

ZO/BEHALA/ADV/16_17/815

The Senior Manager
Uttar Raipur Branch



ZONAL OFFICE: BEHALA
GD-377 & 378 (3RD FLOOR) SECTOR III
SALT LAKE KOLKATA 700106

Dated: 29th March 2017

Dear Sir,

RE: SANCTION OF FRESH TERM LOAN UNDER CRE
A/C: SUNRISE ERECTOR PVT. LTD.

This has reference to your letter no UTRRPR/CRE_PROP-01/79/MAR dated 09th March 2017 and enclosures thereto in respect of the above.

In view of your recommendation, the ZLCC [AGM] in its meeting held on 28th March 2017 sanctioned a term loan of Rs.200.00 lacs for the above Company, strictly under the following terms & conditions:

A	TERM LOAN :	Project Specific Term Loan
1	Limit	Rs. 200.00 lacs [Rupees Two Crores only]
2	Purpose	For construction of a G+3 commercial cum residential complex on a plot of land measuring 15 Cottah 8 Chhitak 28 sq ft together with structure measuring 1550 Sq Ft at Holding No E-3/48 New B.B.T Road, South 24 Parganas in ward No- 31 in Maheshtala Municipality of in the name of Mr. Tapan Kr Sarkar & Others (5 others Co-sharers), the present owners of a plot.
3.	Interest	MCLR (1 year) plus 5.25% p.a with monthly rests. The rate of interest will be reset on yearly basis from the date of first disbursement.
3.	Margin	Rs. 261.60 lacs i.e. 56.67% on the project cost of Rs. 461.60 lacs
4.	Securities	
PRIMARY		
(a) Eq. mortgage land measuring 15 Cottah 8 Chhitak 28 sq ft together with structure measuring 1550 Sq Ft at Holding No E-3/48 New B.B.T Road, South 24 Parganas in ward No- 31 in Maheshtala Municipality of in the name of Mr. Tapan Kr Sarkar & Others (5 others Co-sharers), the present owners of a plot.		
(b) Hypothecation of the building materials viz. sand, stone, cement, iron rods etc at the site.		
COLLATERAL: Nil		
GUARANTEE		
Personal guarantee the Directors & land owner viz.		
1. Mr. Tapan Kr Sarkar(Land Owner PAN BVYPS8898E)		
2. Mr. Swapan Sarkar(Land Owner PAN EQTPS3707K).		
3. Mr. Ranjan Mondal(Land Owner PAN CTNPS1280N)		

		<p>4. Mr. Sital Pd Mandal(Land Owner PAN ADLPMB394H),</p> <p>5. Mr. Mohammed Sultan (Land Owner & Director of Sunrise Erectors Pvt Ltd PAN AEBPM9907R) Net worth Rs. 96.15 lacs as on 01.08.2016</p> <p>6. Mrs. Nazra Sultan (Director) PAN BHUPS2000C Net worth Rs. 10.45 lacs as on 01.08.2016</p>
5.	Period	<p>Project completion period: Upto March 2018</p> <p>Moratorium : Upto March 2018</p> <p>Repayment period : Up to 31.03.2019</p>
6.	Draw-down schedule	<p>As per cash Budget as under :</p> <p>March quarter of 2017 : Rs. 50.00 Lacs</p> <p>June quarter of 2017 : Rs. 30.00 Lacs</p> <p>Sept quarter of 2017 :Rs 55.00 Lacs</p> <p>Dec quarter of 2017 : Rs 45.00 Lacs</p> <p>March quarter of 2018 : Rs 20.00 Lacs</p> <p style="text-align: right;">Total: <u>Rs,200.00 lacs</u></p> <p>In case 1st disbursement is made after march17 than entire amount for march 17 and June 17 Quarter i.e. Rs80.00 Lacs to be disbursed in June 17 Qr.</p>
7.	Repayment	<p>In terms of cash budget as under:</p> <p>April-June 2018 Quarter – Rs. 20.00 lacs</p> <p>July- Sept. 2018 Quarter - Rs 30.00 lacs</p> <p>Oct-Dec. 2018 Quarter – Rs. 50.00 lacs</p> <p>Jan-Mar 2019 Quarter – Rs. 100.00 lacs</p> <p>The accrued interest during the moratorium and subsequent periods would be serviced separately as and when falls due.</p>
7	Service Charges	<ul style="list-style-type: none"> - Up-front fees : Rs.2,44,000/= - Documentation charges : Rs.20,470/= - Mortgage fees: Rs.25,587/= - CERSAI charges: Actual - Legal Charges: Actual



