </ul> <p>Limit setting as per request from client directly upon the current account of Borrower maintained with Kotak Mahindra Bank Limited or as per instructions from borrower</p>
Repayment Method & Escrow Mechanism	<ul style="list-style-type: none"> <li>Interest shall be payable on monthly basis.</li> <li>The OD reduction shall be in 5 monthly instalments of Rs. 2.00 crs commencing from 44th month of limit set-up subject to Annual Renewal. In case of non-renewal the repayment to be done in one instalment as per the Lender's demand.</li> </ul>

Annexure 'B'

Schedule of Charges / Penalty		
Table for Standard Penalty and Additional Charges/Fees		
Type	Deadline	Penalty/Charges/Fees Amount
Non- submission of Monthly/ quarterly Stock & Book Debt Statements	15 <sup>th</sup> of the following month/ quarter	INR 5000/- in the subsequent month & INR 10000/- per month from the next month till the statement is submitted
Non- submission of Insurance Policy with Kotak Mahindra Bank as Loss Payee	45 days from the date of disbursement. In case of renewed policy: 45 days from expiry of existing policy	INR 10000/- per month until the policy is submitted



Non- submission of Unaudited Financial for the year ending 31 <sup>st</sup> March	On or before 31 <sup>st</sup> August every year	INR 10000/- per month until the financials are submitted
Non- submission of Audited Financial for the year ending 31 <sup>st</sup> March	On or before 31 <sup>st</sup> December every year	INR 10000/- per month until the financials are submitted
Overdue Charges/ Default/ Penal Rate / Audit Shortfall	On amounts remaining unpaid on due date/ On occurrence of any event of default	3.00% p.m., compounded monthly on outstanding/unpaid amount
Non- submission of Net Worth Statements	On or before 31 <sup>st</sup> December every year	INR 5000/- per month until the Statement is submitted
Non- submission of End Use Certificate	On or before 31 <sup>st</sup> May every year	INR 5000/- per month until the certificate is submitted
Foreclosure Charges	As per Borrowers request	2.00% on the principal outstanding. The Borrower will have to give advance written notice of 30 days, disclosing intention for foreclosure and the source of money for such foreclosure. The Lender shall be entitled to reject any notice which is not given in advance of 30 days. No foreclosure charges shall be levied on the amount prepaid through project cash flows routed through escrow account.
Prepayment Charges	As per Borrowers request	2.00% on the principal outstanding. The Borrower will have to give advance written notice of 30 days, disclosing intention for foreclosure and the source of money for such foreclosure. The Lender shall be entitled to reject any notice which is not given in advance of 30 days. No foreclosure charges shall be levied on the amount prepaid through project cash flows routed through escrow account.
Non-Compliance with Sanctioned Terms	As per sanction terms	2.00% p.m. on total Exposure for the 1 <sup>st</sup> month of delay, 3.00% p.m. thereafter (Calculated as sum of limits of revolving lines and outstanding of non-revolving lines; limits to which this security extends)
External agency/firm Charges/fees for outsourced activities like, Registration, Title Search, ROC Search, Valuation, Insurance, Audits.		All charges/fees of external agencies/firms shall be debited to the account of borrower.

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Annexure 'C'
**Legal Covenants & Information**
**Principal Terms and Conditions**

Other conditions	<p>1. The Bank reserves the right at any point of time, to revoke or cancel the Facility(ies) sanctioned and/or vary, alter, modify or rescind, amend or change any one or more of the terms &amp; conditions of the Facility, at the Bank's sole discretion, with such notice as the Bank may deem reasonable &amp; without assigning any reasons. As regards the un-utilised limits, if any under the Facility(ies), the Bank reserves the right at any point of time, to revoke or cancel and/or vary, alter or modify the said un-utilised limits, at the Bank's sole discretion, without prior notice &amp; without assigning any reasons thereof.</p> <p>Please note that the bank reserves the right at any point of time to vary, alter, modify or rescind the provision/s of this/these Facility (ies) is at the sole discretion of the Bank and any request for extension/ enhancement / renewal of this facility (ies) / limit(s) is at the sole discretion of the Bank and shall be subject to the fulfillment of terms and conditions as prescribed by the Bank.</p> <p>2. The Bank shall be entitled to vary/change the rate of interest (including any change as may be directed by Reserve Bank of India and/or any other regulatory /statutory body) from time to time or vary/change the method of computation of such rate of interest or to charge an additional or penal rate by sending to the Borrower an intimation in that regard. Upon intimation of such change/ variation in the interest rates Borrower shall be deemed to have consented to such change.</p> <p>In such event under clauses as stated above the Borrower shall have right to prepay the entire facility without any penalty, foreclosure charges or prepayment charges within 90 days of such event. Post expiry of the said period the penalty, foreclosure charges or prepayment charges shall be applicable as per the terms of the sanction letter.</p>
Inspection and Audit	The Bank shall have the right to inspect/ cause the inspection of premises / stocks, book debts and statements of the Borrower every quarter by giving a 24 hour notice, The cost of such audit shall be borne by the Borrower.
Participation	<p>The Borrower shall expressly agree that during the subsistence of the Credit Limit / Loan, the Bank shall have the liberty to shift, at its discretion, without notice to it, from time to time a part or portion of the out standings in the said Credit limit / the said loan (hereinafter referred to as "the Participation" to one or more Scheduled Commercial Banks (hereinafter referred to as "the Participating Bank/s"). The Borrower further agrees that such Participations shall be governed by the terms of the Uniform Code Governing Inter Bank Participations, 1988 and shall not affect the rights and obligations, inter se, The Borrower and the Bank in respect of the said Credit Limit / the said loan.</p> <p>The borrower shall execute all such documents as may be necessary to effect the participation of the borrower.</p>

