



Phone: 87659 83480

Fax: 0512-

Date: 25/08/2017

Ref: RMME/CIE/RBO-II/17-18/

To
The Directors,
Graceland Developers Private Limited
Existing: J-12, West High Court Road, Laxmi Nagar, Nagpur
Proposed: 375/3, Narayan Kuti Near Chakeri Railway St,
Sanigwan, Kanpur

Dear Sir,

LETTER OF ARRANGEMENT
ADVANCES TO SME SEGMENT
SANCTION OF SBI ASSET BACKED LOAN FOR COMMERCIAL REAL ESTATE

With reference to your application dated 5th Jul 2017 requesting for sanction of dropline overdraft limit for working capital requirement and/or fixed asset acquisition, we have pleasure in advising the appropriate authority has sanctioned the **Dropline overdraft** facility at **Rs.6.00 crores (Rupees Six Crores only)** against mortgage of property, under the SBI Asset Backed Loan for Commercial Real Estate, subject to your acceptance/fulfillment of the following terms and conditions:

Limit	Primary Security	Collateral Security	Third party guarantee
		Immovable property	
Rs.6.00 crores	Land & Building constructed at Plot A, Arazhi Part of 1202, Part of 1203, Part of 1200 & Part of 1205, Vill-Meherban Singh Ka Purwa, Kanpur, U.P owned by the company	Land and building Situated at Plot B, Arazhi 1201,&1202, situated at Plot-B, carved out of Arazhi Part of 1201 & Part of 1202 Village Meherban Singh ka Purwa, Kanpur-208001 owned by the company. & Land and building Situated Arazhi No 645, situated at Arazhi No. 645, Chakeri Kanpur-208008 owned by the M/s Narayan Estate Prop-Shri T.N. Singh (Guarantor)	1. Anoop Singh 2. Pares Shyam Bhide 3. Tej Narayan Singh

The other terms and conditions are as under,

Facility: Dropline overdraft where limit is reduced every month so as to have the overdraft fully liquidated at the end of the period and there is flexibility of regular transaction both by way of credits and debits upto the limit marked for the month.

Repayment: The loan amount of Rs 6.00 crores is repayable as mentioned below:
Moratorium of 18 months, 4 quarterly installments from 01.04.2019 to 31.03.2020 of 20.00 lacs each, 4 quarterly installments from 01.04.2020 to 31.03.2021 of 37.50 lacs each, 4 quarterly installments from 01.04.2021 to 31.03.2022 of 92.50 lacs each.



Interest Rate: Rate of Interest: 3.05 % above MCLR Present effective rate is 11.05% p.a.

Processing Fee: Processing fee charged will be 1% of the limit.

Collateral: The loan is granted against maximum 60% of the realizable value of immovable property. (Compliant under SARFAESI Act)

Penal rate: 2% of outstanding amount, if overdue by >7 days

Commitment Charges: Nil (more than 75% utilization)
0.50% (50% to 75% utilization)
1.00% (for <50% utilization)

Pre Payment Penalty: 4% of the operating limit.

Inspection Charges: As per card rate of the scheme specific.

We are forwarding this letter in duplicate along with Annexures I & II and shall be glad if you return to us the originals duly signed by you and the guarantors in token of having accepted the Terms and Conditions, below the words "We Accept" appearing at the end of the Annexure and retain the duplicate thereof for your record.

Thereafter, you may call on us with the guarantors, preferably with prior appointment, to execute the documents in this regard.

Assuring you of our best services at all times.

Yours faithfully,


Relationship Manager (ME)

Encl.: Terms and Conditions - Annexure I & II & Appendix - I



TERMS & CONDITIONS

1. A. One Escrow account i.e. CA will be opened in which all proceeds of the sales of the flats will be credit in the account.
 B. There will be First right to refusal to Housing Loan.
 C. An NOC will be issued before the registry of the each Flat by State Bank of India, SME Branch, Co-op Ind Est Branch.

2. Period of Advance & Payment terms

The drawing power shall be reduced monthly so as to have the overdraft fully liquidated at the end of the earlier sanctioned period. Regular transactions are permitted upto drawing power available. No over-drawings permitted. Repayment will start from April 2019 as per the details of installments in given in Appendix – I.

3. Rate of Interest

Rate of Interest: 3.05% above MCLR, Present effective rate is 11.05 % p.a.

Interest shall be charged on the debit balances in the overdraft account computed on daily balances basis duly compounded and debited to the accounts at monthly rests on the last working day of every month, in accordance with the accounting practices of the Bank from time to time.

The rate of interest is subject to revision from time to time and you shall be deemed to have notice of changes in the rate of interest whenever the changes in Base Rate are displayed/notified at the branch/published in newspapers/made through entry of interest charged in the statement of account sent to you.

