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Customer copy

Rachana Charge

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सिंडिकेटबैंक SyndicateBank
विश्वसनीय, मैत्रीपूर्ण Faithful Friendly
भारत सरकार का उपक्रम A Govt. of India Undertaking

Ref no: 5331/adv/2016/kentrach

DT: **11.06.2016**

LETTER OF SANCTION

To
M/s Kent Rachna Realty
Partnership Firm
"Sai Park" at S No. 333,
Hissa No.2 (Old),
Gat No 1720 situated at near Saibaba Mandir,
Ramdara Road,
Village Loni Kalbhor,
Pune

Sir,

We are pleased to inform you that you have been sanctioned a term loan (Real Estate)vide Ro ref SL 119/PRO/ADV/SG/2016 dt06.06.2016 subject to following terms and conditions:

Name	**Messer's Kent Rachna Realty**
Partners	1. **NAZIR MAQSOOD FAKARUDDIN** 2. **MAZAHIR FAKHRUDDIN NAZIR** 3. **LAKHAMSI JIVRAJ PATEL** 4. **NILESH LAKHAMSI PATEL**
Guarantors	**Names** / **Net worth**: Mr. Lakhamshi. J. Patel — 5.52 Mr. Nilesh Lakhamshi Patel — 3.40 Mr. Mazahir F. Nazir — 2.05 Mr Rahber M Nazir — 0.13 Mrs Shabnam M Nazir — 2.97 Mr. Maqsood F. Nazir — 4.05
Amount	OSL of Rs.495.00 lakh
Purpose	For Development & Construction of Residential Buildings A and B Wing **at "Sai Park"** at S No. 333, Hissa No.2 (Old), Gat No 1720 (New) admeasuring about 5900 Sq mtr situated at near Saibaba Mandir , Ramdara Road, Village Loni Kalbhor, Pune
ROI	MCLR +5.25%p.a. (presently 14.90%p.a.)
Margin	72.72%
Release	➢ The facility shall be disbursed in tranches as per physical/financial progress of the Project and subject to compliance of covenants pertaining to first release/subsequent release. ➢ Releases shall be made as far as possible specifically to the govt authorities/ suppliers / vendors of the construction materials/ equipments and towards approved cost only. ➢ An escrow account shall be opened with our Bank. Loan shall be

released directly to said escrow account. CA certificate, certifying details of expenses incurred and contribution brought in by the firm shall be obtained for each disbursement and subject to approval from Engineer's certificate confirming physical status of the project

- The release of TL will be towards approved Project Cost and as considered in the cash outflow of the project at the time of recommendation/sanction of the credit facility.

The release will be made in stages as per cash flow submitted by borrower which as under.

Sr No	Quarter	Proposed Disbursement (Rs in lacs)
1	Apr to Jun 16	250.00
2	Jul to Sept 16	100.00
3	Oct to Dec 16	50.00
4	Jan to March 17	50.00
5	April to June 17	45.00
	Total	**495.00**

Primary Security

Simple Registered Mortgage on Land at S No. 333, Hissa No.2 (Old), Gat No 1720 (New) admeasuring about 5900 Sq mtr situated at near Saibaba Mandir , Ramdara Road, Village Loni Kalbhor, Pune and construction made thereon

- Exclusive charge on entire Receivables of Buildings (both booked & unsold units)
- Exclusive charge on the Escrow Account of the Project to be opened with our Bank.

Borrower to create mortgage with branch on total area of land admeasuring 5900 sq.mtr at Surve S No. 333, Hissa No.2 (Old), Gat No 1720 (New) at near Saibaba Mandir , Ramdara Road, Village Loni Kalbhor, Pune and Branch to create mortgage on the property at S No. 333, Hissa No.2 (Old), Gat No 1720 (New) admeasuring about 5900 Sq mtr situated at near Saibaba Mandir, Ramdara Road, Village Loni Kalbhor in favour of M/s Kent Rachana Realty, M/s Kent Builders and Developers through its partners Mr Maqsood Fakhruddin Nazir and Mr Mazahir Fakhruddin Nazir and M/s Rachana Constructions through its partners Mr Nilesh Patel and Mr Lakhamshi Patel.