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Stamp duty & Charges (Documentation, Registration, Title Search, ROC Search, Valuation, Insurance etc.)	On actual amounts expended, to be borne by the Borrower.
Events of Default	<ul style="list-style-type: none"> <li>(i) If the Borrower fails to comply with the Conditions specified in this Sanction Letter; or</li> <li>(ii) If the Borrower fails to promptly pay any amount owing to KMBL as and when the same shall become due and payable, or</li> <li>(iii) If the Borrower shall fails to duly observe or perform any obligation under the facility or under any other agreement with KMBL; or</li> <li>(iv) Any representation made by the Borrower to KMBL shall be found by KMBL to have been false at any time or misleading as of the date on which the same was made or deemed to be made; or</li> <li>(v) The threat or apprehension of or the occurrence of any damage to or loss, theft, misappropriation or destruction of any of the secured assets or of any of the security of KMBL or of any assets of the Borrower or secured Third party, that may have a Material Adverse Effect.; or</li> <li>(vi) The occurrence of any event or condition which, in KMBL's opinion, constitutes or could constitute a material adverse change in the business, financial condition or prospects of the Borrower or which, in KMBL's opinion, materially and adversely affects the ability of the Borrower to perform any of its obligations to KMBL or which, in KMBL's opinion, materially impairs the value of any of the secured assets and/or Secured Third Party Assets; if so provided by Borrower / secured Third Party. or</li> <li>(vii) On the Borrower entering into any arrangement or composition with his/her/its/their creditors or committing any act of insolvency, or any act the consequence of which may lead to the insolvency or winding up of the Borrower ; or</li> <li>(viii) execution or distress or other process being enforced or levied upon or against the whole or any part of the Borrower's property whether secured to KMBL or not; or</li> <li>(ix) any order being made or a Resolution being passed for the winding up of the Borrower (except for the purpose of amalgamation or reconstruction with the prior approval of KMBL); or</li> <li>(x) a Receiver being appointed in respect of the whole or any part of the property of the Borrower ; or</li> <li>(xi) The Borrower (if an individual) or any of the partners of the Borrower (if a firm) being adjudicated insolvent or taking advantage of any law for the relief of insolvent debtors; or</li> <li>(xii) The Borrower ceasing or threatening to cease to carry on business or giving or threatening to give notice of intention to do so; or</li> <li>(xiii) it being certified by an accountant or a firm of accountants appointed by KMBL (which KMBL is entitled and authorized to do at any time) that the liabilities of the Borrower exceed his/her/its/their assets or that the Borrower is/are carrying on business at a loss; or</li> </ul>

