THE BHARAT CO-OPERATIVE BANK (MUMBAI) LTD.
[illegible]
CHEMBUR BRANCH : [illegible]
Tel. : [illegible] • Telefax : [illegible] • Email : [illegible]

Ref: BCB/CMB/510/2016 Date: 01.08.2016

To,
M/s. PALAN REALTY PVT. LTD.
Office Address:
305, Gagangiri Complex, 18th Road,
Above Bharat Co-op. Bank (Mum) Ltd,
Near Ambedkar Garden, Chembur (East),
Mumbai-400071

Site Address:
Swamangeet CHS Ltd, Mithaghar Road,
M.H.B Colony, Mulund (East), Mumbai-400 081

Directors / Joint Borrowers
MR. VIJAY NANJI DEDHIA
Flat No.2/8, Jay Mahavir CHS Ltd,
Ghatkopar, Mumbai-400077

MR. MEHUL RAVILAL DEDHIA
Flat No.2/3 and 4, Jay Mahavir CHS Ltd,
Ghatkopar (East), Mumbai-400077

MR. PARAG RAVILAL DEDHIA
Flat No.2/11, Jay Mahavir CHS Ltd,
Ghatkopar (East), Mumbai-400077

Joint / Co-Borrowers:
MRS. HEENA MEHUL DEDHIA
MRS. PURVI VIJAY DEDHIA
MRS. HEMSHA PARAG DEDHIA

Dear Sir/Madam,

Re: Banking Facilities

With reference to your application No 19145 dated 11.06.2016 we are pleased to inform you that our Bank has sanctioned the Working Capital Demand Loan of Rs. 15,00,00,000/- (Rupees Fifteen Crore Only) on 20.07.2016 with the following terms and conditions:

1. Nature of facility : Working Capital Demand Loan of Rs. 15,00,00,000/- (Rupees Fifteen Crore Only)

2.	Purpose	: To meet Construction Expenses / Cost of Gagangiri Elanza Building at Mulund

3. Security

Primary Securities:

- Equitable Mortgage over Proposed 52 Saleable Flats at Proposed Building "Gagangiri Elanza"
- Hypothecation charge over Work in Progress/Receivables for 52 saleable flats of Proposed Building "Gagangiri Elanza"

4. **Collateral Securities:**

- Equitable Mortgage over **Amalgamated Flat No. 3 & 4**, admeasuring 1078 sq. ft. (carpet area) situated on 1st Floor, Jay Mahavir C.H.S Ltd, R B Mehta Road, T.P.S III, Ghatkopar (East), Mumbai-400077 owned by Mrs. Nirmala Dedhia
- Equitable Mortgage over **Flat No. 11** admeasuring 1133 sq. ft. (carpet area) situated on 3rd Floor in building known as Jay Mahavir C.H.S Ltd, R B Mehta Road, Ghatkopar, Mumbai-400077 owned by Mrs. Hemlta P Dedhia and Mr. Parag Dedhia jointly.
- Equitable Mortgage over **Commercial Amalgamated Office Premises No. 101** adm. 422 sq.ft carpet area owned by Mrs. Nirmala Ravilal Dedhia, **Office No 102** adm. 400 sq.ft carpet area owned by Mr. Parag Ravilal Dedhia, **Office No. 103** adm. 400 sq.ft carpet area owned by Mr. Mehul Ravilal Dedhia & Heena Mehul Dedhia, **Office No. 104** adm. 400 sq.ft carpet are owned by Mr. Vijay Dedhia and **Office No. 105** adm. 400 sq.ft carpet area owned by Mrs Purvi Vijay Dedhia all situated on the 1st floor, Shivkrupa Premises Co-op. Society Ltd, Shivaji Nagar Road, Thane (W)-400602

5.	Margin	: 77 % (of total project cost)
6.	Rate of Interest	: 16 % p.a under **Credit Rating** or at such rate as may be determined by the Board of Directors from time to time in accordance with the guidelines of Reserve Bank of India

Note:

A special rate of interest @ 16 % is considered on the sanctioned credit facilities, which is fixed under **Credit rating** system based on certain fixed criteria. This rate of interest shall be applicable till the company:-

a) is regular in repayment of loan;
b) is submitting Certified/Audited financial statements and Annual Returns filed with ROC yearly
c) has complied with all sanction conditions
d) all the business transactions/turnover are routed through account with the bank.

In case the company fails to comply with such fixed criteria for reduced rate of interest under credit rating system, the bank shall charge interest @ 17.50 % p.a or such other rate of interest as decided by the Bank.

7. Incidental charges : @ 0.65 % of the sanctioned amount including Loan Processing Charges (plus service tax as applicable) as approved at Loan Committee of the Board Meeting held on 20.07.2016.