8	Pre-disbursement & special terms of sanction	<p>(a) Fund to be disbursed only after completion of entire documentation formalities including creation of valid EOM (all documents as per details given in the NEG report of Mr. Prasan kanti Mondal dated 21.09.2016 to be taken. Our empanelled lawyer would take out certified copies of the deeds and certify genuineness of the documents to be deposited for mortgage.</p> <p>(b) On completion of the documentation formalities, our mortgage charge would be registered with CERSAI and legal audit is to be conducted. On obtaining satisfactory legal audit & approval in DeVA, fund may be released in stages as per draw-down schedule.</p> <p>(c) Before disbursement of the proposed loan, the Branch must ensure up-front introduction of the entire promoter's margin of Rs.214.60 lacs B. The physical status of the project to be ascertained by visit to the site. Before each subsequent stage of disbursements, the Branch should obtain CA certificate on financial status of the project vis-à-vis means of finance and make physical verification.</p>
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OTHER TERMS & CONDITIONS OF SANCTION:

1. The company would obtain NOC from the Bank before effecting sale of any flat/car parking space/shop.
2. The Branch Manager would ensure end use of fund at each stage and introduction of the required margin.
3. PSRC, legal audit report and TOP SHEET is to be submitted within 30 days from the date of disbursement.
4. In terms of HOIC no 12405 dated 23.04.2013, the builders and Borrowers who have been financed for Housing Projects should produce a certificate regarding adherence of National Building Code issued by the Govt. of India in view of the importance of safety of building especially against natural disaster. The Branch must obtain the same before release of fund.
5. A signboard will be displayed at the prominent place of project at the cost of the borrower to the effect that the project is financed by Allahabad Bank Uttaraipur- Branch, Kolkata and mortgaged with the Bank.
6. The Company will undertake to infuse necessary fund out of its own in case of cost overrun due to cost escalation and delay in sales realization, if any. An undertaking will be obtained from the Co in this regard.
7. An ESCROW account would be opened at the Branch and sale proceeds is to be routed through the account. The Branch would realize the interest/TL installments from the ESCROW account as per terms of sanction.
8. Branch Officials would also visit the site from time to time for verification of the progress of the project and to correlate the activity level with the projections submitted by the borrower/considered at the time of sanction.
9. The Builder must comply with the following :
 - (a) That they would disclose in the Pamphlets /Brochures etc. our Bank's name as mortgagee.
 - (b) The Builder would append the information relating to mortgage while publishing advertisement of a particular scheme in newspapers/magazines
 - (c) The Builder would indicate in their Pamphlets that they would provide our NOC / permission for sale of Flats /properties, if required.



10. The advance sanctioned should be used for productive construction activity and not for activity connected with speculation in real estate sector.
11. The photograph of the property should be obtained and kept with the security documents.
12. Possibility of housing loan for the prospective buyers is to be explored. While considering Housing loan proposal of prospective buyers, tripartite agreement to be executed among Bank, Builder & Buyer.
13. Property would be insured against Earthquake /Fire etc with any IRDA approved Insurance Co. with Bank clause at the cost of the Co.
14. Other terms & conditions as per HOIC no.12405 dated 23.04.2013 will also be meticulously observed.
15. All other usual & general terms & conditions of our sanction (Annexure 'A') will also be observed.

Yours faithfully,


(Satender Kumar)
Chief Manager

Encl:

1. Data Sheet of Sanction
2. Annexure 'A'



ANNEXURE 'A'

Other terms & conditions of sanction

01. An affidavit shall be obtained from all new borrowers and from existing customer (in case of enhancement) to the effect that none of the accounts of their associates / group concerns are classified as NPA with other banks / financial institutions.
02. Every borrower should furnish a declaration to the bank to the effect that:
 - (a) If he is an individual, that he is not a specified, near relation to a senior officer of a Bank
 - (b) If it is a partnership or HUF Company, that none of the partners, or none of the members of the HUF, is a near, specified relation of any senior officer of the bank, and
 - (c) If it is a joint stock company, that none of its directors, is a relative of any senior officer of the bank.
['Senior Officer' will refer to any officer in senior management level in Grade IV and above].
03. Share of Promoter Directors should not be transferred without prior consent of the Bank.
04. In case of term loan, a specific draw down schedule for each financial year should be worked out and the borrower needs Bank's explicit approval for further draw down at each tranche on completion of formalities as per sanction terms.
05. The Bank will always be at liberty to stop making further advance or cancel the credit facility at any time without prior notice and without assigning any reason even though the said limit/credit facility has not been fully availed of."
06. No commission/exchange should be paid to Guarantors.
07. Before allowing disbursement, the Branch must satisfy that there are no prior charge(s) on the company's assets in favour of any secured creditor(s) either pending for registration and/or registered in the charges register by conducting search of the ROC records at the company's cost.
08. The company will pass resolution under section 193(1)(d) of the Company's act 1956. A conCompanyation under section 292(5) of the Company's act would be obtained to the effect that the power of the directors in respect borrowings has not been restricted / withdrawn in the general body meeting. For creation of charge over fixed assets necessary resolutions under Section (1) will be passed in the General Body meeting. Certified true copies of the resolutions should be retained with the security documents
09. The sanction will remain valid for a period of six months only and if the company does not avail them of the facility in full or part within this period, the same will be treated as cancelled and would require revalidation from the Bank. The Bank reserves the right to revalidate the same on merits and also to amend the terms of sanction at its sole discretion, without assigning any reasons whatsoever.