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	<p>(xiv) if the Borrower/s and/or Third Party( where there are Third Party has provided securities in respect if its secured assets) the shall without the consent in writing of KMBL attempt or purport to create any mortgage, charge, pledge, hypothecation or lien or encumbrance ranking in priority to or pari passu with or to create any mortgage, charge, pledge, hypothecation or lien or encumbrance subsequent to, the security given or to be given to KMBL for the said facilities; or</p> <p>(xv) if the Borrower shall stop payment or threaten to do so; or</p> <p>(xvi) Inability to pay debts, proceedings of winding up, or the Borrower being declared or considered to be a sick company, or a relief undertaking or a protected company or a sick industrial company or a protected industrial company or otherwise, under any law, statute, rule, ordinance etc. which would have the effect of suspending or waiving all or any right against the Borrower or in respect of any contract or agreement concerning the Borrower; or</p> <p>(xvii) The passing of any order of a court ordering, restraining or otherwise preventing the Borrower from conducting all or any material part of its business; or</p> <p>(xviii) The cessation of business by or the dissolution, winding-up, insolvency or liquidation of the Borrower.</p> <p>(xix) If an Event of Default has occurred under any other agreement entered into by the Borrower with KMBL or any associate/affiliate company of KMBL.</p> <p>(xx) If Borrower has voluntarily or compulsorily become the subject of proceedings under any bankruptcy or insolvency law or being a company, goes into liquidation or has a Receiver appointed in respect of its assets or refers itself to the Board for Industrial and Financial Reconstruction or any other authority or relief undertaking.</p> <p>(xxi) The commencement of a legal process against the Borrower under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 or under any criminal law in force.</p> <p>(xxii) If the Title of the security provider to the security is in jeopardy or if there is an attachment or lien against the Security.</p> <p>(xxiii) Any change in respect of its constitution or management or shareholding without prior permission from KMBL.</p> <p>(xxiv) Use of the facility for investments in shares and securities, on-lending to associate companies, investments in ICD/ inter corporate loans.</p> <p>(xxv) One or more events, conditions or circumstances (including any change in law) shall occur or exist which in the opinion of the Bank, could have a Material Adverse Effect.</p>
<p>Taxes, duties, costs and expenses</p>	<p>All taxes, duties and levies as to be borne by the Borrower.</p> <p>All charges / fees and any amounts payable under these facilities by the Borrower to KMBL as mentioned herein do not include any applicable taxes, levies including service tax etc and all such impositions shall be borne by the Customer additionally</p>

<p>Other Terms &amp; Conditions</p>	<p>a. KMBL will have the right to review its facilities in case of any change in the ownership/ management of the company. The Borrower will immediately inform KMBL of any changes in the shareholding pattern/ key management.</p> <p>b. KMBL may undertake search at the Registrar of Companies, which costs the Borrower shall pay/ reimburse.</p> <p>c. KMBL's charge on the current assets to be recorded with the Registrar of Companies.</p> <p>d. The facilities are due and payable on demand to KMBL as and when KMBL exercises its right to call back the facility.</p> <p>e. The Borrower shall not permit its promoters/ directors to reduce their shareholding without the prior consent of KMBL.</p> <p>f. The Borrower will, when called upon to do so, satisfy KMBL that all Govt. Licenses approvals/consents are effective and in full force.</p> <p>g. Working capital facilities should not be used for investments in shares and securities, on-lending to associate companies, investments in ICD/ inter corporate loans.</p> <p>h. The Borrower will not change its name or trade name without intimating KMBL in advance.</p> <p>i. The Borrower shall notify KMBL in writing of any changes in the location of the Borrower's office/s or factory (ies) within 60 days of the change.</p> <p>j. The Borrower will, from time to time, upon KMBL calling upon the Borrower to do so, create and/or shall procure the creation by third parties in favour of KMBL security/ additional security acceptable to KMBL to secure the repayment / payment of the amounts owing to KMBL in case of any shortfall in the security cover of 2.00 x.</p> <p>k. The Borrower will notify KMBL immediately of any:</p> <p>(a) Lawsuits, governmental proceedings, or claims which, individually or in the aggregate, involve an amount exceeding 10% of the Borrower's net worth or which may impair the Borrower's ability to perform its obligation if the relief requested were granted.</p> <p>(b) Occurrence of any event of Default or any event which with the passage of time or the giving of notice may result in an event of default.</p> <p>l. All payments made to KMBL hereunder or pursuant hereto shall be made without any deduction, set off or counterclaim (except such deduction of tax, if any, as may be required by law).</p> <p>m. Applicable law/ jurisdiction: Indian Law/ As per Facility Agreement.</p> <p>n. The proposed facilities are contingent upon the absence of any material adverse change in the financial condition of the Borrower.</p>
<p>Representations and warranties</p>	<p>This facility is granted to the Borrower on the basis of the following:</p> <p>a. The Borrower is duly organized, validly existing, and in good standing;</p> <p>b. All information provided by the Borrower to the KMBL at any time is true, complete, and accurate,</p> <p>c. The Borrower is the sole owner of all assets shown on the Borrower's financial statements delivered to the KMBL save and except as stated in the said financial statements.</p> <p>d. Save and except as disclosed to the KMBL, there is no prior charge on its assets in favour of any person.</p> <p>e. There is no litigation including winding up proceedings or governmental proceeding pending against the Borrower and the Borrower is not aware of any such proceeding being threatened, which could impair the Borrower's net worth or ability to perform this Agreement.</p>