Accrued but unapplied interest, if any, shall be governed by RBI's directives on IRAC norms.

Enhanced Interest:

- a) Enhanced rate of interest at 1% cumulatively subject to a maximum of 2% will be charged for the period of delay in respect of:
 - i. Delayed/non-submission of financial data required for review / renewal of limits
 - ii. Delayed/non-submission of annual financial statements
 - iii. Delayed/non-submission of stock statements
- b) Enhanced rate will be charged on the excess drawings in case any irregularity / breach is continuously less than 60 days, and if it exceeds beyond 60 days, on the entire outstanding from the date of irregularity / breach. Enhanced interest will be compounded monthly.



- c) The Bank shall also be entitled to charge at its discretion, enhanced interest rates on the accounts either on the entire outstanding or on a portion thereof, for any irregularity including non-observance or non-compliance of the Terms and Conditions of the advances, for such period as the Bank deems it necessary.

4. INSURANCE:

All the assets charged to the Bank should always be fully insured by the Borrower against fire, lightning, riots, strikes, floods, cyclones, earthquakes, civil commotion, and other natural calamities, etc., with a company approved by the Bank in the joint names of the Bank and yourselves, at your cost for full market value or Bank's interest, whichever is higher. The policies / cover notes should be lodged with the Bank. The policies should be kept alive (current) during the currency of the advance. In the event of non-compliance, the Bank reserves the right (but not be bound to exercise) to take the insurance cover as required by the Bank by debit to your account. The machinery to be purchased out of the Term Loan, if any, to be insured for the full market value or original cost of the machinery, whichever is higher. Likewise all the renewals of the policies should also be effected /done by the Borrower at all materials.

5. Stock Statement:

Half yearly submission of statement of stock/receivable/fixed asset during second quarter and last quarter of financial year.

6. Inspection:

The Bank's officials / inspectors are to be permitted in the factor business premises as and when required to inspect activity of the unit, the stocks / books / equipment and on the premises of property mortgaged under the scheme. Where the premises are leased / hired, necessary approvals to the effect from the lessor, if any required, are to be obtained. All assistance to be extended to the Bank's officials in conducting and completing such inspections smoothly. Necessary remedial steps also to be taken to rectify any shortcomings, if any, pointed out by the Bank's officials. The cost of such inspections shall be borne by you.

7. Security Document: The following security documents have to be executed by you and guarantor;

- a. DP Note and DP Note Delivery letter.
- b. Any other documents as may be required by the Bank



- a.
- i. You (The builder/developer/company) would disclose in the Pamphlets/Brochures etc., the name(s) of the Bank to whom the property is mortgaged.
 - ii. You would append the information relating to mortgage while publishing advertisement of a particular scheme in newspaper/magazines etc.
 - iii. You would indicate in your Pamphlets/Brochures that they would provide No Objection Certificate (NOC)/permission of mortgagee Bank for sale of flats/property, if required.
- b. Disbursement will be done only after completion of security document and formalities in respect of mortgage creation. In respect of companies, in addition to these two requirements, charge to be filed with the Registrar of Companies within the prescribed period for creating a charge in favour of the Bank.
- c. The Bank will have the right to examine at all times the Unit's books of account and to have the Unit's factories / offices / showrooms inspected from time to time by the officials of the Bank and / or qualified auditors and / or technical experts and / or management consultants or other persons of the Bank's choice.
- d. The Unit should not be dissolved / reconstituted without obtaining Bank's prior approval in writing. Post-facto approval of reconstitution dissolution will not be accorded nor the existing guarantors shall be released if the dissolution/ reconstitution is effected without prior approval in writing.
- e. The Unit should submit provisional financial statements within one month and audited financial statements within three months from the date of closure of the accounting year. The returns submitted to the Sales Tax and Income Tax authorities should also be submitted to the Bank.
- f. The Unit should confine their entire business including foreign exchange business to us.
- g. The Bank will have the option of appointing its nominee on the Board of Directors of the Unit to look after its interests.
- h. The Capital invested in the business by the proprietor / partners / directors should not be withdrawn during the currency of our advance.
- i. In case the Unit fails to complete the formalities with regard to creation of a charge in favour of the Bank within a period of two months from the date of this letter, an enhanced interest of % on the outstandings or reduction of Drawing Power by 10% / 20% or both will be considered without any reference to the Unit.
- j. The Unit should keep the Bank informed of the happening of any event likely to have a substantial effect on their profits or business and the remedial measures taken in this regard.
- k. The Unit should keep the Bank informed of any circumstances adversely affecting the financial position of their sister / associate / family / subsidiary / group concerns in which it as invested, including any action taken by any creditor against the said Units legally or otherwise.
- l. After accounting for provision for taxation, the Bank will have the first charge on the profits of