Tenor

34 months

Moratorium

22 months

Repayment

Sr No	Quarter	Amount (Rs in lacs)
1	April 2018- June 2018	123.75
2	July 2018-September 2018	123.75
3	October 2018-December 2018	123.75
4	January 2019-March 2019	123.75
	Total	**495.00**

The repayment of loan proposed in 4 quarterly instalments starting from April 2018 to March 2019, Total tenure of the loan will be 34 months. The repayment holiday is 22 months.

Implementation Schedule

The tentative implementation schedule/DCCO to be confirmed by the CA and same to be reported by the borrower and confirm.

Escrow Account

- The Borrower shall open an Escrow Account with our Bank
- The Borrower shall ensure that the sale proceeds and other amounts to be received from this project are deposited only in the Escrow

	Account. An undertaking in this regard shall be obtained from the firm before disbursement. Branch shall monitor the same. • The Escrow Account shall be maintained and operated by the Borrower during the entire tenure of the facility and shall not be closed without the prior written approval of the Bank. • All Cost and Charges and expenses in connection with the Escrow Account shall be borne by the borrower. • The amounts lying to the credit of the Escrow account shall be first utilized to satisfy the project related government dues and taxes, appropriation of monthly interest, monthly repayment installments of the loan and other dues of Bank, construction and development cost, property maintenance expenses, brokerage charges and insurance premium of the project.
List of charges	• Processing charges: Applicable Charges as per guidelines (1.25% with a minimum of 1.25 lacs and a maximum of 100 lakhs) In this case Rs.6,18,750 /- Plus applicable service tax in the above Case. • Documentation Charges: (Above 2 lakhs - 200 per lakh Max. 25000/-) In this case Rs.25000/- plus applicable service tax. • Mortgage charges: Nil (No Mortgage Charges to be collected in case of Registered Equitable Mortgage/Registered Simple Mortgage)However SRM charges as per maharashtra government act. • Inspection Charges: (1000/- per quarter plus actual travel /out of pocket expenses incurred.) Rs.2000 for two inspections • Prepayment penalty: waived • CIBIL Charges: Cibil Consumer: Rs 690 and cibil commercial : 2000+service tax(kent builders and Rachna constructions each) • CERSAI charges: - Rs 115/- • Additional interest for: Non submission of audited financial statements within the prescribed period • **Penal interest for**: (a) For diversion of funds b Overdue loan amount • Legal Fees: Actual or as per bill • Valuation Charges: Actual or as per bill • Notice Charges: Actual out of pocket expenses • Charges for periodical search (further EC) with Revenue authorities • Late payment of EMI: Overdue interest for the delayed period • Insurance charges: actual • Stamp duty: actual • Non collection of title deeds after closure of loan document: Rs 25 per months per set of document • Other charges as per banks guidelines

Pre- release conditions:

1.Borrower to submit an undertaking duly stamped and signed by all the partners of the

joint venture on the company letterhead for the following conditions:
The firm shall undertake:

1. No NPA/OTS has been sanctioned by any Banks/FIs.
2. There are no court cases, if any, initiated by other Banks/FIs against the firm/partners/members.
3. To meet the repayment obligations from own sources even in case of delay in the project execution. Any shortfall in advance booking shall be met by the members from their own source to complete the project & for repayment of Term Loan.
4. That the partners of the firm shall not withdraw funds from the project until closure of the TL with our Bank.
5. As per Annexure 5 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 your borrowal accounts.
6. They shall not violate the sanction plan approved by the Competent Authority and that the construction shall be strictly as per sanction plan. Further, Branch shall ensure compliance of NDMA (National Disaster Management Authority) guidelines as per BC Circular No. 364-2013 dated 27.12.2013.
7. To arrange additional own funds to meet any cost overrun for reason whatsoever/ shortfall in resources of the firm in respect of completion of the Project (over & above accepted project cost of Rs. 2166.64 lacs). The funds to be brought in by the promoters should be in the form acceptable to the Lenders.
8. In case the firm gets more bookings and receives advance booking amount more than the projected then loan amount shall be reduced to that extent.
9. Undertake not to alienate any of the securities charged to the bank in any manner without the prior approval of the banks in terms of Clause 2.1 of Credit Policy 2015.
10. To send letters/demand notices immediately to all existing buyer's of the units in the said project that all the future payments shall be made in escrow account only as and when due. All prospective buyers of the units shall also be informed to make payments in Escrow Account of the project with Syndicate Bank.
11. In case the sale proceeds of the unit is less than the accepted selling price at the time of recommending/sanctioning the Term Loan, then firm shall bring additional funds to meet any short fall.
12. That the loan amount shall be utilized only for the Project purpose and amount shall not be utilized for any speculation/other purpose.
13. 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 firm, 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. In this connection as per, Annexure-9 of Credit Risk Policy Circular No. 002/2013/BC.
14. To keep the Bank advised of any circumstances adversely affecting the financial position of their operation, sales, profit etc. such as labor problem, power cut etc. and the remedial steps proposed to be taken by the borrower.
15. That the bank may at its sole discretion disclose/share such information to other banks, financial institutions, and such other institution with regard to credit facilities granted to borrower as per extant guidelines of the bank.
16. To deal with our Bank only and shall route all transactions through the accounts with our Bank.
17. That none of the partners/guarantors of the Firm is appearing in RBI/ CIBIL/ ECGC defaulters' list.
18. To obtain adequate insurance for the assets at all the time during the tenor of the facility, offered as security for the Facility, against risks as may be required by the Lenders. The policies should contain proper Bank's clause and the same shall be placed on record.
19. Not to repay monies brought in by the partners of the firm and their friends and relatives by way of deposits/loans/advances. Further, the rate of interest, if any, payable on such deposits/loans/advances should be lower than the rate of interest charges by the Bank on its term loan and payment of such interest will be subject to regular repayment of instalments under term loans granted/deferred payment guarantees executed by the Bank or other repayment obligations, if any, due from the firm to the Bank.

20. The firm also undertake that they shall not without Bank's permission in writing:

a. Effect any change in the firm's capital structure; in all cases of term loans, where a condition prohibiting disinvestments by promoters of their quota in the equity of the Borrower firm, without the prior approval of the Bank, all the promoters of the firm should furnish an undertaking on the lines specified for this purpose.
b. Formulate any scheme of amalgamation or reconstruction.
c. To pay any commission/ consideration, in whatever form to guarantors for guaranteeing the credit limits sanctioned by the bank.
d. 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.
e. Invest by way of share capital in or lend or advance funds to or place deposits with any other concern (including group companies); normal trade credit or security deposits in the normal course of business or advances to employees can, However, be extended.
f. Enter into borrowing arrangement either secured or unsecured with any other bank, financial institution, and firm or otherwise or accept deposits apart from the arrangement indicated in the funds flow statement submitted to the Bank from time to time and approved by the Bank.
g. Undertake any guarantee obligation on behalf of any other firm/Firm (Including Group Firm).
h. Create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, Firm, firm or persons.
i. Enter into any contractual obligation of a long-term nature or affecting the firm financially to a significant extent.
j. Undertake any trading activity other than the sale of products arising out of its own manufacturing operations.
k. Permit any transfer of the controlling interest or make any drastic change in the management set-up
l. Exclusive charge on entire Receivables of Buildings (both booked & unsold units).
m. Exclusive charge on the Escrow Account of the Project to be opened with our Bank.

2.Borrower to create mortgage on total area of land admeasuring 5900 sq.mtr at Survey S No. 333, Hissa No.2 (Old), Gat No 1720 (New) at near Saibaba Mandir , Ramdara Road, Village Loni Kalbhor, Pune and Branch to create mortgage on the property at S No. 333, Hissa No.2 (Old), Gat No 1720 (New) admeasuring about 5900 Sq mtr situated at near Saibaba Mandir, Ramdara Road, Village Loni Kalbhor in favour of M/s Kent Rachna Realty, M/s Kent Builders and Developers through its partners Mr. Maqsood Fakhruddin Nazir and Mr. Mazahir Fakhruddin Nazir and M/s Rachna Constructions through its partners Mr. Nilesh Patel and Mr. Lakhamshi Patel and construction made thereon. Exclusive charge on entire Receivables of Buildings (both booked & unsold units). Exclusive charge on the Escrow Account of the Project to be opened with our Bank.

3. Borrower to submit latest confidential opinion and regularity certificate from Bank of India, PNB Housing Finance, Muthoot Finance and Edelweiss Retail Finance Ltd and HDFC Bank for loan availed from above Banks.

4. Borrower should submit an undertaking for the following: