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MID CORPORATE BRANCH, Shakuntala Apartment, First Floor, 59, Nehru Place,
New Delhi – 110019

Tel : ☎ 26418537, 26431534 FAX-26461388

Ref: 9196/MCB-BULLAND/FINER RATE/2016

Date 06/08/2016

TO

M/s Bulland Buildtech Pvt Ltd
Plot No. GH-03A,
Sector 16 C
Greater Noida West
UP

Dear sir,

Reg> Finer Rate of Interest on term loan Rs 37.80 crores

With reference to your application Dated 02/07/2016, we are pleased to inform you that the competent Authority have sanctioned the finer rate of interest on your term loan already communicated to you vide our letter no SL/9196/MCB/BULLAND/2016 Dated 01/07/2016. The Rate of interest on the term loan shall be MCLR+3.25% i.e 12.80% compounding at monthly rests as on the date.

Kindly acknowledge.

कृते सिंडिकेट बैंक / For SYNDICATE BANK
मध्यम नैगम शाखा / Mid Corporate Branch

Yours Faithfully,

Chief Manager

नेहरु प्लेस, नई दिल्ली / Nehru Place, New Delhi



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LETTER OF SANCTION

Ref. No: SL/9196/MCB/BULLAND/2016

Date: 01.07.2016

M/s Bulland Buildtech Pvt Ltd
Plot No. GH-03A,
Sector 16 C
Greater Noida West
UP

Reg: Your Loan Application dated 16-09-2015 for Term Loan of Rs 37.80 Crores.

We are pleased to inform you that the competent authority has sanctioned the following credit facility to the company under exclusive banking arrangement with our Bank, on the terms and conditions mentioned below

Nature of the facility	Term Loan
Amount	₹ 37.80 Crore (Rupees Thirty Seven Crore and Eighty Lakh Only)
Purpose	For developing a group housing residential complex known as "Bulland Elevates" at Plot No. GH-03A, sector 16 C, allotted by GNIDA, admeasuring 20285.96 sq. mtrs. (5.01 acres)
ROI	MCLR+5.25% i.e. 14.90% monthly compounding
Margin	75% of the project cost
SCOD	March, 2017
Release	Release shall be in 3 to 4 tranches, ensuring receipt of stipulated margin at each stage. Branch to visit the unit & satisfy themselves the end use of the released instalments, before release of next instalment and unit visit report shall be placed on record. End utilisation shall be ensured by the Branch by obtaining architecture certificate for physical progress and CA certificate for financial progress.

Security	1) Second charge on the entire leasehold rights of BBPL Constructions pertaining to the land admeasuring 20,285.96sq. mtrs. in the Project. 2) Exclusive charge on all immovable and moveable assets, including structures built thereon together with entire current, future receivables & current assets from the Project. 3) Exclusive charge over the designated escrow account for the Project. 4) The Company to maintain DSRA with our Bank, equivalent to 1 quarter instalment and interest, ie ₹ 6.00 Crore (approx). Company shall ensure to credit ₹ 1.00 Crore, per month in DSRA from the escrow account, so as to built DSRA of ₹ 6.00 Crore, by 31.12.2016.																													
Tenor	Door –to –Door 10 quarters, including moratorium period of 2 quarters.																													
Moratorium	2 quarters from the date of first disbursement (Maximum up to 31.12.2016)																													
Repayment	In 8 quarters after expiry of moratorium period of 2 quarters i.e. ₹ 4.73 per quarter. <table><tr><th>Quarter</th><th>Projected closing cash balance (₹ in Crore)</th><th>Instalment – as % of closing cash balance</th></tr><tr><td>March 2017</td><td>27.91</td><td>16.95</td></tr><tr><td>June 2017</td><td>34.01</td><td>13.91</td></tr><tr><td>Sept 2017</td><td>38.81</td><td>12.19</td></tr><tr><td>Dec 2017</td><td>52.40</td><td>9.03</td></tr><tr><td>March 2018</td><td>63.92</td><td>7.40</td></tr><tr><td>June 2018</td><td>79.36</td><td>5.96</td></tr><tr><td>Sept 2018</td><td>92.33</td><td>5.12</td></tr><tr><td>Dec 2018</td><td>98.15</td><td>4.82</td></tr></table> The company shall provide CA certified cash flow statements, each quarter. In case of higher closing cash balance, in any quarter, over and above the projected cash balance as given above, Branch shall recover the dues as % of cash balance, as given above. Amount recovered over and above ₹ 4.73 Crore shall be credited to DSRA. In case of accelerated payments as above, prepayment penalty be waived. Quarterly CA certified statement to be obtained incorporating the following:- a. Promoter's contribution b. Advance money received. c. Bank loan availed. Interest shall be serviced as and when due, during moratorium period also. <u>Directions of the Competent Authority:</u> Branch/RO shall ensure accelerated repayment, depending upon the cash flow pattern.			Quarter	Projected closing cash balance (₹ in Crore)	Instalment – as % of closing cash balance	March 2017	27.91	16.95	June 2017	34.01	13.91	Sept 2017	38.81	12.19	Dec 2017	52.40	9.03	March 2018	63.92	7.40	June 2018	79.36	5.96	Sept 2018	92.33	5.12	Dec 2018	98.15	4.82
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Condition in regard to NOC for each flat to be	NOC will be given for each flat/ group of flat subject to confirmation from company that full amount is received and the account is standard on that date. Further, Branch shall ensure that Tripartite sub lease deed is executed, as per the lease agreement, in respect of the																													

given branch	by particular flat/s. The branch shall ensure the same, while making request for release. Branch shall confirm to RO regarding, routing of sale proceeds through escrow account. Branch/RO to ensure security coverage at 5.09 at any time, while giving NOC.
Escrow Account	The Company shall open Escrow account to route all the transaction pertaining to the subject project of "Bulland Elevates" through this account, including the advance payments to be received from prospective buyers relating to this project and execute necessary agreement for the same. All the sale proceeds and all other transactions including the repayment of GNIDA loan shall be through the escrow account only.
DSRA	Company to build up DSRA, equivalent to one quarter instalment and interest, ie ₹ 5.95 Crore (approx), during moratorium period. As such, Company shall ensure to credit ₹ 1.00 Crore, per month in DSRA through escrow account, so as to build DSRA of ₹ 6.00 Crore, by 31.12.2016. Further, amount recovered over and above ₹ 4.73 Crore, in any quarter shall be credited to DSRA.

Guarantors :	Net worth (as on 30.09.15) (₹ in Crore)
Mr. Rajneesh Nagar	4.48
Mr. Krishan Pal Singh	6.48
Mr. Ramkesh Basist	6.86

Processing charges	As applicable as per the circular 179/2014.
Documentation & other charges	-do-
Mortgage Charges	-do-
Prepayment charges	-do-
Default Interest	-do-

Pre- Release Conditions:

1. Company shall ensure closure of all current accounts maintained by the Company, before releasing 2nd instalment.
2. Company shall submit a copy of the Resolution passed by the Board of Directors of the Company :
 - Accepting the terms and conditions of the Sanction;
 - Authorizing Official / Director for execution of documents and to borrow on behalf of the company and extent to which they can borrow / operation of accounts;
 - Affixing Common Seal of the Company;
 - For creating charge on the assets of the Company in terms of the sanction be obtained / verified by the Branch and kept on record.
3. The Facility shall be released after completion of documentation creating charge on the assets of the company and after getting permission from RO.
4. The company shall provide all the original documents including all the chain documents relating to the property of the project to the penal advocate of the bank.
5. The Company shall provide Tax paid receipts and mutation certificate of all the properties offered as security.

6. The Company shall provide the documents relating to statutory clearance/permission/ licenses from the Government/statutory authority/ local bodies.
7. The Company shall provide NOC from GNIDA for seeding second charge on land of the project and also provide regularity certificate from GNIDA certifying that all the payments, dues, pertaining to GNIDA have been paid as on the date.
8. The Company shall provide annual financial statements as on 31st March 2016 along with the auditor's report. In case AFS is not available the company shall provide original financial statement as on 31st march 2016 ensuring that there is no significant variation in actual figures from the estimated/projected figures as on 31st march 2016.
9. Share application money, if any pending for allotment shall be converted in to paid up share capital. CA certificate confirming paid up capital of the Company at ₹ 23.85 Crore and unsecured loans from directors at ₹ 34.15 Crore shall be obtained.
10. The Company shall provide the details of booking and advances received as on 30th June 2016 and also provide expenditure incurred on the project as on 30th June 2016.
11. The Company shall add in each of its brochure that the project is financed by Syndicate bank and Syndicate Bank will provide NOC for each flat/ group of flat subject to confirmation from company that full amount is received and the account is standard on that date.
12. The Company to provide following specific undertaking that
 - a. Any cost overrun, in the project cost shall be met by the Company from additional internal accruals or further equity contribution arranged by the Company/ promoters in a manner and to the satisfaction of the Bank.
 - b. In case of any delay in receipts of sales advances, the Company / Promoters shall bring additional funds to the satisfaction of the lenders.
 - c. No loan/s from the promoter/s would be repaid unless the term loans from the bank is completely repaid (Annexure 3 as per Cir 302/2015/BC).
 - d. NOC from power and water authorities to supply power and water in the housing complex and occupancy certificate would be applied at appropriate time.
13. The Company shall provide the regularity certificate from the Bankers if any regarding the Liabilities of borrowers/associates and group concerns.
14. The Company shall provide an undertaking that no court cases are initiated against the company / its directors / key Management personnel / associate concerns by any Bank / FIs and the company / associate concerns are not declared NPA / sanctioned OTS by any bank / FIs.
15. The Company shall provide Auditors' certificate to the effect that there are no arrears in the payment of statutory dues including Service Tax and TDS by the Borrower.
16. The Company shall give consent to the bank that the bank may at its sole discretion disclose such information to other banks, financial institutions, and such other institution with regard to credit facilities granted / to be granted to borrower as per extant guidelines of the bank.
17. The Company shall provide a certificate either signed by the Statutory Auditor or Company Secretary regarding borrowing power of the Company in compliance with Section 180 of the Companies Act, 2013.
18. The Company shall provide a special resolution under section 180 of the Companies Act 2013 empowering borrowings by the Company exceeding the limit of paid up share capital & free reserves, including existing borrowings shall be obtained.
19. The Company shall submit suitable declaration / undertaking as follows:

- i) Not to undertake or permit any reorganization, amalgamation, reconstruction, takeover or any other schemes of compromise or arrangement, nor amend any provision of the Borrower's major constitutive documents in such a manner that will adversely affect the Lender's/Lenders' rights under the facilities.
- ii) Not to induct a person who is a Director on the Board of a company which has been identified as a wilful defaulter and that in case, if such a person found to be on the Board of the Borrower, Borrower would take expeditious and effective steps for removal of the person from the Board of Directors.
- iii) bank credit is used for productive development /construction activity and not for activity connected with speculation in real estate.
- iv) agreeing that the bank will always be at liberty to stop making further advances or cancel the limits or such portion of the limits as bank deems fit at any time under intimation to the Company, without assigning any reason even though the said limits have not been fully availed and Bank's right to cancel unconditionally full or part of the limits also extend to limits, which were fully utilized earlier and now remains unutilized / partially utilized.
- v) Not to utilise short term funds for long term uses.
- vi) Ensure to disclose mortgage of project assets to Lender/Lenders on all Pamphlets / Brochures / Advertisements related to Project.
- vii) Ensure to display the Board mentioning that Project has been funded by and mortgaged to Lender/Lenders on Project site.
- viii) Ensure that all cash flows relating to the Project to be routed through the escrow account.
- ix) No additional debt to be taken for this Project without consent of our Bank.
- x) The Company will not make any material modifications to the Project, which is detrimental to the interests of the Bank.
- xi) 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.
- xii) The Company should submit to the Bank such financial statements as may be required by the Bank from time to time, apart from the set of such statements to be furnished by the Company to the Lender/Lenders as on the date of publication of the Company's annual accounts.
- xiii) The Company should keep the bank informed of the happening of any event likely to have substantial effect on their sales profit or business.
- xiv) The Company shall keep the Lender/Lenders advised of any circumstance adversely affecting the financial position of its promoting companies and / or related / group companies, including any action taken by any creditor against the said companies legally or otherwise.
- xv) The Company to ensure that the loans and advances given to M/s Gaursons Hi-Tech Infrastructure Pvt. Ltd and M/s Gaursons Promoters Pvt. Ltd. will be recovered by March 2017.
- xvi) That Company will not sell or dispose off or create security or encumbrances on the assets charged to the bank in favour of any other bank/ FI/ company/ firm/ individual or any other concern. Withdraw any funds brought in during the entire tenure of the loan.
- xvii) Not to declare dividends for any year except out of profits relating to that year after making all due and necessary provisions and provided further that no default had occurred in any repayment obligation.
- xviii) Not to undertake guarantee obligations on behalf of any other company, firm or person, other than in the ordinary course of business without Bank's written consent.
- xix) Not to make any drastic changes in the capital structure, organisational and management set up without the bank's prior permission.

- xx) Not to create any further charge, lien or encumbrance over the assets and properties of the Company to be charged to the Bank, in favour of any other bank, financial institution, company, firm or person, without prior consent of the Bank.
- xxi) Not to take up any expansion/diversification/modernization project, without obtaining prior permission from the Bank and without proper tie-up of funds. Similarly, no investment should be made in associate / allied / group concerns without the Bank's prior permission.
- xxii) The Bank reserves the right to periodically inspect their records and books of accounts to ensure the correctness of information furnished by them. The Borrower shall also undertake that the lenders shall have a right to appoint any other independent consultants / agencies/ auditors etc as desired by them at any time during the tenor of the loan, the cost of which shall be borne by the Company.
- xxiii) And agree that the Bank may consider any legal proceeding, civil/criminal as may be necessary in case any false/wrong information is found to be furnished to the Bank.
- xxiv) The Quasi capital/ unsecured loans from Directors / Associate concerns / family members / relatives / friends shall not be withdrawn during the currency of credit facilities with our Bank without our Bank's written consent.
- xxv) Declaration as per Annexure 5 of credit policy, from the borrowers regarding interest of any member of the Board of Directors of the Bank / other Banks or any Senior Officer of our Bank / other Banks in their borrowal accounts.
- xxvi) Not to pay commission for guaranteeing the credit facilities from our Bank.

POST-RELEASE:

1. The Bank reserves the right to withhold disbursement of loan at any time if in its opinion, there occurs any event that an Event of Default under any agreement / MoU / other document executed by the borrower for the purpose of the Project, including but not limited to the Loan agreement.
2. Bank's charge shall be registered with ROC within 30 days of the execution of documents. Satisfaction of charges, if any, favouring other Banks shall be completed. After registration/satisfaction of the charge Branch / RO to obtain latest search & status report and verify to confirm the same.
3. Mortgage shall be registered with Central Registry (CERSAI).
4. Mortgaged securities to be fully insured against all risks with bank clause i.e., fire Insurance including strike and riots etc. Mortgaged property shall be insured for the value of the super structure also.
5. The unit inspection shall be conducted at regular intervals, as per guidelines and forwarded to RO for review.
6. The company shall submit all bills/receipts etc., as applicable to project expenditure to the bank. A certificate from CA, Architect, towards expenses incurred on project/progress in implementation of project to be submitted periodically every quarter.
7. Upon completion of the project, the company shall submit certificate from the Project Engineers / chartered accountant confirming the amount spent, works executed and sources of finance and the same shall be kept by the branch on record. Further, confirmation from Architect/Structural Engineers along with that of the borrower that they have adhered to all guidelines/safety standards of NBC/NDMA apart from constructing as per the approved plan.
8. Company to submit Audited Financials within 7 months from close of Financial Year failing which penal interest @ 0.50 % would be charged for the delayed period, till date of submission of AFS.

9. An undertaking letter is to be obtained from the borrower to the effect that the supplier is not an associate / allied concern of the borrower and the supplies of goods / machinery are made as per quotation and the same is genuine.
10. Periodical inspection of securities shall be conducted and ADV -84 to be kept on record. The bank has the right to depute its officials/person(s) (like qualified auditors or management consultants or technical experts) duly authorized by the bank to inspect the unit assets, books of accounts/records etc., from time to time. Also the bank may appoint at its sole discretion valuers, consultants for specific jobs relating to company's activities, the cost of which will be borne by the company.
11. Bank assumes no obligation whatsoever to meet Company's further (fund based or non fund based) requirements on account of escalation in the project cost.
12. The bank will charge penal interest under the following circumstances:
 - Default/ irregularity / overdues in the accounts.
 - Default in observance of borrowing terms and conditions of sanction.
 - Any other eventuality/situation to be decided by bank.
13. The rate of interest stipulated is subject to change as and when there is change in Bank's MCLR or spread or as per RBI directives or when there is change in RAM rating allotted to the borrower by the Bank or such other situation warranting the Bank to change Rate of Interest.
14. Audited financial statements of the group concerns as on 31.03.16 shall be obtained and analysed.
15. MMR data shall be updated as per cir 08/2014/BC.
16. Periodical inspection charges, valuation of property, Non- encumbrance certificates charges etc. shall be borne by party.
17. Bank reserves the right to reduce, alter or cancel the limit/terms without notice & without assigning any reasons.
18. Bank shall have the right to sell transfer assign or securitize the loan/ advance sanctioned and disbursed to the Company.
19. The Sanctioned Credit Facilities shall be utilized for the purpose for which it is sanctioned and not for any speculative or prohibitive purposes and that they will not make any investment outside the business of the company without bank's permission. End use shall be ensured as per the extant guidelines.
20. Credit limits sanctioned shall be availed by the borrower within a maximum period of 3 months from the date of sanction, failing which the facilities will lapse and any revalidation of the same will be considered at the sole discretion of the bank subject to applicable fees / charges. No charges recovered by the bank / branch will be refunded in case the lapsed facilities are not revalidated. In respect of any genuine delay, revalidation of the sanction from the competent authority to be obtained.
21. The Company shall comply with the direction of Ministry of Finance, Govt. of India, vide Notification No.31/3/2011-BO(part) dated 11.10.2011, as under:
 - To make payments to staff, vendors and clients electronically except for office petty cash requirement.
 - To receive all payments electronically except when the cheques are drawn on banks which are not on NEFT/ RTGS.
 - To permit access to officials of the bank / authorized persons of Banks / auditors to the books of accounts of the borrower to verify compliance of the requirements under (a) & (b) above and non compliance of the above shall be treated as major default.

कृते सिंडिकेट बैंक / For SYNDICATE BANK
मध्यम नैगम शाखा / Mid. Corporate Branch

मुख्य प्रबंधक / Chief Manager
नेहरु प्लेस, नई दिल्ली / Nehru Place, New Delhi