



CREDIT DEPARTMENT, ZONAL OFFICE, KOLKATA(URBAN)

SANCTION LETTER

Ref.No. BR/CRA/ADV/Divya/17/06/06

Date: 29.06.2017

Divya Distributor,  
Kolkata



Account: M/s Divya Distributors  
Review/Renewal/Enhancement/ Fresh Sanction

This has reference to the captioned proposal for undertaking CRE project at Durgapur, West Bengal.

In this connection, we have to advise that the ZLCC in its meeting held on 29.05.2017 has sanctioned the following credit facility:

- ❖ **Enhancement / Fresh Sanction**
  - ❖ Fresh term loan of Rs.5.00 Crores.
- ❖ **Approval of following concessions in ROI / Service Charges**
  - ❖ Upfront fees @75% of the normal applicable charges to be realized. (i.e 25 % Concession).
  - ❖ RTGS/NEFT @100 % waiver (as existing).

\* One year MCLR (8.60% p.a. at present) considered as benchmark rate as against Base Rate for pricing of loan in terms of bank's HOIC. 14797 dt. 09.01.2017.

**Facilities recommended for**

(Rs. in Crores)

Facilities	Existing Limits	Limit sanctioned	Margin	Period/Residual Period of T/L	RoI/Commission approved
Term Loan	0.00	5.00	25% of construction cost	36 months	Policy : MCLR + 5.25% Proposed : MCLR + 5.25% All in p.a.w.m.r. MCLR is for 1 year
<b>Funded Limit</b>	<b>0.00</b>	<b>5.00</b>			
BG/LC	0.00	0.00			
<b>NF Limit</b>	<b>0.00</b>	<b>0.00</b>			
<b>Total Exposure</b>	<b>0.00</b>	<b>5.00</b>			

Interest Reset, if any: ROI to be reset after 1 year or next review whichever is earlier.  
MCLR prevailing on the date of disbursement of term loan will be applicable till next reset date irrespective of change in the MCLR during the interim period.

**Draw Down Schedule:-**

Sept'17 quarter : ` 63.63 lacs  
Dec '17 quarter : ` .109.12 lacs  
Mar '18 quarter : ` .161.62 lacs  
June'18 quarter : ` .165.63 lacs

**Period / Residual Period** : 36 months as under:

**Repayment Terms** (any change in repayment to be stated)

Moratorium : 15 months

Year	Months	No. Of installments (Monthly)	Amount of Installment	Total
2018-19	July'18- Mar'19	9	0.20	1.80
2019-20	April'19 to July'19	4	0.20	0.80
2019-20	Aug'19 to Mar'20	8	0.30	2.40
<b>Total</b>		<b>21</b>		<b>5.00</b>

Interest will be realised on monthly basis as and when due.

Other terms of sanction are as per following Annexures:-

<b>Term Sheet</b>	<b>ANNEXURE – A</b>
<b>Facility-wise terms of sanction with Pre-disbursement terms</b>	<b>ANNEXURE –B</b>
<b>Security</b>	<b>ANNEXURE – C</b>
<b>Terms and conditions of sanction</b>	<b>ANNEXURE – D</b>
<b>General terms and conditions</b>	<b>ANNEXURE – E</b>
<b>Mandatory Covenants</b>	<b>ANNEXURE – F</b>
<b>Mandatory Negative Covenants</b>	<b>ANNEXURE –G</b>
<b>Fees &amp; Charges</b>	<b>ANNEXURE – H</b>

Please ensure compliance of terms as per sanction.

