

जयपुर शाखा
धर्मा हाइट्स
10, मोतीलाल अटल मार्ग, अपोजिट
गणपति प्लाजा
जयपुर, राजस्थान - 302001
फोन नं : 0141- 2366603
Fax no. : 0141-2368204
E-Mail: jaipur@indianbank.co.in



Jaipur Branch
Dharma Heights
10, Motilal Atal Marg,
Opposite Ganpati Plaza
Jaipur, Rajasthan - 302001
Phone no. : 0141- 2366603
Fax no. : 0141-2368204
E-Mail: jaipur@indianbank.co.in

दिनांक/DATE: 05.06.2017

Sanction Ticket

M/s Dhanuka Realty Limited
Registered Office: 5TH Floor, The Solitaire,
C-212 & C-213, Gautam Marg,
Hanuman Nagar, Vaishali Nagar,
Jaipur-302021

Dear Sir,

Sub. : Proposal for sanction of Credit facilities to M/s Dhanuka Realty Limited with our Jaipur Branch

We are pleased to inform you that our competent authority has accorded sanction fresh term loan and OD limit under CRE to you for the proposed "Sunshine Aditya" Project at Jaipur on the terms and conditions as under:

a) Approval / Acceptance of assessed limits **FB : Rs. 980.00 lakhs**
[Rs.800.00 lakhs for Project Sunshine Aditya and Rs.180.00 lakhs under IB Contractor to Company]
NFB : Rs. 0.00

b) Limits recommended for sanction [Project only]

Facility	Limit (Rs. In lakhs)		Margin	Rate of Interest / Commission	Period
	Existing	Proposed			
Term Loan	0.00	600.00	25%	MCLR (8.50 Floating 1 Year) + (4.45%) , presently 12.95 % p.a.	60 Months
OD Limit	0.00	200.00	25%	MCLR (8.50 Floating 1 Year) + (4.45%) , presently 12.95 % p.a.	60 Months

Disbursement Schedule

Drawdown is linked to construction

Loan will be released on the basis of percentage completion and after ensuring that adequate promoter's margin has been brought.

The disbursement of the loan shall be made as per the demand / need and after ensuring the end use (and also obtain periodical Certificates from Engineer) besides maintaining quarterly / periodical visit / inspection reports.

COD

COD envisaged for the project as a whole is **January 2020**.

Here we are financing towards construction of 108 Flats of different sizes in the concept of Multi Story Apartments at an estimated total land plus construction cost of Rs. 2100.00 lakhs which shall be likely completed within 2.50 years. Since company shall be getting advance against booking they have requested us for a moratorium period of 24 months only and to commence repayment immediately after expiry of 24 months from date of first disbursement which is duly recommended by branch.

Repayment Schedule

Moratorium Period - 24 months from the date of first disbursement

For Dhanuka Realty Limited For Dhanuka Realty Limited

Director

Director

Repayment - 36 months
Total Door to door tenor - 60 months

Repayment Schedule of Term loan & OD Limit:

The Project will have door to door tenure of 5 years having implementation period/ gestation period of 2 year.

Term loan is proposed to be repaid in 12 quarterly installments. Out of them, 8 installments of Rs. 37.50 Lakhs each and 4 installments of Rs. 75 Lakhs to be commenced after moratorium period of 24 month from the date of first disbursement. The interest during the moratorium period will be served as and when due by borrowers from their own sources.

OD is proposed to be reduced in 12 quarterly installments. Out of them, 8 installments of Rs. 12.50 Lakhs each and 4 installments of Rs. 25 Lakhs to be commenced after moratorium period of 24 month from the date of first disbursement.

c) Securities proposed: (Rs. in lakhs)

Nature of security	Description	Value as on	Nature of charge
Primary:			
	EM of Land situated at Khasra No. 1868/2, 1868/3, 1868/4, Village Sirsi, Gandhi Path Extension, Vaishali Nagar, Jaipur admeasuring 2348.39 Sq. Meters in name of Company M/s Dhanuka realty Limited along with proposed construction of Rs. 1830 Lakhs	Land Market Value -Rs. 615.00 lakhs Realizable Value -Rs. 553.00 lakhs As per EVR of Ms Hemlata Meena dated 28.10.2016 Proposed Construction Value Rs. 1830 Lakhs Total Security Rs. 2383 lakhs	Exclusive
	Total	2383.00	
Collateral			
	Charge on entire receivables of the project by way of default escrow mechanism		Exclusive

d) Name(s) of Guarantor(s) with net worth as on

Name of Guarantor*	D.O.B./D.O.I	PAN	Present Net worth	
			Amount (Rs. in lakhs)	As on
Mr Girish Chandra Dhanuka	09.11.1948	ABXPD6305R	236.97	31.1.2017
Mr. Yogesh Dhanuka	04.12.1975	ABXPD6303K	550.14	31.1.2017
Mr. Peeyush Dhanuka	18.10.1979	ABXPD6306N	454.93	31.1.2017
Mr. Hitesh Dhanuka	12.04.1980	AEMPD4563M	689.68	31.1.2017

e) Availability of ECGC cover : NA

Other Liabilities:

Zonal Level Credit Committee (DGM) has accorded renewal sanction of SOD of Rs.180.00 lakhs to M/s Dhanuka Realty Limited which shall continue

Facility	Limit (Rs in Crs)		Margin	Rate of Interest / Commission	Period
	Existing	Proposed			
Secured OD (Under IB Contractor Scheme)	1.80	1.80	40% on immovable property	MCLR(floating) + Spread 3.35%, presently 11.95% p.a.p.m.	12 Months

Specific Approval:

1. Processing charges to be recovered at 50% of applicable card rate.

2. In the event of sale of property branch to take up with ZLCC for NOC to permit release of primary/ additional / collateral securities subject to maintenance of FACR and DER as indicated under at all level.

For Dhanuka Realty Limited

For Dhanuka Realty Limited

Director

FACR has been calculated as under:

Calculation of Security coverage:

Particulars	Values
Proposed Construction	Rs. 1830.00 lakhs
Bank Exposure	Rs. 800.00 lakhs
Security Cover available	228.75% or say 2.28 times

Requisite FACR 1.20:1

DER as per means of finance submitted as per Project Report

DER has been calculated as under:

(Rs. In lakhs)

Particulars	Amount	Contribution in %
Promoters Contribution	600.00	25.87%
Bank Loan	800.00	38.10%
Advance Sales	700.00	33.33%
Total Means of Finance	2100.00	100%

Note: Advance from customer is treated as Promoter's margin

Requisite DER 2:1

XXIII Specific terms and conditions recommended (Pre and post disbursement) and waiver of any general terms and conditions sought:

Specific Terms and conditions:

1. As per CO Circular Adv-152/2015-16 dated 11.11.2015, Projects Financed by our Bank shall be automatically approved. Hence this project is approved for finance by our branches all over India.
2. Customer will open an escrow account with our Branch account name and number to be given in all demand letter/notes arising in future.
3. Current Account maintained with Indusind Bank to be closed before release of limit.
4. Three months Debt Service Reserve Account should be maintained with interest and instalment amount for this account as well as group account.
5. Party is to pay all applicable charges as per extant guidelines of the bank
6. Party is to ensure that loan shall not be utilized for purchase of lands under project finance for development of property. Buying of lands in different names (to circumvent the guidelines of land ceiling laws or other statutes) other than the borrowing company's name shall not be permitted. It is to be ensured.
7. All flats where cost of constructions has been sanctioned will be deposited with Indian Bank, Jaipur branch. At the time of selling of flat customer will take NOC from the bank and realisation will deposit in escrow account.
8. At the time of releasing of realisation from escrow account bank will recover amount of finance towards construction cost along with any overdue amount.
9. Party to ensure that adequate margin is bought before release of loan.
10. Certificate at regular intervals should be obtained from the relevant statutory authority that all the dues payable to the authorities have been paid and no amount is outstanding
11. Branch to keep a close watch on the contribution of margin money by the promoter to be observed so as to ensure that there is no diversion of funds by the promoter
12. The builder / developer / company would disclose in the Pamphlets / Brochures etc., the name(s) of the bank(s) to which the property is mortgaged.
13. The builder / developer / company would append the information relating to mortgage while publishing advertisement of a particular scheme in newspapers /magazines etc.
14. The builder/developer/company would indicate in their pamphlets/ brochures, that they would provide No Objection Certificate (NOC) / permission of the mortgagee bank for sale of flats / property, if required.

For Dhanuka Realty Limited

For Dhanuka Realty Limited

Director

Inspector

15. Company to submit Physical Progress report on quarterly basis.
16. The company/directors has to undertake to bring in funds from their own sources in case there is any shortfall in cash flow to repay the interest and installments in time.
17. The company to undertake that any cost overrun in the project is to be met by the company from its own sources. Any short fall of the advance from Buyers is also to be met by the company from its own sources.
18. The authorized officials or other representatives of the bank will have unconditional right to carry out periodical inspection or examine the books of accounts of the company from time to time entirely at company's cost.
19. Bank's charges are to be registered with ROC within the stipulated time to cover the Limit sanctioned to Company.
20. The company to undertake to submit the financial data or any other information related with Project/Promoters/Company as desired by the bank from time to time.
21. During the pendency of the bank's loan, the company to obtain NOC from our Bank, before executing sale deed in favour of the prospective buyer of any Flat on the land mortgaged to the bank only on the deposit of amount with proportionate reduction in limit.
22. Company shall undertake to furnish the required information as per the directives of RBI in force with regard to KYC-CROP (Know your customer- customer record of profile) as and when required by the bank.
23. The company to undertake not to induct on Board, a person, who has been identified as WILFUL DEFAULTER as per definition given as per RBI directives/guidelines or Bank's guidelines as Director of the Board.
24. In case the company commits default in repayment of loan/advances/interest/other dues or any of the agreed installment of the loan on due dates, the Bank and or RBI/CIBIL will have an unqualified right to disclose or publish its name or the names of the Directors as defaulters in such manner and through such medium as Bank/RBI/CIBIL in their absolute discretion may think fit.
25. Company to display names of our Bank at prominent sites of the project.
26. Company to undertake to inform all present /future litigation against its directors/ Associate companies.
27. An ESCROW ACCOUNT will be opened with our bank and all receipts and payments of the project are to be routed through the account. All deposit/receipt from the prospective buyers should be deposited in the ESCROW account only and undertaking in this regard to be submitted by the company.
28. The bank reserves the right to amend/alter any /all terms and conditions or withdraw the facility.
29. Pre-release Audit & Legal Audit to be conducted and prior permission to be obtained for the release of the limits.
30. Party to ensure compliance of applicable provisions of RERA.
31. All applicable terms and conditions sanctioned in Administrative clearance will be applicable.

Mandatory covenants (Pre Disbursement)

1. The borrower should maintain adequate books of accounts, as per applicable accounting practices and standards, which should correctly reflect its financial position and scale of operations and should not radically change its accounting system without notice to the Bank.
2. The Bank will have the right to share credit information as deemed appropriate with Credit Information Companies (CICs) or any other institution as approved by RBI from time to time.
3. Bank will have the right to examine at all times the borrower's books of accounts and to have the borrower's factories inspected, from time to time, by officer(s) of the Bank and /or qualified auditors and/ or technical experts and or managements consultants of the Bank's choice. Cost of such inspection shall be borne by the borrower.
4. Promoter's shares in the borrowing entity should not be pledged to any Bank /NBFC/ Institution without our consent.

Mandatory covenants (Post Disbursement)

1. The Borrower(s) shall submit
 - ☐ Provisional financial statement within one month from the date of balance sheet,
 - ☐ Audited financial statements within three months from the date of balance sheet
 - ☐ quarterly / Half yearly unaudited performance statement within one month
2. In case of default in repayment of the loan / advances or in the payments of the interests thereon or any of the agreed installments of the loan on due date(s) by the borrower, the Bank and / or the RBI will have an unqualified

For Dhanuka Realty Limited

For Dhanuka Realty Limited

Dhanuka

Director

Dhanuka

Director

right to disclose or publish the borrower's name or the name of the borrower / units and its directors /partners/proprietors as defaulters /willful defaulters in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit.

3. The borrower should not induct into its Board a person whose name appears in the willful defaulters list of RBI / CICs. 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 its Board. Nominee directors are excluded for this purpose.

4. In the event of default in repayment to the Bank or if cross default has occurred the Bank will have the right to appoint its nominee on the Board of Directors of the borrower to look after its interest.

5. In stressed situation or restructuring of debt, the regulatory guidelines provide for conversion of debt to equity. The Bank shall have the right to convert loan to equity or other capital in accordance with the regulatory guidelines.

6. After provision for tax and other statutory liabilities, unless expressly permitted otherwise the Bank will have a first right on the profits of the borrowers for repayment of amounts due to the Bank

7. The borrower shall keep the Bank informed of the happening of any event likely to have a substantial effect on their profit or business: for instance, if, the monthly production or sales are substantially less than what had been indicated, the borrower shall immediately inform the Bank with explanations and the remedial steps taken and/ or proposed to be taken.

8. Effect any change in the borrower's capital structure where the shareholding of the existing promoter(s) gets diluted below current level or 51% of the controlling stake (whichever is lower), without prior permission of the Bank – for which 60 days" prior notice shall be required. In case of limited liability partnerships and partnership firms „promoters" would mean managing partners for the purpose of this covenant.

9. The borrower will utilize the funds for the purpose they have been lent. Any deviation will be dealt with as per RBI guidelines.

Mandatory Negative covenants (Pre Disbursement)

- a) No commission to be paid by the borrowers to the guarantors for guaranteeing the credit facilities sanctioned by the Bank to the borrowers.
- b) Fund Based Limits both in Working Capital and Term Loan, should be regulated through an Escrow Mechanism as agreed among banks to avoid any kind of diversion of funds

Mandatory Negative covenants (Post Disbursement)

a) In the event of default, or where signs of inherent weakness are apparent, the Bank shall have the right to securities the assets charged and in the event of such securitization, the Bank will suitably inform the borrower(s) and guarantor(s).

b) The undernoted covenants will be subject to prior notice being given by the borrower and being agreed to by the Bank. If the Bank turns down the borrower's request but the later still goes ahead , Bank shall have the right to call up the facilities sanctioned:

1. Formulate any scheme of amalgamation or reconstruction
2. Undertake any new project, implement any scheme of expansion/diversification or capital expenditure or acquired fixed assets (except normal replacements indicated in funds flow statement submitted to and approved by the bank) if such investment result into breach of financial covenants or division of working capital funds to financing of long-term assets
3. 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 ordinary course of business or advances to employees can, however be extended. Such investment should not result in breach of financial covenants relating to TOL/Adj. TNW and current ratio agreed upon at the time of sanction
4. Enter into borrowing arrangement either secured or unsecured with any other bank, financial institution, company or otherwise or accept deposits which increase indebtedness beyond permitted limits, stipulated if any at the time of sanction
5. Undertake any guarantee or letter of comfort in the nature of guarantee on behalf of any other company (including group companies).
6. Declare dividends for any year except out of profits relating to that year after making all dues and necessary provisions and provided further that such distribution may be permitted only if no event of default / breach in financial covenant is subsisting in any repayment obligations to the Bank.
7. Create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, company firm or persons

For Dhanuka Realty Limited For Dhanuka Realty Limited

Director

Director

For Dhanuka Realty Limited
Director

8. Sell, assign, mortgage or otherwise dispose of any of the fixed assets charge to the Bank. However, fixed assets to the extent of 5% of Gross Block may be sold in any financial year provided such sale does not dilute FACR below minimum stipulated level. (Not applicable for unsecured loans).
9. Enter into any contractual obligation of a long term nature or which, in the reasonable assessment of the Bank, is detrimental to lender's interest, viz acquisitions beyond the capability of borrower as determined by the present scale of operations or tangible net worth of the borrower / net means of promoters etc., leveraged buyout etc.
10. Change the practice with regard to remuneration of Directors by means of ordinary remuneration or commission, scale of sitting fees etc. except where mandated by any legal or regulatory provisions
11. Undertake any activity other than the sale of products arising out of its own manufacturing operations. (Not applicable in case finance is for trading activity only).
12. Permit any transfer of the controlling interest or make any drastic change in the management set-up including resignation of promoter directors.
13. Repay monies brought in by the Promoters / Directors / Principal Shareholders and their friends and relatives by way of deposits / loan/advances. Further, the rate of interest, if any, payable on such deposits /loan / advances should be lower than the rate of interest charged by the Bank on its term loan and payment of such interest will be subject to regular repayment of installments to term loans granted / deferred payment guarantees executed by the Bank or other repayment obligation, if any, due from the borrower to the Bank
14. The Borrower shall keep the Bank advised of any circumstance adversely affecting the financial position of subsidiaries / group companies or companies in which it has invested, including any action taken by any creditor against the said companies legally or otherwise.
15. The borrower shall deal with our bank /banks under consortium / multiple banking arrangements exclusively, shall not open current account/s with any other bank without our prior permission. The borrower's entire business relating to their activity including deposit, remittances, bills / cheques purchase, non-fund based transactions including LC's and BG's, Forex transactions, merchant banking, any Interest rate or currency hedging business etc. should be restricted only to the financing banks under consortium / multiple banking arrangement.
16. Approach capital market for mobilizing additional resources either in the form of debt or equity.

In case of Term Loan

In case of pre-closure of the account, prepayment penalty @ 2.30% of the Drawing Limit or outstanding, whichever is higher, to be paid except if prepayment is from internal generation.

Financial Covenants For Term Loans

The company shall ensure that DER for the project shall not exceed 4:1 at all times during the tenor of the facility, which shall be monitored on an annual basis.
Fixed asset coverage ratio (value of fixed assets/term loan outstanding) will maintained at the level of 1.20:1.

Note: Breach of any of the financial covenant may be considered as an event of default and penal interest shall be charged.

General Terms and Conditions:

(a) Pre Disbursement:

1. Bank reserves the right to vary the spread at any point of time, by giving due notice to the borrower.
2. The Bank reserves to itself the right to cancel / suspend / reduce any or all the limits sanctioned and to alter / amend / vary the terms of sanction including rate of interest at its sole discretion without assigning any reason whatsoever.
3. Bank reserves the right to increase the rate of interest by modifying the spread in case of downward migration in rating based on audited / provisional balance sheet.
4. Sanction is valid for a period of 3 months only. Subsequently the bank reserves the right to refuse revalidation. On revalidation, bank reserves the right to change the terms and conditions including rate of interest based on the review of the proposal at the time of revalidation.
5. In case of non acceptance of some of the terms and conditions stipulated in the sanction, the borrower should take up with the bank their request for amendment in sanction terms within 15 days from the date of communication of sanction terms by the bank/branch. The amendment however will be at the sole discretion of the bank on merits

For Dhanuka Realty Limited

For Dhanuka Realty Limited

Director

Director

6. Any revalidation and / or modification in sanction terms after 15 days will attract further processing charges at 25% of the original processing charges.
7. The advance will be released only upon payment of processing fee/upfront fee. EM creation charges and any other charges as may be prescribed by the Bank from time to time.
8. Bank is entitled to charge and recover various fees/charges like legal opinion charges, Engineer's valuation fee, inspection charges, charges for doing search with ROC, ROC registration charges, EM registration charges etc from the borrower as per the rules of the Bank as applicable from time to time.
9. Acceptance of immovable properties offered as security is subject to the legal opinion (unqualified) of the Bank's approved lawyer(s), conveying a clear, valid, subsisting and marketable title, valuation of the property by the Bank's Approved Engineer and furnishing of up-to-date certificate showing Nil encumbrance and up-to-date tax paid receipt. The cost to be borne by the borrower.
10. In addition to these terms and conditions all the facilities sanctioned shall be subject to the Bank's rules as well as the directives issued by RBI from time to time.
11. The assets and liabilities statement of persons who have offered their personal guarantee to be furnished once in a year.
12. The duplicate copy of the sanction letter to be returned duly signed by the authorized signatory as token of acceptance of terms and conditions.

(b) Post Disbursement General Conditions:

1. The advance must be used for the purpose for which it is sanctioned. The borrower shall provide an "End use certificate" from the chartered accountant. The "end use certificate" shall certify that the funds drawn down have been used for the purpose mentioned in the loan application. Any deviation will be dealt with as per RBI guidelines.
2. Unless otherwise specified, the sanction of Working Capital limits availed will remain in force for a period of one year from the date of sanction. Any request for renewal / enhancement should be made at least three months in advance and the application should be accompanied by all the relevant data as required by Bank.
3. Processing charges for renewal of facilities will be charged irrespective of whether the renewal papers are submitted or not. However, continuation of facilities will be at the sole discretion of the Bank.
4. Property tax paid receipts for the properties under mortgage shall be produced every year.
5. All assets charged to the Bank shall be adequately insured against all attendant risks at the expense of the borrower(s). The Insurance policy with the Bank clause (viz. Bank as mortgagee, hypothecatee or pledgee as the case may be) shall be lodged with the Bank. The insurance cover shall be kept in force at all times through prompt renewals and with suitable enhancements to include any increase in the value of securities. Bank has tie up with UIIC Ltd whose services may be utilized for this purpose.
6. Fixed assets charged to the Bank are subject to valuation at least once in three years or at shorter periodicity as per the decision of the Bank.
7. The Borrower shall ensure that the balance in the account including the periodical interest charged / chargeable is well within the drawing limit at all times.
8. Interest will be charged on the last working day of the month on per annum payable monthly basis or as prescribed by Reserve Bank of India/Bank and shall be serviced within a maximum period of 15 days.
9. Bank is entitled to transfer or assign the whole or part of their rights and obligations under/in respect of the facility to other persons/entities without notice to the borrower.
10. In case of non availment/ partial availment of limits/deterioration in a borrower's credit worthiness, the unavailed limits are cancellable unconditionally and penal charges shall be recovered.

Borrower's constitution:

1. The Company shall pass necessary Resolution under the Companies Act 2013, for execution of documents and availment of facilities from the Bank.
2. The company shall submit auditors' certificate to the effect that the present and proposed borrowings as per this sanction are within the borrowing powers of the company.
3. Wherever registration of charge with Registrar of Companies (ROC) is necessary, it should be complied within the mandatory period as per ROC guidelines. This will also apply to consortium advance where individual documents are obtained pending execution of joint documentation. In any case, the Registration of charge should be complied with before disbursement within 30 days of the execution of the document.
4. Search will be conducted at the office of the Registrar of Companies to ascertain the subsisting charges, if any. All fees, charges and other expenses in this regard shall be to the account of the borrower(s).

For Dhanuka Realty Limited

Director

For Dhanuka Realty Limited

Director

5. In the event of slippage in Asset Classification of the borrower's accounts, the Bank will have the discretion to have a Nominee Director on the Board of the Borrower Company.

Yours faithfully,



Branch Manager

All Terms and Conditions Accepted

For Dhanuka Realty Limited For Dhanuka Realty Limited

Borrower

Director

Director

Guarantor

[Handwritten signatures and names: Jagan, Gelhamika, and others]

[Handwritten signature: Jagan]