- f. The Borrower is in compliance with all applicable laws.
- g. The Borrower maintains and shall maintain accurate business and financial records and prepares and shall prepare its financial statements in accordance with generally accepted accounting principles.
- h. The computer and management information systems of the Borrower are and will, with ordinary course of upgrading and maintenance, continue for the tenure of the facility, to be sufficient to permit the Borrower to conduct its business without any material adverse effect on the Borrower's business or financial condition.
- i. In case the Borrower is a Company under the Companies Act, 2013:-
- (i) all corporate authorisations required for entering into this Agreement and the performing the transactions pursuant hereto have been obtained and are in force, and this Agreement and all transactions pursuant hereto are and will be in accordance with all applicable provisions of law; and
  - (ii) the borrowings by the Borrower pursuant hereto are and shall at all times be within the Borrower's limits provided under Section 180(1)(c) of the Companies Act 2013.
- j. The Borrower is authorised to enter into this Agreement, and this Agreement is a valid and binding obligation of the Borrower enforceable in accordance with its terms; and the execution and performance of this Agreement by the Borrower is lawful and does not constitute a default, acceleration or termination of any other agreement to which the Borrower is a party or breach of any judgment, decree, order or award.
- k. The Borrower is solvent and capable of paying its obligations as and when they become due.
- l. The Borrower will continue to comply and be in compliance with all Laws, regulations, guidelines, notifications, etc. pertaining to labour, health and safety, pollution control, waste management and/or environment that may be in force or issued by the authorities concerned from time to time The Borrower has not, and none of its directors, officers, agents or employees has/have, committed or omitted to do any act or thing the commission or omission of which is in contravention of any law including any applicable labour, health and safety, pollution control, waste management or environmental laws.
- m. The Borrower or its partners are not, in default or have committed a breach of any agreement with any person who has provided loans or deposits or advances or guarantees or other financial facilities to the Borrower or at the Borrower's instance.
- n. The Borrower and / or none of its Directors have been included in any list of defaulters by any regulatory / statutory authority and/or banks and/or financial institutions and/or Non Banking Financial Companies etc.
- o. The Borrower duly owns or holds valid and subsisting licenses in respect of all trade names, trade marks, patents, designs and other intellectual property used or intended to be used by the Borrower in the course of its business and the same are duly registered in the name of the Borrower and have not become void able.
- p. The Borrower duly owns or holds all other material consents, licenses, franchises, permits and authorisations necessary for the lawful conduct, ownership and operation, of its businesses, and the same are valid and subsisting and have not become void able.

- q. The Borrower/Mortgagor declares and assures that all the present Assets to be mortgaged and/or hypothecated and/or pledged to the Bank are the absolute properties of the Borrower, at the sole disposal of the Borrower and free from any material pledges, charges, liens, security interests, claims or other encumbrances, save and except, by the Borrower in writing duly acknowledged by the Bank. All the future Assets to be given as security to the Bank shall be likewise the unencumbered, absolute and disposable property of the Borrower. The Borrower shall not, hereafter, without the Bank's prior written permission, lease or sell or exchange or create any mortgage, charge, lien or encumbrance of any kind upon or over its undertaking and/or Assets (including uncalled share capital or any part thereof) except to the Bank nor suffer any such mortgage, charge lien or encumbrance to affect the same or any part thereof nor do or allow anything to be done that may prejudice the security while the Borrower remains indebted or liable to the Bank in any manner. With respect to any Assets it leases, the Borrower holds a valid leasehold interest therein, free and clear of any Liens, is in compliance, in all material respects, with the terms of the applicable lease, and enjoys peaceful and undisturbed possession under such lease. All of the Borrower's Assets that are material to the conduct of its business as presently conducted or as proposed to be conducted are in good operating condition and repair, subject to ordinary wear and tear. The Borrower's inventory is in good and marketable condition, does not and will not include any material quantity of items, which are obsolete or damaged and is saleable in the normal course of the Borrower's business as currently conducted.
- r. All representations and warranties of the Borrower in this Agreement shall survive the execution, delivery and termination of this Agreement, the consummation of the transactions contemplated hereby and the repayment of the amounts due under the Facilities and/or the Borrower's Dues hereunder.
- s. The Borrower is aware that the Bank has entered into this Agreement and the Bank has agreed to grant the Facilities on the basis of the Borrower's representations, warranties, statements, undertakings and covenants contained in this Agreement and/or otherwise made to the Bank.
- t. The Borrower shall have furnished to the Bank the Borrower's latest audited Profit and Loss Account and Balance Sheet of the Borrower.
- u. The Borrower and/or the Guarantor(s):
- (1) shall, in consideration of the Bank agreeing to grant the Facilities to the Borrower, shall create such Security in favour of the Bank as specified in the Sanction Letter / Individual Facility Sanction Letter /Product Schedules hereto, or as the Bank may specify for the repayment/payment of all Borrower's Dues from time to time;
  - (2) shall arrange to procure / have executed such guarantees as may be required by the Bank;
  - (3) shall have obtained all consents/waivers/in principle approvals to the grant of consent, as may be required for the creation of the Security from other Banks to the Borrower's Security holders and/or any other person and shall have provided such consent letters to the Bank; and
  - (4) shall have executed and/or delivered to the Bank such documents as the Bank may require.

	<p>v. The Bank shall have the absolute right to decide whether or not it will accept as security for the purpose of any/some/all of the Facilities in respect of the Assets so secured /offered as security from time to time to the Bank by the Borrower/ Guarantor</p> <p>w. The Guarantor(s) shall have executed guarantee(s) in favour of the Bank in the Bank's format in respect of all amounts payable by the Borrower to the Bank under this Agreement and/or otherwise in connection with the Facilities and as may be required by the Bank as per the Sanction Letter / Individual Facility Sanction Letter or as maybe required from time to time by the Bank.</p> <p>x. The Borrower shall, if required by the Bank, have submitted to the Bank a certificate (in a form acceptable to the Bank) of a Statutory Auditor acceptable to the Bank certifying that all the aforesaid conditions precedent have been duly fulfilled, and such other things as the Bank may require.</p>
<p>Arbitration</p>	<p>Unless the same falls within the jurisdiction of the Debts Recovery Tribunal established under the Recovery of Debts Due To Banks and Financial Institutions Act, 1993, any and all claims and disputes arising out of or in connection with this Agreement or its performance shall be settled by arbitration by a single Arbitrator to be appointed by KMBL. The arbitration shall be held in Kolkata.</p> <p>In the event that the claim or dispute does not fall within the jurisdiction of the Debts Recovery Tribunal established under the Recovery of Debts Due To Banks and Financial Institutions Act, 1993, for the purposes of arbitration mentioned in above, the Courts aforesaid, or if law does not permit the same, the Courts of the city in which the concerned branch is situated, shall have exclusive jurisdiction in relation to this Agreement, the arbitration and all matters arising in connection herewith and therewith.</p>
<p>Information</p>	<p>The Borrower understands that as a pre condition relating to grant of the Facilities to it, KMBL requires the consent of the Borrower for the disclosure by KMBL of information and data relating to the Borrower of the Facility granted/to be granted by KMBL, and obligations assumed/to be assumed by the Borrower in relation thereto and default, if any, committed by the Borrower in discharge thereof.</p> <p>The Borrower shall give consent for the disclosure by KMBL of all or any such:</p> <ul style="list-style-type: none"> <li>(a) information and data relating to the Borrower ;</li> <li>(b) the information or data relating to the Facility granted/to be granted by KMBL to the Borrower; and</li> <li>(c) default, if any, committed by the Borrower in discharge of the obligations of the Borrower as KMBL may deem appropriate and necessary to disclose and furnish to Credit Information Bureau (India) Limited and any other agency authorized in this behalf by RBI.</li> </ul> <p>The Borrower declares that the information and data furnished by the Borrower to KMBL are true and correct.</p> <p>The Borrower understands that:</p> <ul style="list-style-type: none"> <li>(a) the Credit Information Bureau (India) Limited and any other agency so authorized may use, process the said information and data disclosed by KMBL in the manner as deemed fit by them; and</li> </ul> <p>the Credit Information Bureau (India) Limited and any other agency so authorized may furnish for consideration the processed information and data or products thereof prepared by them to KMBL(s)/financial institution(s) and other credit grantors or registered users as may be specified by the Reserve KMBL in this behalf.</p>



Kotak Mahindra Bank

"Customer service and customer satisfaction is one of the prime concerns of KMBL. In case of any queries, please write to us on our authorized email id at cre.helpdesk@kotak.com".

"Service Tax Registration No of Kotak Mahindra Bank Ltd, Mumbai is AAACK4409JST001 Category of Service, Banking and Other Financial Services"

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