Yours sincerely,



(Gopi Trimurthulu)  
Chief Manager





**ANNEXURE – A  
TERM SHEET**

1.	Name of the borrower / Account	<b>M/s. DIVYA DISTRIBUTORS</b>			
2.	Activities/ Code	Activity To undertake a CRE project at Mouza Bhiringi, JL No 68, LR JL No 119, LR Khatian No 9779 under the jurisdiction of Durgapur Municipal Corporation, Dist Burdwan			
3.	PAN No	AAGFD0964J			
4.	Constitution	Partnership Firm			
5.	Registered Office	10 Clive Row, 2 <sup>nd</sup> Floor, Room No. -206/4, Kolkata – 700 001			
6.	CRE Site	Mouza Bhiringi, JL No 68, LR JL No 119, LR Khatian No 9779 under the jurisdiction of Durgapur Municipal Corporation, Dist Burdwan			
7.	Details of key individuals (promoter / Partners)	<b>Name</b>	<b>Designation</b>	<b>DOB</b>	<b>PAN</b>
		Surendra Kumar Sharma s/o Late Chhagan Lal Sharma	Partner	08.07.1962	ALPPS1255D
		Anurag Dokania s/o Shri Suresh Kumar Dokania	Partner	25.08.1989	AREPD6010E
8.	External Rating of the company	Not done			
9.	Internal Risk Grading (RAM)	AB-4 based on Project financials			
10.	Banking arrangement	Sole Banking			
11.	Leader of consortium	NA			
12.	Nature of Present Sanction	Fresh term loan under CRE			
13.	Other Permissions	a) 25% concession in upfront fee. b) 100% Waiver of NEFT/RTGS charges.			
14.	Sanctioning Authority	ZLCC			
15.	Due date of next review	29.05.2018			

**ANNEXURE – B**

**FACILITY-WISE TERMS OF SANCTION**

<b>Facility</b>	<b>Term Loan</b>				
<b>Limit</b>	<b>Rs. 5.00 Crore</b>				
Purpose	To undertake a CRE project at Mouza Bhiringi, JL No 68, LR JL No 119, LR Khatian No 9779 under the jurisdiction of Durgapur Municipal Corporation, Dist Burdwan				
Margin	25% on cost of civil construction				
ROI	MCLR + 5.25% p.a.w.m.r. (MCLR is for 1 year)				
Interest reset clause	ROI to be reset after 1 year or next review whichever is earlier. MCLR prevailing on the date of disbursement of term loan will be applicable till next reset date irrespective of change in the MCLR during the interim period.				
Period	36 Months				
Repayment	Moratorium : 15 months				
	Repayment of Principal loan ( ` /Lacs)				
	<b>Year</b>	<b>Months</b>	<b>No.</b>	<b>Of Amount</b>	<b>of Total</b>



		installments (Monthly)	Installment	
2018-19	July'18- Mar'19	9	0.20	1.80
2019-20	April'19 to July'19	4	0.20	0.80
2019-20	Aug'19 to Mar'20	8	0.30	2.40
<b>Total</b>		<b>21</b>		<b>5.00</b>

Interest will be realised on monthly basis as and when due

Security As mentioned in Annexure – C.

Project Cost & Means of Finance

**Project Cost:-**

Particulars	Cost incurred 20.02.2017 (Rs Crore)	Already upto	Cost Yet to be incurred on the Project (Rs Crore)	Total (Rs Crore)
Land	2.10		-	2.10
Land development work	0.67		-	0.67
Construction Cost	3.05		9.30	12.35
Services Cost	0.01		0.04	0.05
Misc& Others – Bought Out Items	-		1.05	1.05
Admn & other Selling Cost – consultancy & Preliminary Expenses	0.52		0.08	0.60
<b>Sub Total</b>	<b>6.34</b>		<b>10.47</b>	<b>16.81</b>
Bank Charges	-		0.05	0.05
Interest Cost (IDC)	-		0.23	0.23
<b>Sub Total</b>	<b>-</b>		<b>0.28</b>	<b>0.28</b>
<b>Project Cost</b>	<b>6.34</b>		<b>10.75</b>	<b>17.09</b>

**Means of Finance:-**

Particulars	Already Received upto 20.02.17	Amount Yet to be Received	TOTAL
Term Loan (TL)	-	5.00	5.00
Advance from Customers (Already Sold) (till Mar 2021)	2.30	3.92	6.23
Unsecured Loan (from Promoter)	2.43	1.83	4.25
Promoters' Investment (Equity)	1.62	0.00	1.62
<b>Total</b>	<b>6.34</b>	<b>10.75</b>	<b>17.09</b>

**Pre-disbursement conditions :**

<b>1.</b>	<b>Acknowledgement</b>
a.	Acceptance of terms and conditions communicated through the sanction letter shall be obtained from both the borrower and guarantors.
<b>2.</b>	<b>KYC</b>
a.	KYC related details of Borrower / Partners / Guarantors to be obtained.
b.	Latest net worth position of guarantors / Partners of the Firm shall be obtained supported by IT returns with details of their immovable properties. The same shall be duly verified by the branch.
<b>3.</b>	<b>Verification / checking from various online resources</b>
a.	ROC / CERSAI search should be conducted for verifying that there are no prior charges on the assets of the company in favour of other banks / lenders



	b.	Reports from CIBIL / other credit information company shall be obtained for both the Firm and its key personnel/partners.
	c.	Search should be made in the RBI Defaulter List / Willful Defaulters' list to ensure that the names of the company / its directors are not appearing in it.
4.		<b>Visits by branch officials (report to be submitted as per format in terms of HOIC 12878/Cr.Mon./2013-14/03 dated 28.01.2014)</b>
	a.	Units / offices of the company/firm.
	b.	Properties taken as security.
5.		<b>Reports from various third party entities (as applicable)</b>
	a.	NECs for mortgaged properties.
	b.	Valuation reports (1 <sup>st</sup> and/or 2 <sup>nd</sup> valuation as per norms).
	c.	CA certificate regarding funds invested in project so far. Entire promoter's contribution and margin in the project will be brought in upfront before seeking disbursement of term loan.
6.		<b>Approvals</b>
	a.	It shall be ensured that all necessary permissions / approvals / clearances / licenses / certifications from statutory authorities / local administration have been obtained / renewed for running the business of the company/firm.
7.		<b>Stamped Undertakings / Affidavit:</b>
		The Firm shall undertake to the effect that -
	a.	It shall furnish necessary information / documents as may be required from time to time in connection with the credit facilities extended by the bank including list of top five high value debtors / creditors etc. along with address and contact number in the monthly stock statement.
	b.	The firm is already working on the project, started construction work after obtaining approved plan. As such, the firm will open Escrow (Current) account with the Branch where entire advance payments from the buyers will be deposited from time to time wherefrom the firm will be allowed to draw funds from time to time for project purpose including promoters contribution for disbursement of Term Loan as per cash budget submitted by the firm
	c.	Inflow of funds shall be routed through Firm's Escrow account with our bank.
	d.	None of the promoters / Partners of the Firm appear in RBI Defaulters' list, RBI Willful Defaulter's list, RBI Caution list and ECGC SAL. A Director with identical name appearing in the above defaulters' list should submit an affidavit confirming that he is not the same person whose name is appearing in the defaulters' list followed by certificate from the company.
	e.	None of its Partners / specified near relation of a director is the director / senior officer of our bank / other banks.
	f.	It shall not induct a person as partner, who is a Director/partner on the Board of a company or of other Firm identified as a willful defaulter and in case, such person is found, expeditious and effective steps for removal shall be taken.
	g.	The loan shall be utilized only for the purpose for which it has been sanctioned and shall not be utilized for subscription to or purchase of shares and debentures, for extending loans to subsidiary or associate companies or extending inter-corporate deposits, any speculative purpose, and Real Estate etc.
	h.	None of the accounts of the associate / group concerns are classified as NPA with any bank / FIs.
	i.	No corporate guarantee shall be extended without prior permission from the bank.
	j.	Management and control of the company/firm shall not change during the currency of the loan without the consent of the bank / lenders.
	k.	Unsecured loans, if any raised from related parties shall not be repaid / (withdrawn by the unsecured lenders) during the currency of the credit facilities of the bank.
	l.	All statutory liabilities shall be paid in time. A certificate from statutory auditor should be submitted to the effect that there are no undisputed liabilities pending for payment.
	m.	The account of the Firm / group accounts with all lenders are standard.
	n.	No commission should be paid to the guarantors of the loans.



	o.	It shall not maintain account with any bank without obtaining prior written permission from the lenders.
	p.	It shall insure all the assets of the company for full value covering all applicable risks in the joint names of the company and the lenders.
	q.	It shall maintain financial discipline and not involve in any kind of financial irregularity.
	r.	It will submit Statutory Auditors' certificate regarding infusion of promoters' margin in the business by way of capital / unsecured loan as and when required.
	s.	It will submit requisite information / particulars for annual review of the account before 2 months of due date of review.
	t.	<p>Without Bank's permission in writing, the firm shall not</p> <ul style="list-style-type: none"><li>• Effect any adverse changes in firm's capital structure.</li><li>• Formulate any scheme of amalgamation or merger or reconstruction.</li><li>• Implement any scheme of expansion / diversification / capital expenditure except under normal circumstances.</li><li>• Enter into any borrowing or non borrowing arrangements either secured or unsecured with any other bank / FI / company / firm or accept deposits in excess of the limits laid down by Reserve Bank of India.</li><li>• Invest by way of share capital or lent or advance funds to or place deposits with any other company / firm / concern including group companies except normal business transactions.</li><li>• Undertake guarantee obligations on behalf of any other company / firm / person.</li><li>• Make any drastic change in the management set up.</li><li>• Sell or dispose off or create security / encumbrances on the assets charged to the bank in favour of any other bank / FI / company / firm or individual.</li><li>• Repay moneys brought in by the promoters / partners / directors / shareholders / their relatives and friends in the business of the company / firm by way of deposits / loans / share application money etc. such loans may carry only such interest as approved by the lenders.</li><li>• Avail credit facilities / loan from outside the bank / consortium arrangement without their knowledge and permission.</li></ul>
	u.	To infuse funds to meet the shortfall in case of insufficient cash generation / shortfall in repayment obligations
<b>8.</b>		<b>Other pre disbursement terms and conditions:</b> <ol style="list-style-type: none"><li>1. Mortgage to be completed as per direction given in special terms and condition.</li><li>2. Before release of Banks fund branch to confirm about the 100% upfront equity brought in by the promoters towards cost of construction. A CA certificate to this effect may be submitted by the company/firm regarding total fund utilised and their sources thereon.</li><li>3. Branch will obtain; latest CDF of the Directors/partners along with IT Return and personal Balance sheet</li><li>4. Documentation will be completed in all respect and Pre-disbursement credit process formalities to be completed before seeking permission for release of funds from ZO after completion of Legal Audit, PDCPAR-01 &amp; PDCPAR-02 formalities. Necessary approval shall be obtained through DeVA.</li><li>5. <u>Disbursement of loan will be in phases and as per drawdown schedule and in accordance to the estimates certified by the qualified architect/valuer/engineer. Before each/ subsequent disbursement, the branch will visit the project site and would satisfy with the progress of the project as per schedule and also obtain CA certificate confirming end use of the funds, along with the source thereof</u></li><li>6. Any cost more than the estimated project cost shall be borne by the firm from its own source.</li><li>7. An undertaking to be obtained from the promoters that unsecured loan, if any infused/to be infused in the business will not be withdrawn during pendency of the loan and shall not carry interest more than the bank loan. All other loans shall remain sub ordinate to our finance.</li></ol>



8. Copy of all the requisite licenses is to be obtained.
9. The company will open an escrow account for this project with the branch and all transactions shall be routed through it.
10. An undertaking will be obtained from the borrower:-
  - a. Entire sale proceeds will be routed through our bank only.
  - b. They do not have any other associate/group concern except those disclosed by them.
  - c. Funds will not be diverted for purposes other than for which loan has been extended.
11. Upfront/Processing fees, mortgage charges, documentation fees etc shall be realized as stipulated.
12. Visit of the property proposed to be mortgaged to be done by the Branch as per extant guidelines of the Bank.
13. Branch must ensure that all the Mortgage documents [Title Deed, Parcha, Mutation certificate, Up to date tax receipts etc] are original, genuine, & legal valid documents. The Branch must verify all these documents from concerned issuing govt authority/appropriate Govt Authority/competent issuing Authority regarding genuineness of these documents. Further, The Branch must ensure that all documents are legally enforceable, & valid documents and the same are issued by concerned Govt Authority/Panchayat/Municipal Body/State Govt Authorities.etc.
14. The lawyer should be asked to examine the genuineness of the title deeds and their registration and also genuineness of the stamp papers used in the respective title deeds. He / she should certify that he / she has examined the original title deeds, registration thereof and stamp papers are genuine.
15. Branch shall ensure that all statutory approvals are in place and an undertaking to this effect shall be obtained from the firm that all statutory approvals are in place.
16. Top Sheet duly signed by two officers of the Branch including the Branch Manager will be placed above the security documents file of the concerned borrowal account & will be kept safely as a part of security documents. A copy of the same may be sent to ZO.
17. CERSAI search shall be done before release of fund so as to ensure that there is not any prior charge on the property of any Bank / FI.

### ANNEXURE – C

#### SECURITY ( for all facilities )

EXECUTIVE SUMMARY			
Particulars	Nature of charge	Date of Valuation	Value in (Rs/Crore)
<b>PRIMARY COVER</b>			
i) Equitable Mortgage of 75 decimal of land under Mouza Bhirngi, JL No 68, LR JL No 119, LR Khatian No 9779 under the jurisdiction of Durgapur Municipal Corporation, Dist burdwan standing in the name of M/s Divya Distributors	Exclusive	Estimated as on 31.03.17	15.75
ii) Hypothecation of Stocks, Book Debts and all other current assets of the firm, both present and future.		Project Hard Cost	17.10
<b>COLLATERAL COVER</b>			
1. LIC of Surrendra Sharma and Anurag Dokhania	Assignment	Surrender Value	0.02
<b>Total Value of Security</b>			
- Primary			<b>15.77</b>
- Collateral			<b>15.75</b>
			<b>0.02</b>



<b>Our share</b>	<b>100%</b>	
<b>Overall security coverage of our exposure of Rs 5.00 Crore (%)</b>	<b>315.40 %</b>	
<b>Collateral security coverage of our exposure of Rs 5.00 Crore (%)</b>	<b>0.40 %</b>	
<b>Guarantee Cover</b>		
<b>Name of the Guarantor</b>	<b>Date of CR</b>	<b>NW (Rs. / Crore)</b>
Surendra Kumar Sharma s/o Late Chhagan Lal Sharma	31.03.2015	1.09
Anurag Dokania s/o Shri Suresh Kumar Dokania	To be obtained	-

**Latest Net Worth declaration of guarantors to be obtained, verified and kept in file**

## ANNEXURE – D

### OTHER TERMS OF SANCTION

#### Other Terms and Conditions:-

1. Term loan will be released in phases maintaining the project margin of always and direct payment to the suppliers as far as possible after realizing requisite margin money from the borrowers to be made. Further, each disbursement shall be made only after end use verification of previous disbursement and as per terms of HOIC 12405 dated 23.04.2013.
2. Disbursement of loan will be in phases and as per drawdown schedule and in accordance to the estimates certified by the qualified architect/valuer/engineer. Before each/ subsequent disbursement, the branch will visit the project site and would satisfy with the progress of the project as per schedule and also obtain CA certificate confirming end use of the funds, alongwith the source thereof.
3. The branch will ensure to notify mortgages with Central Registry in terms of HOIC no 11368-dated 19/04/2011.
4. Branch should visit the unit at least once in 3 months and will monitor the progress of the project from time to time.
5. Branch should explore that insurance coverage adequate with limit is taken by the company from Sampo General Insurance Co Ltd for both moveable and immoveable assets.
6. Bank's nameplate showing that the Current assets & Fixed assets are hypothecated to the Bank will be displayed at prominent place of the project.
7. The builder / developer / company / firm would disclose that the property is mortgaged with our Bank in the Pamphlets / Brochures etc.
8. The builder / developer / company / firm would append the information relating to mortgage while publishing advertisement of a particular scheme in newspapers / magazines etc.
9. The builder / developer / company / firm would indicate in their Pamphlets / Brochures, that they would provide No Objection Certificate (NOC) / permission of the mortgage bank for sale of flats / properties, if required.
10. Our Bank has the First Right to Refusal for the housing loans.
11. The company/firm shall agree that in the case of any default in the payment of dues to the Lenders, the Lenders/ the Reserve Bank of India (RBI)/Credit Information Bureau (India) Limited (CIBIL) shall have an unqualified right to disclose or publish the details of the default and the name of the Firm and its directors as defaulters in such manner and through such medium as the Lenders or RBI in their absolute discretion may think fit.
12. Applicability of National Building Code is to be checked and compliance is to be ensured.