8. Repayment Schedule : 42 months including 24 months gestation period from the date of 1st disbursement. Repayment will be reasonably spread in 18 installments, However interest should be paid regularly during gestation period.

Principal + Interest	Months	Total Amount	Period
Rs. 50.00 Lac + Interest	2	Rs. 100.00 Lac + Interest	Repayment period will be decided from the date of disbursement and completion of gestation period. However the loan should be closed before completion of the project.
Rs. 75.00 Lac + Interest	8	Rs. 600.00 lac + Interest	
Rs. 100.00 Lac + Interest	8	Rs. 800.00 Lac + Interest	
Total	**18 months**	**Rs. 1500.00 Lac + Interest**	

9. Gestation Period : 24 months from the date of 1st disbursement

10. Amount of Share linkage : Nil

11. Insurance :
1. The Securities mortgaged/ hypothecated to the Bank will have to be insured against all comprehensive risks on flat.
2. Insurance Policy should be in the name of the Bank and be kept in force during the period of Bank facility at your cost.

12. Penal interest : Penal Interest @ 2% p.a. will be applied over and above the applicable ROI on principal overdue amount from the date when it was due and till the date it is cleared in case where full amount of Principal installment is not serviced during grace period (of 15 days from the date of demand generation.

13. Prepayment Charge : 1. A pre closure charge of 3 % on the outstanding balance as on the date of closure and on all amount paid by the borrower/s towards the loan during the period of last one year from the date of final payment. (Excluding the payment towards regular installments) will be charged in case of pre closure through other Banks/Financial Institutions.

2. A Pre-closure charge of 0.50% on the outstanding balance as on the date of closure and on all amount paid by the borrower/s towards the loans during the period of last one year from the date of final payment. (Excluding the payment towards regular installments)

14. Sureties : NIL

15. Other terms and conditions:

a) First Charge by way of Equitable Mortgage over proposed 52 saleable Flats of Swapnapurti Bldg should be created on payment of requisite stamp duty.

b) Equitable mortgage over

- **Amalgamated Flat No. 3 & 4** admg. 1078 sq.ft carpet area situated on the 1st Floor, Jai Mahavir CHS Ltd, R B Mehta Road, T.P.S III, Ghatkopar (East), Mumbai-400077 owned by Mrs. Nirmala Ravilal Dedhia as per Share certificate No. 11 & 12.

- **Flat No. 11** admg 1133 sq.ft carpet area Mumbai - 400077 owned by Mrs. Hemlata P Dedhiya and Mr. Parag Dedhia as per Agreement for Sale dated 16.11.2005

- Commercial Amalgamated **Office No. 101** admeasuring 422 sq.ft carpet area, **Office No 102** admeasuring 400 sq.ft carpet area, **Office No. 103** admeasuring 400 sq.ft carpet area, **Office No. 104** admeasuring 400 sq.ft carpet area and **Office No. 105** admeasuring 400 sq.ft carpet area situated on the 1st floor, Shivkrupa Premises Co-op. Society Ltd, Shivaji Nagar Road, Thane (W)-400602 shall be created on payment of requisite stamp duty.

c) Hypothecation charge over work in progress in redeveloped Building at Swapnapurti Co-op Housing Society Ltd situated at Survey No. 1070 (part), Mithaghar Road, Mulund (East), Mumbai-400081

d) Working Capital Demand Loan proceeds of Rs. 1300.00 lakh shall be released as per the progress of the project on submission of certificate from the Architect after ensuring the requisite margin. The Applicant company should maintain required margin all the time.

e) Progress Report of the project should be submitted on monthly basis along with details of Flats booked / sold, amount received against the sale of flats, amount to be received from the sold flats and details of unsold flats.

f) Quotations, Bills, Receipts in respect of construction of the building should be submitted.

g) All the Bills of the applicant firm should indicate a clause stating that the payment shall be made in the name of The Bharat Co-operative Bank (Mumbai) Limited, Chembur Branch A/c. M/s. Palan Realty Pvt Ltd.

h) Paid up capital of the company should be increased upto Rs. 50.00 Lac by March 2017 and CA Certificate confirming the same and necessary forms filed with ROC should be submitted.

i) Certificate from Chartered Accountant for having paid all statutory dues should be submitted.

j) All the Directors should be the Joint Borrowers for the proposed credit facility and should execute necessary documents accordingly.

k) All the legal queries raised by our Panel Advocate Shri Gopal C Poojary should be complied with and accordingly necessary documents should be executed and notarized.

l) The sale Agreements executed by the company with prospective buyers of the Flats should contain a clause that the project is financed by the Bank and sale consideration should be directly credited to Account of the applicant company maintained with us.