10. The entire stocks will be insured for full value under comprehensive risk insurance policy with an IRDA approved general insurance company in joint names with Bank at the borrower's cost.
11. The company must confine its entire dealings with us only and will not make any financial arrangement with any other Bank without our prior consent.
12. The Bank will have the right to examine at all the times the company's books of accounts and to have the company's factories inspected, from time to time, by officer(s) of the Bank and / of qualified auditors and / or technical experts and /or management consultants of the Bank's choice. Cost of such inspection shall be borne by the company.
13. The company should maintain adequate books of accounts, which should correctly reflect its financial position and scale of operations and should not radically change its accounting system without notice to the bank.
14. The borrowers will submit the requisite paper/ audited accounts pertaining to the last financial year for next review at least two months before the next annual review of the account.
15. Stocks and Book Debts audit will be conducted as and when required by the bank at the cost of the borrower.
16. Stocks and book debts are to be checked periodically at least once in a month at irregular intervals and adverse feature if any, should immediately be brought to the notice of immediate higher authorities.
17. All legal and other expenses including incidental charges to be incurred during the course of operation of the account and for completion of documentation formalities will be borne by the borrowers.
18. The Bank will have a first charge on the profits of the company, after provision for taxation and dividend where applicable, for repayment of installments under term loan granted by the Bank or other repayment obligation, if any, due from the company to the Bank.
19. The bank shall have the right to securitize the secured assets and in the event of such securitization the Bank is not bound to send individual intimation to the borrowers / guarantors as to the said securitization.
20. In case of default in repayment of the loans / advances or in the payment of interest thereon or any of the agreed installments of the loan on due dates by the borrower, the Bank will have an unqualified right to disclose or publish the borrower's name or the name of the borrower's company / unit and its directors / partners / proprietor as defaulter in such manner and through such medium as the Bank in their absolute discretion may deems fit & proper.
21. In case the guarantor/s fail to pay the bank's dues within one month from the date of receipt of notice from the bank in pursuance of the guarantee furnished by the guarantor herein, the bank shall be at liberty to publish the names and addresses of the guarantors along with details of outstanding dues payable by the guarantors to the bank and also other relevant details in news paper and other publicity media.
22. The bank will have the right to share credit information as deemed appropriate with CIBIL or any other institution as approved by RBI from time to time.



23. The company should not induct into its Board a person whose name appears in the willful defaulters list of RBI / CIBIL (Other than as a Nominee / Professional / Honorary director). In case such a person is already on the Board of the borrowing company, it would take expeditious and effective steps for removal of that person from the Board.
24. The Company will get its accounts audited annually & audit must be completed within 3-4 months from the closing date of last financial year.
25. The immovable properties mortgaged to the Bank will be revalued within three years from time the date of last valuation.
26. The sanction does not vest in anyone the right to claim any damage against the Bank for reason whatsoever.
27. During the currency of the Bank's credit facilities, the borrower will not;
- Repay any unsecured loan raised from directors, friends and relatives.
 - Formulate any scheme of amalgamation or reconstruction.
 - Undertake any new project, implement any scheme of expansion or acquire fixed assets except those indicated in the funds flow statement submitted to the Bank from time to time and approved by the Bank.
 - Invest by way of share capital or lend or advance funds to or place deposits with any other concern (including group companies) without taking prior permission from the Bank. (Normal trade credit or security deposits in the normal course of business or advances to employees can, however, be extended.)
 - Enter into borrowing arrangement either secured or unsecured with any other bank, financial institution, company or otherwise or accept deposits apart from the arrangement indicated in the funds flow statements submitted to the Bank from time to time and approved by the Bank.
 - Undertake any guarantee obligation on behalf of the company (including group companies)
 - Create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, company, Company or persons.
 - Sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to the bank.
 - Enter into any contractual obligation of a long-term nature of affecting the company financially to a significant extent.
 - Change the practice with regards to remuneration of directors by means of ordinary remuneration or commission, scale of sitting fees, etc.
 - Undertake any trading activity other than the sale of products arising out of its own manufacturing operations.
 - Permit any transfer of the controlling interest or make any drastic change in the management set-up.
28. The Company will submit a certificate to the effect that its partners / Directors are not related to any Senior Executive of our Bank, immediately after the end of each financial year
29. Name plate of the Bank will be displayed in prominent places at the Site of the borrowers



30. Additional / Penal interest will be applicable as per HOIC No. 11040/CP&RMD/2010-11/12 dated 30.06.2010

Sl. No.	Parameters	Additional Interest
1	<p>Non submission of review/ renewal proposals of working capital facilities:</p> <p>Where the borrower has submitted the complete proposal for renewal per due date, additional (penal) interest will not be charged. The additional (penal) rate is applicable if the renewal /review proposal is not submitted by the borrowers within 30 days from the due date. In case of non-submission, period for additional (penal) interest will be reckoned from the due date (i.e. on expiry of one year from the date of issue of last sanction letter to the borrower based on full review</p>	2.00%
2	<p>Non-Submission of Stock Statements:</p> <p>The period for which additional (penal) rate of interest should be applicable, is to be reckoned from the due date of submission till actual receipt, on the total working capital limit outstanding. A grace period of 7 days or the time limit agreed is admissible. Additional (Penal) interest will be charged from 8th day or period as agreed from due date till date of submission.</p>	2.00%
3	<p>Non-Submission of QIS-II & III(for Limit of Rs.10.00 Crore & above)</p> <p>The period for which additional (penal) rate of interest should be applicable, is to be reckoned from due date of submission till actual receipt on the working capital limit outstanding. The Stipulated period for submission of QIS is as:-</p> <ol style="list-style-type: none"> 1. FORM: II: To be submitted within six weeks after closing of the quarter. 2. FORM: III: To be submitted on a half yearly basis within two months from the close of each half year. 	2.00%
4	<p>Default in payment of monthly/Quarterly or periodical installment for term Loan</p>	2.00%



	Additional (Penal) interest in such cases will be reckoned from the due date of installment and for the amount of default.	
5	Default in payment of monthly/Quarterly or periodical interest. Additional (Penal) interest is to be charged, if interest is not paid within 7 days of end of the month/ quarter/half year/year (or as per stipulation) for the entire period of default including grace period.	2.00%
6	Adhoc Limits (Other than Export Credit) not paid on the due date or within the due date permitted for the entire period of default.	2.00%
7	Non-payment of dishonored Bills for entire overdue period.	2.00%
8	Bills remaining overdue for more than 7 days for entire overdue period	2.00%
9	In case of outstanding balance in C/C, O/D account remaining in excess of sanction limit or Drawing power for more than 7 days. Additional Interest will be charged for overdrawn amount only and for the period from date of such overdrawing till date of regularization.	2.00%
10	Non-Compliance of terms and conditions of sanction	2.00%
11	Commitment Charge on the unutilized portion of the working capital limit subject to tolerance level of 15.00% of such limits applicable for funded Credit limit of Rs.1.00 Cr and above. The Exemption from the purview of commitment Charges:- 1. Drawing in excess of operative limit. 2. Working Capital Limit sanctioned to Sick/Weak units. 3. Limit sanctioned for Export Credit as well as incentive. 4. Inland Bill limits extended by way of bill purchase/ discount or overdraft/ Cash Credit /Sub-limit against bill for collection. 5. Credit limits sanctioned to Commercial Banks financial institutions and Cooperative Banks including Land development Banks 6. In case of consortium advance as per decision of the consortium (The operative limit as allocated by lead bank will be considered as	2.00%



	operative limit.)	
12	If Corporate/ PSU Borrower is not rated by External Credit Rating Agency within subsequent quarter of sanction or renewals of the credit facility an additional Interest will be charged for the period from date of sanction/ renewal till date of rating.	1.00%

31. Charge created on Assets should be registered with the Registrar of Companies (ROC) within 30 days from the date of documentation
32. Mortgage charges with CERSAI must be registered within 30 days from the creation of mortgage without exception.
33. The above terms & conditions shall be subject to modification by the Bank as may be considered necessary at any point of time at the sole discretion of the Bank.
34. The Bank may recover in part or full or withdraw/stop financial assistance at any stage without any notice or giving any reason for any such purpose whatsoever.

[Handwritten Signature]