m) The Demand Letter issued by the Builder / Developer to the buyers of already sold flats and unsold flats shall include a clause that The Payment should be made in favour of the "The Bharat Co-op Bank (Mumbai) Ltd – Chembur Branch A/c No. 000412100030068 - Palan Realty Pvt Ltd."

n) Branch will issue NOC to the Company for release of security (proportionate) as and when the flats are sold, subject to the condition that sale proceeds shall be routed through the company's account with us.

o) Certificate from CA should be submitted certifying that the funds have been used for the purpose for which the advance was granted.

p) IT Return file of the Company and directors for the A.Y 2016-17 should be submitted.

q) Any escalation on account of cost overrun and/ or time overrun to be met by the applicant company out of their own sources or by way of additional interest free unsecured loans.

r) The company shall not raise any loan on the said project i.e **"Gagangiri Elanza"** without the written consent of the bank.

s) Notice of intimation of mortgage by way of deposit of title deeds to the concerned Sub-Registrar of Assurances should be filed within 30 days from the date of mortgage.

t) Lien Confirmation in respect of mortgaged properties from respective societies should be submitted.

u) <u>**The applicant company should submit following undertaking**</u>

- There was no prosecution initiated against or show cause notice received by the Company for alleged offences under the Act and no fines and penalties or any other punishment imposed on the company during the financial year.
- The Company has not altered the provisions of Memorandum of Association or Articles of Association in respect of the objects of the Company, Share Capital or Registered Office etc.
- The Company being a Private Limited Company, the borrowings made during the year do not attract the provisions of Section 293 (1) (d) of the Companies Act.
- Bank reserves the right to nominate its representative to the Board of Directors of the Company.
- You shall exclusively bank with our Bank and all your Banking transactions shall be routed through account with our Bank only.
- No change in directorship or shareholding shall be allowed without prior permission of the bank.
- Company shall not borrow from other banks / FI without prior permission of the bank.
- Company shall not declare dividend without prior permission of the bank.
- Company shall not invest or enter into any new business venture or mergers or acquisitions without prior permission of the bank.
- Company shall not give guarantee on behalf of third parties.

v) The Applicant company should incorporate the following paragraph in the Agreement to Sell to be entered into by the Developers with the prospective purchaser's out of various saleable premises in the proposed buildings to be constructed on the aforesaid immovable properties as opined by our Panel Advocate Shri Gopal C Poojary.

"The Developers/ Builders/ Sellers/ Vendors have already mortgaged the saleable portion of various premises being constructed on the piece and parcel of plot of land admeasuring 1001.11 sq. meters, bearing Survey Nos.94 & 96, City Survey No.1070(part), being part of MHADA land, in the Registration District of Mumbai City, Mithaghar Road, Mulund (East), Mumbai – 400 081, in favour of The Bharat Co-operative Bank (Mumbai) Ltd. as security for the due repayment or clearance of the loan amount availed by the said Developers/Builders/Sellers/Vendors from The Bharat Co-operative Bank (Mumbai) Ltd. The Developers/Builders/Sellers/Vendors have given undertaking to the said Bank to the effect that the Developers / Builders/Sellers/Vendors shall not sell any premises in the said building without the consent of the said Bank and that entire sale proceeds of the premises shall be deposited with the said The Bharat Co-operative Bank (Mumbai) Ltd. which shall be credited to the loan account of the Developers/Builders/Sellers/ Vendors by the said Bank. The Purchaser's of the said premises shall issue the cheque in favour of "The Bharat Co-operative Bank (Mumbai) Ltd., Account – M/s. Palm Realty Private Limited" only towards the sale price / consideration of the said premises".

w) The applicant company should keep the Bank informed of the happening of any event which is likely to have a substantial effect on their profits or business.

x) In case the project is sold out at an early date (against the envisaged COD) the entire proceeds to be credited in WCTL and account shall be adjusted.

y) Certificate from C.A should be submitted to confirm the cost incurred till date and sources of funds brought in the project.

z) All the requisite statutory approvals, permissions/ licenses/ NOC from the competent authority should be submitted before disbursement.

aa) The Company to submit an undertaking that there are no pending litigations in connection with the project properties offered.

bb) Entire Booking amount /sale proceeds of all the flats to be credited to the account maintained with us and the same should be utilized towards liquidation of the Banks loan.

cc) NOC from the tenants of Unit Nos 101, 102, 103, 104 & 105, Shivkrupa Premises Co-op Society Ltd should be submitted stating that they are aware of the premises being mortgaged to the Bank and are ready to vacate the same if the Bank calls for.

dd) The loan to be disbursed shall be in the ratio of Equity advance received from company and as per the means of the project. Any shortfall in advance from customers to be met by the borrower company upfront from its own sources at the time of each disbursement. Project Equity to be maintained at all times.

ee) A Quarterly progress report of the project should be submitted containing details of physical financial progress of the project duly certified by the Chartered Accountant.

16. Loans and advances granted are liable to be recalled at anytime without assigning any reason on the happening of any of the following:
   a. If in the opinion of the Bank, it is utilized for the purpose/s other than the purpose/s for which it was granted.
   b. In case of persistent default in repayment of agreed installments.
   c. In the event of conviction of the Borrower/Sureties for criminal offence and if all of or anyone of you are/is adjudicated as insolvent.
   d. In the event of death of the borrower or if the borrower becomes insane.
   e. If after the disbursement of the loan either in full or in part the Bank has reason to believe that the borrower had furnished wrong information/documents with an intent to induce and obtain loan, in that event the Bank shall forthwith enforce recovery of the amount (Principal + Interest and Penalty) notwithstanding any other action that could be taken in accordance with other regulation/provision of any law and/or other options available.

17. The Bank reserves the right in its sole discretion without assigning any reason whatsoever to discontinue/terminate the above facilities at any time without giving any notice in case of non-compliance/breach of the terms and conditions stipulated herein above and call back the advances and the same shall be repayable on demand.

18. The Bank reserves the right to withhold/suspend disbursement if the bank apprehends or the Bank has reason to believe that the Borrower/s is utilizing or intend to utilize the sanctioned facilities for purposes other than for which it is sanctioned.

19. The Bank also reserves the right to withdraw and/or amend the terms and conditions of loans/advances in the event of failure on the part of the Borrower/ Surety in satisfying any of the terms and conditions stipulated hereinabove.

20. The Bank reserves its right to share information regarding the account with Banks/RBI/CIBIL/Institutions & or any statutory body/authority in the normal course of business. This also includes the right to share information on the financial affairs of the account with any other banks/s from where the borrower/s has/have availed/intend to avail any kind of facility – financial or otherwise. The Bank also reserves the right to demand and receive similar information from other bank/s with whom the borrower/s deal/s.

21. In the event of the company/applicant committing default in the repayment of installment of loan or payment of interest on due dates, the Bank shall have an unqualified right to disclose the name of the company/applicant and its directors to Reserve Bank of India (RBI). The Company shall give its consent to "The Bharat Co-operative Bank (Mumbai) Ltd" and/or to RBI to publish its name and the name of its directors as defaulters in such a manner and through such medium as the bank in their absolute discretion may think fit. The aforesaid right shall be available to the bank in addition to and not in derogation of any Agreement of the General conditions as the case may be.

22. The sanctioned facilities are in line with the existing guidelines of Reserve Bank of India and terms and conditions are subject to change as per the guidelines that may be issued by the Reserve Bank of India from time to time and as decided by the Board of Directors.

23. The Bank reserves the right to register the immovable property offered for mortgage by deposit of title deeds as additional security for the proposed credit facilities under Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI) a government company under the provisions of Section 20 of SARFAESI Act 2002 and accordingly fees towards the same shall be debited from the applicant's account.

24. The Bank reserves the right to inspect Office /factory/ Godown/ Business/ Residential Premises of the borrower/s and also inspect plant and machineries, stock, finished goods, work-in-progress, books of accounts and other documents of the borrower/s at any time without giving any notice as the case may be.

25. Bank Sign board should be affixed at prominent place in mortgaged premises and premises where the hypothecated securities are stored.

26. Please note that advance/s will be released/disbursed only after complying with all the terms and conditions mentioned hereinabove.

27. Any charges incurred on account of documentation/notice/visits or any other incidental expenses will be recovered from the account.

28. Disputes if any are subject to the Mumbai Jurisdiction.

In case the above terms and conditions are acceptable to you please return the duplicate copy of this letter duly signed in token of your having accepted the above terms and conditions and meet the undersigned at our above office along with your Joint Borrowers/Sureties to execute the necessary documents.

Yours faithfully,
For THE BHARAT CO-OP. BANK (MUMBAI) LTD.,

MR. RAMESH H. POOJARY
A G M
CHEMBUR BRANCH

I/We hereby accept the above facility, terms and conditions.

M/s. PALAN REALTY PVT. LTD (BORROWER)	MR. VIJAY NANJI DEDHIA (DIRCTOR / JOINT-BORROWER)
MR. MEHUL RAVILAL DEDHIA (DIRCTOR / JOINT-BORROWER)	MR. PARAG RAVILAL DEDHIA (DIRCTOR / JOINT-BORROWER)
MRS. NIRMALA RAVILAL DEDHIA (JOINT / CO-BORROWER)	MRS. HEENA MEHUL DEDHIA (JOINT / CO-BORROWER)
MRS. PURVI VIJAY DEDHIA (JOINT / CO-BORROWER)	MRS. HEMHA PARAG DEDHIA (JOINT / CO-BORROWER)