



BANK OF MAHARASHTRA
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COMMERCIAL AND CORPORATE CREDIT DEPARTMENT

Ref: AX1/DELHI/ADPPL/1221/12-13

4 December 2012

The Zonal Manager
Bank of Maharashtra
Delhi Zone
Delhi

Sanction No. HLCC/CMD/F/48/2012-13

Activity Code : 90224

Dear Sir,

**Reg: Proposal for Term Loan-A/c - Aashiyana Developers and Promoters Pvt. Ltd.
A/c with Noida Sector 62 branch, Noida**

Note on the captioned proposal was placed before the Higher Authorities at Head Office for sanction. We convey the sanction as under.

Following facility is sanctioned to **Aashiyana Developers and Promoters Pvt. Ltd.** on the terms and conditions given below.

Facility	Rupee Term Loan Rs. 50.00 crores (Rupees Fifty crores only)
Purpose /Project	Financing the development of Group Housing Project at plot No. 11RA-11, Surajpur Site C (Extension) Phase-II, Dist. Gautam Budh Nagar admeasuring 13703.50 sq. meters allotted by UPSIDC at a project cost of Rs. 153.73 crores.
Rate of Interest	As per CRR, Base Rate + 4.50 % p.a. + Term Loan Factor 0.50 % = 15.50 % p.a. presently with monthly rests. Interest shall be serviced as and when charged.
Primary Security	<p>The facility shall be secured by the following security :</p> <ol style="list-style-type: none">Second charge by way of equitable mortgage on all immovable project assets both present and future (first charge with UPSIDC).First charge by way of hypothecation of entire project current assets moveable project assets of the borrower.First charge /assignment of all book debts, operating cash flows, receivables, commissions, intangibles and revenues of whatsoever nature and wherever arising, present and future of the project.First charge on all the company's bank accounts including but not limited to the Escrow Account, into which inter alia, all the operating cash flows, treasury income, revenues /receivables of the project, DSRA (Debt Servicing Reserve account) would be deposited.A first charge/ assignment of all rights, titles, benefits and claims that accrue to the borrower and leasehold rights which are available on second charge basis(first charge is with UPSIDC authority). <p>Conditions for Security Creation:</p> <ol style="list-style-type: none">Original documents of the title including the Lease Deed dated 10/08/2011, Allotment letter, Possession letter etc. to be submitted.Written permission to mortgage the aforesaid property in favor of the Bank from the lessor UPSIDC be submitted.Board Resolution duly executed by the Board of Directors of M/s Aashiyana Developers and promoters Private Limited to the effect that the Company can take the loan from the Bank and also to appoint any person duly authorized by the Company to execute the security documents in favor of the Bank.

	<p>d) Memorandum and Articles of Association of the Company be submitted.</p> <p>e) Bank's charge on the assets should be registered with ROC for the loan amount within the stipulated Time.</p>
Collateral	Nil
Guarantors	<p>Personal Guarantee of the following directors of the Company:</p> <ul style="list-style-type: none"> ❖ Mr. Sanjeev Kumar ❖ Mr. Mukesh Kumar Roy ❖ Roushan Prakash ❖ Alok Vatsa
Door – to – Door Tenor and Repayment.	<p>Construction Start Date : October 2012</p> <p>Total Construction period: 3 years</p> <p>Tentative COD: 30.09.2015. The COD to be documented at the time of Financial Closure.</p> <p>Repayment Period: 6 Quarterly installments Repayment starts from the quarter October 2015-December 2015 and ends in Jan- March 2017 at the rate of Rs. 8.35 crore per quarter.</p> <p>Door to Door Tenor for our Bank:</p> <p>The construction period is 3 years and repayment period of 1.5 years; the door to door tenor is 4 Years and 6 months.</p>
Processing Fees	<p>1.50 % of Term Loan Amount subject to the maximum of Rs. 50 lakhs plus applicable service tax.</p> <p>Documentation charges (0.20 % subject to the maximum of Rs. 15000 plus service tax as applicable) and Annual Supervision fees (0.25 % subject to the maximum of Rs. 5000 per annum plus service tax as applicable). Out of pocket expenses such as stamp duty for documentation, visits to be made, credit audit charges and stock verification, vetting of documents will be recovered separately.</p>

Other terms and conditions are as per Annexure enclosed.

Yours faithfully

Asstt. General Manager
Credit – Large Corporate

cc to : The Branch Manager, Noida Sector 62 branch, Noida.

Annexure

SPECIFIC TERMS & CONDITIONS:

Disbursement/ Release of Term Loan	<p>The Term Loan shall be released in proportion to the disbursements to the Promoters Contribution being inducted, advances to be received towards project cost, maintenance of Debt Equity Ratio as per terms of Sanction. It is to be ensured that necessary margin is maintained at each stage of disbursement. Company to submit approved Architect / Chartered Engineer's certificate and CA's Certificate for expenditure incurred at each stage of disbursement. Also the disbursement shall be made in a phased manner linked to the progress of the project as per the draw down Schedule submitted by the Company in Projected Cash Flow Statement. The said schedule is given below: Rs. In crore</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Description</th> <th style="text-align: right;">Mar-13</th> <th style="text-align: right;">Mar-14</th> <th style="text-align: right;">Mar-15</th> <th style="text-align: right;">Total</th> </tr> </thead> <tbody> <tr> <td>Loan from Banks</td> <td style="text-align: right;">17.50</td> <td style="text-align: right;">20.00</td> <td style="text-align: right;">12.50</td> <td style="text-align: right;">50.00</td> </tr> <tr> <td>Promoters Funds</td> <td style="text-align: right;">21.88</td> <td style="text-align: right;">25.00</td> <td style="text-align: right;">15.62</td> <td style="text-align: right;">62.50</td> </tr> <tr> <td>Advances from customers</td> <td style="text-align: right;">14.43</td> <td style="text-align: right;">16.49</td> <td style="text-align: right;">10.31</td> <td style="text-align: right;">41.23</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">53.81</td> <td style="text-align: right;">61.49</td> <td style="text-align: right;">38.43</td> <td style="text-align: right;">153.73</td> </tr> </tbody> </table> <p>Draw Down Conditions:</p> <p>1) At the time of draw down, it is to be ensured that the land premium (payable half yearly in February and August) has been deposited by the Company and copies of receipts obtained and kept on records. No further disbursement of TL to be made if any instalment of land premium is overdue. (Total land premium payable by the borrower Company to UPSIDC is 13.01 cr. out of which the Company has paid up- front an amount of 2.18 cr., balance is payable in half yearly instalments during the currency of our Bank's loan).</p> <p>It is to be ensured that our Term Loan shall be utilized for construction purpose only and no amount shall be utilized towards payment of Land Dues to UPSIDC, which are to be met by the borrower from their own funds.</p> <p>2) The borrower will submit to the Bank a draw request including the sub – contractor invoices and / or other bills acceptable to the Bank. Evidence that there are no cost overruns or in the event of cost overrun, submission of evidence satisfactory to the Bank, that such amount has been fully funded by the borrower. The Chartered Accountant appointed by the Bank will have the responsibility to ensure that the work in place is completed and in conformity with the construction budget.</p> <p>3) Company to meet Reporting requirement (including semi annual Compliance Certificates, Annual (audited) and Semi annual financial statement, notices of default, and such other information and such access to the Borrowers properties, Books and records as the Bank may reasonably request)</p>	Description	Mar-13	Mar-14	Mar-15	Total	Loan from Banks	17.50	20.00	12.50	50.00	Promoters Funds	21.88	25.00	15.62	62.50	Advances from customers	14.43	16.49	10.31	41.23	Total	53.81	61.49	38.43	153.73
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Commitment Charge	Commitment charges at 0.50 % p.a from the date of sanction to the actual availment of sanctioned credit facilities is applicable if the sanctioned credit facilities are not utilized within 3 months.																									
Prepayment charges	If the account is adjusted through takeover of loan by another bank before 360 days from the date disbursement, then prepayment charges of 1.00 % on the term loan outstanding on the date of adjustment will be recovered.																									
Insurance	All securities charged to the Bank shall be comprehensively insured against all risks (fire, earthquake, floods etc) for the full value at the Company's cost and the policy shall remain in the joint names of the Company and the Bank with bank clause duly incorporated therein.																									
Legal,	The Borrower shall reimburse all out of pocket expenses and other legal and																									

Professional & other out of pocket expenses	professional fees (if any) paid by the Bank in respect of the project for the purpose of completing the due diligence documentation creation of security and any legal opinions.
Equity	Minimum 25 % of the project cost. CA certificate for the proportionate equity contribution brought and proportionate advance received to be submitted to the Bank for the release of proportionate term loan.
Company to undertake the following :	<p>i. To arrange for the total equity/contribution commitment of Rs. 41.23 Crore and Rs. 62.50 Crore as advance received from customers in the form and manner acceptable to the Bank.</p> <p>ii. Any overrun in the cost of project and any shortfall in the receipt of advance booking amount from the flat buyers shall be solely met by the borrower by raising equity and / or additional funds in the manner acceptable to the Bank.</p> <p>iii. The borrower shall submit an undertaking not to create any other charge over the machineries / equipments etc hypothecated to the Bank.</p>
Financing agreements	<p>The financing agreements and documents (collectively the "financing agreements") in respect of the facility will include inter alia, the following, each of which must be satisfactory in terms and substance to the Bank.</p> <ul style="list-style-type: none"> ❖ Term Loan Agreement ❖ Escrow Account ❖ Security Documents
Default interest rate	Default interest would be charged on all unpaid interest and other money's payable under the financing agreements at 2% p.a. over the applicable interest rate up to the day of actual receipt of unpaid amounts.
Project Cost	<p>Project Cost : Rs. 153.73 Cr</p> <p>Promoters Contribution : Rs. 041.23 Cr</p> <p>Term Loan : Rs. 050.00 Cr</p> <p>Advance from Customers : Rs. 062.50 Cr</p> <p>Debt Equity Ratio 2.73 : 1 (treating advances from prospective buyers from customers as part of debt)</p>
Escrow Account	An ESCROW account shall be opened with us for the purpose of the project and all receipts and payments of the project shall be routed through the account. The entire Booking Amount/Advances from customers/Sales Proceeds/ all deposit /receipts from the prospective buyers from the Project should be credited to Escrow Account only. Further, in the agreement to sell with the prospective buyers, the Company to build/spell in writing that buyers shall pay the entire amount in the joint names of our Bank and the Company. Suitable condition to be incorporated in the sale purchase agreement regarding mortgage of property in the Bank's favour. The Escrow account charges of 0.25 % of the estimated cash flow shall be levied.
Monitoring of the Account	<p>1) The Bank would appoint a Chartered Accountant who would review the status of the project on continuing basis, Quarterly progress report to be submitted by the company which would include:</p> <ol style="list-style-type: none"> a.) Evidence of end use of the funds. b.) Percentage completion of the project, any variance with projected timeliness. c.) Actual cost versus projected cost d.) Revised projections (if not in line with initial projections) <p>2. The borrower shall submit to the Bank monthly / quarterly / progress report on implementation of the project along with a certificate issued by a chartered accountant as to the break up of the source of funds thereof.</p> <p>3) The Company shall submit physical progress report certified by the Bank's Engineer/ Chartered Engineer at periodical intervals. The Report should include the details of progress in construction, residential / commercial space sold, payment received and deposited in Escrow account.</p>

	<p>5) The Bank/ Branch shall inspect the project site at periodical intervals.</p> <p>6) The Company shall submit a statement showing the cash inflows and outflows giving details of sources and of application of funds duly certified by a Chartered Accountant on monthly basis.</p> <p>7) The Company to demonstrate that project financed by Bank is running as per implementation schedule submitted by the party and envisaged CODs are achieved by the Company.</p> <p>8) The fees/charges payable to the Bank appointed Chartered Accountant and Engineer should be paid by the borrower.</p>
<p>Pre-Disbursement conditions</p>	<ol style="list-style-type: none"> 1. The Financial statements of Investor Group companies be obtained and verified. 2. The registered office of the company be visited and visit report be kept on record. 3. The release of term loan will be in proportion to the promoters' contribution being inducted, advances to be received towards Project Cost and maintenance of debt equity ratio in terms of sanction. 4. The disbursement shall be made subject to compliance of all the Pre-disbursement Conditions. 5. The facility will be subject to execution of documentation in form and content satisfactory to all parties and NOC from UPSIDC allowing registration of charges with ROC. 6. No material adverse change in the business condition or operation of the borrower since the date of the decision to extend the facility. 7. The company to obtain all necessary statutory permissions / approvals. The company shall submit an undertaking to obtain the Environment Clearance Certificate and NOC from Pollution Control Board within 3 months. 8. The security documents shall be prepared by the Bank appointed external legal counsel and shall contain provisions customary to such facility including but not limited to representation and warranties, material adverse effect, potential events of default, events of default, undertakings and indemnities. The Draft of Security / other Documents / Financing Agreements shall be got vetted as per bank guidelines. For this company to execute necessary security documents for sanctioned limit(s) duly supported by Board resolution and create & register stipulated charges with the authorities specified for the purpose, within stipulated time limit. 9. Company to provide certified copy of resolution passed by the Board for raising term loan and also regarding authorized person to execute various documents on behalf of company. 10. Bank's Legal Counsel / Bank's Empanelled Advocate to ensure that proposed term loan from bank is within the overall borrowing power of the company <u>OR</u> special resolution is passed for exceeding the borrower power. 11. The Company to submit an undertaking that there are no pending litigations in connection with the project properties offered. 12. The proposed land shall be rightfully mortgaged /charged in favour of our Bank in terms of legal opinion of Bank's Advocate and genuineness of the title deeds must be ensured. Advocate confirming that properties held as security are enforceable under SARFAESI Act. Certificate from Law Officer of the Bank / Bank's empanelled advocate on creation of valid mortgage be obtained and kept on record as per Bank Rules. 13. Project cost/Construction Cost to be got approved by Our Bank's approved Engineer / reputed consultant / Architect. 14. Promoter to undertake for a) infusion of remaining equity, b) financing of cost overrun, if any, by the promoters through their own contribution.

	<p>15. The company to undertake that it shall bring in the shortfall if any in advance / sales realization amount as envisaged in the means of finance by way of equity / subordinated debt or similar instruments on terms acceptable to the Bank (over and above the proposed equity of Rs. 41.23 Crore).</p> <p>16. The Borrower shall have made suitable arrangements for tying up the entire contributed equity envisaged in the means of finance to be evidenced to the satisfaction of the Bank.</p> <p>17. Company to agree for appointment of Bank's Independent Engineer (LIE)/ Bank's Legal Council. The cost to be borne by the borrower. LIE to individually verify all the contracts with the contractors appointed by the company. LIE to review all the items of cost of project to the satisfaction of the Bank before disbursement. LIE to review the implementation schedule to the satisfaction of the Bank.</p> <p>18. LIE to review that all necessary statutory approvals are in place including certificate regarding adherence of NBC (National building Code) issued by Government of India in view of the importance of safety of building especially against natural disaster. Lender Engineer to verify the progress of clearances from time to time on periodical basis.</p> <p>19. Bank shall have right to down sell its loan to any other Bank / financial institutions operating in India.</p> <p>20. Before release of limit, Company shall arrange to provide the Bank satisfactory credit/Confidential Reports from all existing bankers on the borrower Company and its associate companies / group companies / individual account of promoters.</p> <p>21. ROC Search report is to be obtained.</p> <p>22. The company's brochure should prominently display that "All the payments by buyers of plots/flats/commercial sites etc. should be routed through company's escrow account with Our Bank.</p> <p>23. The company should undertake that no litigation from farmers rests on the project land.</p>
Condition precedent to subsequent drawdown.	<p>1. The company to make arrangements to tie-up for supply of water, power etc., during the implementation period.</p> <p>2. Company to satisfy the Bank that it has appointed technical financial marketing and other personnel of the proper qualification and experience for the key posts and that its organizational setup is adequate enough to ensure smooth implementation of the project and subsequent operations.</p> <p>3. Borrower shall not undertake any new project / diversification of its existing facilities without prior written approval of the Bank.</p> <p>4. Agree and undertake that all insurance policies shall be endorsed in favor of Our Bank.</p>
Financial Covenants	<p>Borrower to maintain the following covenants :</p> <p>1) Average DSCR of 1.80 and minimum DSCR of 1.72 during the tenor of the facility.</p> <p>2) Debt – Equity Ratio should not exceed 2.73:1 at all times during the tenor of our loan.</p> <p>3) Company shall undertake to maintain FACR of 1.82 during the Currency of the bank finance.</p>
Restricted Payments	<p>Declaration and payment of dividends on the equity share capital or payment / redemption of moneys due to Shareholders (including interest payable on preference shares/convertible instruments etc.) or redemption of moneys guaranteed by the sponsors is permitted only if all of the following conditions are satisfied:</p> <p>a. There is no outstanding event or default (which has not been remedied or waived);</p> <p>b. The financial covenants have been met.</p>

Negative covenants	c. The first repayment of the facilities has commenced.
	<ul style="list-style-type: none"> a) The borrower shall not create or permit to subsist any security interest on any of its assets except those mentioned in this term sheet. b) The borrower shall not sell, transfer or otherwise dispose of any of its assets (excluding subleasing of land / facilities), except as permitted under the financing agreements, without prior written approval of the leader bank. c) The borrower shall not contract, create, incur, assume or suffer any financial indebtedness except as permitted under financing agreements. d) The borrower shall not make any investments, loans or provide credit or give any guarantee, indemnity or similar occurrence against financial cost of any person unless given pursuant to or in connection with the project and financing agreements. e) The borrower shall not incur any capital expenditure that is not related to the approved plan. f) The borrower shall not enter into any amalgamation, demerger, merger or reconstruction without the prior consent of the Our Bank. g) The borrower shall not, without prior written consent of the Bank agree to any amendment to / the termination of / abandonment of / any assignment of (other than to Bank) any of its rights and / or obligations under; or Waive compliance with any provision of any project agreement which has a material adverse effect. h) The Borrower shall not, without prior written consent of the Bank to amend or modify any of its constitutional documents, which has a material adverse effect. i) The borrower shall not engage in any business or activities other than those contemplated by the project and financing agreements. j) The borrower shall : <ul style="list-style-type: none"> I. Not purchase, cancel or redeem any of its share capital or issue any further share capital otherwise than in accordance with the financing agreements. II. Ensure that it has sufficient funds un-issued authorized share capital to issue shares when subscribed for by the share holders pursuant to the financing agreements. k) The Borrower shall not : <ul style="list-style-type: none"> I. Acquire any share or loan capital of any corporate body or make other investments except as permitted by the financing agreements. II. Open or maintain any account other than : III. The project accounts. IV. Such other accounts permitted under the financing agreements. l) The borrower shall not abandon all or any part of the project neither pay any Commissions etc to shareholders or sponsors: The borrower shall not make any payments including any commission to any share holders or sponsor in respect of any guarantee (s), counter-guarantee (s), undertaking(s) or otherwise for the purpose of the project. m) The company shall undertake that: <ul style="list-style-type: none"> I. Not to induct on the Board, a person, who has been identified as a defaulter by RBI, or whose name is appearing in ECGC SAL list. II. Promoters will not disinvest their quota in equity of the company without prior approval of the bank. III. It will not formulate any scheme of amalgamation or reconstruction without prior approval of bank. IV. It will not effect any change in company's capital structure without getting approval from bank.

	<p>V. Not to undertake any investment activity within group companies without prior approval of bank.</p> <p>VI. It shall not extent its corporate guarantee in favour of any other company without prior approval of bank.</p> <p>VII. It will not declare dividends for any year out of the profits relating to that year or of the previous years, without getting approval from bank. It is necessary that provision are made and that no repayment obligations remain unpaid at the time of making request for Bank's approval for the declaration of dividends.</p> <p>VIII. It will not transfer the controlling stake or make any drastic change in the management set up.</p> <p>IX. It will route pro-rate share of business with Our Bank.</p> <p>X. Not to create any charge, lien or encumbrance over its assets or any part thereof in favour of any financial institution, bank (other than our Bank).</p>
Validity of sanction	The sanction is valid for three months.

1. All booking amounts/receivables in respect of project will be received by cheque favoring Bank of Maharashtra A/c M/s Aashiyana Developers and promoters Private Limited.
2. Whenever, Company issues booking advice to any prospective buyer/purchaser a provisional NOC from our bank to be issued after ensuring receipt of money in Escrow Account with the Our Bank as per terms of booking advice & letter of allotment. The booking amount/advance booking to be utilised towards the projects only up to the level envisaged by the Company i.e. Rs. 62.50 cr. (40.65 % of total project Cost). Thereafter, any receipt on account of booking amount, shall be utilised for reduction of respective Term Loans.
3. The advance booking amount to be utilised towards the project only to the extent of remaining amount (i.e. after deducting booking amount already received till first disbursement of TL from the envisaged) and over & above the said amount, to be utilised towards reduction of our Term Loan irrespective of repayment schedule.
4. An undertaking to be obtained from the Company to the effect that, until such time as the above mentioned advance booking monies envisaged in the projects are mobilized by the Company, this portion [or any shortfall therein] is to be met by additional interest-free unsecured loans to be brought in by promoters, in the interim period.
5. Further, whenever any flat/plot is sold out fully on payment of remaining amount by the prospective buyer, the said sale proceeds to be credited in Escrow Account and outstanding of the TL Account of the bank to be reduced by that amount proportionately. Though, repayment of the Term Loans to be made by the party as per schedule, however, in case the projects are sold out at an early date (against the envisaged CODs), the entire proceeds shall be utilized towards adjustment of TL Account without any prepayment charges.
6. The Bank will issue a final NOC only after entire sale consideration of the Flats in question is deposited in the Escrow Account as per terms of sale agreement from where the each lender would get proportionate credit in its TL A/c outstanding.
7. On release of NOCs from time to time the Security value available [excluding land area reserved for Roads/Parks/Common areas] should cover the Term Loans outstanding as per Security coverage at the time of sanction.
8. All taxes are to be paid regularly by the borrower. The original receipts evidencing payment of taxes to be submitted to the Bank.
9. To obtain certificate from Architects and Engineers / Structural Engineers, to the effect that the properties being mortgaged have been constructed as per National Building Code and that there are provisions to ensure safety of building against natural disasters. Further, ensure that the building conforms to land use allowed by the Competent Government Authorities and is an authorized construction as per State Building Laws applicable to the Property.

10. Bank's charge to be registered with Registrar of Companies within 30 days of creation and a proper document evidencing the same to be kept on record.
11. Name plate of the bank to be affixed /painted at the site, indicating project being financed by our Bank.
12. There shall be no inter-firm transfer of funds and an under taking to that effect to be obtained.
13. The loan is to be utilized as per RBI guidelines / Bank's Real Estate Policy for fresh construction and other project related expenses. The Credit Facilities extended should not be utilized for any speculative purposes, and no loan amount is to be utilized towards land purchase.
14. The Builder/Developer/Company would disclose in the Pamphlets/Brochures etc., the name of our Bank to which the property is mortgaged.
15. The Builder/Developer/Company would append the information relating to mortgage while publishing advertisement of a particular scheme in newspapers/magazines etc.
16. The Builder/Developer/Company would indicate in their pamphlets/brouchers, that they would provide No Objection Certificate (NOC) / permission of our Bank (mortgagee Bank) for sale of flats/property, if required.
17. Company to give an undertaking that it shall not sell any portion of the building/flats/plots which is being constructed on the land mortgaged to the Bank without any prior written permission.
18. The company shall obtain a credit rating for its borrowings from an accredited credit rating agency within 30.09.2013.. The rating should be obtained and furnished to the Rupee Term Lenders at least at annual intervals.

OTHER TERMS & CONDITIONS:

1. The company to raise capital / unsecured loans / internal accruals as per the projection and a certificate to that effect from CA to be obtained.
2. COD as envisaged shall be finalized and documented at the time of execution of financing documents.
3. Bank will have a right to examine all the times company's books of accounts, assets etc. and have the company's workings and operations examined from time to time by the officers of the Bank or technical experts and/or management consultants and/or C.A and fees to be borne by the company.
4. Bank to debit the account towards insurance premium in case of under insurance / non renewal of insurance.
5. Search report from Registrar of Companies to be obtained whenever required to ascertain the position of the charges created / noted / registered at the expenses of company.
6. Company to undertake that they shall not operate any account with other bank for the proposed project without obtaining NOC from bank.
7. The bank will have the right to withdraw or modify all / any of the terms and conditions or stipulate fresh condition, under intimation to the company.
8. The company shall keep the bank informed of any circumstances adversely affecting the financial position of their sales, profits, labour problem, power cuts etc. along with remedial steps proposed to be taken by the company.
9. Disbursement of limits is subject to compliance of all terms of sanction, execution of all required legal documents and creation of charges to the satisfaction of bank.
10. Commitment to disburse the limit will arise only on the day of completion of all formalities (this will be the date of commitment).
11. The details of tentative drawls in brief, depending upon the implementation of the project/asset creation to be submitted by the company. Such tentative drawl should indicate the half yearly drawl and % of loans amount proposed for drawl.
12. Bank reserve its unilateral and unconditional right to cancel credit limits in whole or in part without assigning any reason and time for non-compliance of terms of sanction or non-execution of legal documents or non-creation of charges a required by the bank.
13. The release of credit facility is subject to vetting of security documents by the bank's approved advocate.

14. In case of non submission of required financial papers for review/renewal of limit within prescribed period, the interest rate will be raised to + 1% or by increase of spread which comes on account of downgrading of credit rating, whichever is higher.
15. The company to ensure submission of statement of Assets & Liabilities along with copies of Income Tax and Wealth Tax returns/ assessment orders of all the directors and guarantors every year.
16. The sanctioned facilities are to be renewed /reviewed within a period of one year from the date of sanction.

UNDERTAKINGS

- i. Borrower to undertake to utilize the credit facilities for the purpose for which the same is sanctioned and not to use for any other purpose.
- ii. The borrower to undertake for submission of financial statements on yearly basis.
- iii. Suitable undertaking should be obtained from the borrower/guarantor that no suit has been filed by any bank / financial institution against them or any of the firm / companies in which they are partners / directors / guarantors. Further, no account of the borrower company/group companies has been declared NPA /settled by giving rebate /OTS by any Bank/FI. It is also to be ensured that none of the above persons are in any of the caution/defaulters list.
- iv. CIBIL CLAUSE: In terms of RBI guidelines, the company is required to give consent for disclosure of information regarding all the credit facilities (both fund based and non-fund based) to Credit Information Bureau (India) Ltd. (CIBIL) and any other agency. The company to undertake that they shall submit the required information to the bank which can be disclosed to CIBIL or any other agency authorized who may process the information and use the data disclosed by the bank in the manner deemed fit.
- v. That for default in observation of borrowing covenants / terms & conditions of the sanction, penal interest @2% above the normal rate to be recovered for the amount / period of default.
- vi. That the Bank shall have the right to withdraw or modify all / any of the sanctioned conditions or stipulate fresh conditions, under intimation to the borrower.
- vii. Borrowing Company as well as guarantors shall undertake that no consideration, whether by way of commission, brokerage, fees or in any other form, will be paid by the former or received by the latter, directly or indirectly.
- viii. If the borrower does not submit necessary financial papers/documents/information within three months of the due date of the review, its rating after the expiry of the said three months would be downgraded by one step from its previous credit rating, and interest charged as per downgraded rating, till the case is got renewed from the competent authority.
- ix. Undertaking shall be obtained from the Borrowing Company giving the bank a right /option to unconditionally cancel the limit at any time without giving notice to the borrower.
- x. Any change in rate of interest and service charges etc. in future will be noticed from the Bank's Notice Board and/or through press release to some national dailies and Bank is not required to give separate information in this regard.
- xi. The company to provide affidavit that none of the Directors is on the defaulters list and undertake not to induct on the Board a person who has been identified as a willful defaulter as per RBI directions / guidelines or banks guidelines as a Director on the Board. If any Director who is a willful director as per definition, is on the Board of the company or becomes so while being a director on the Board of the company, the company undertakes to get him removed from the Board. The company also agrees to make necessary amendments in their Articles of Association to make the above requirement as ground for removal of directors and furnish a copy of Articles of Association as amended to the bank.
- xii. The Bank through its Retail Asset Branch/Legal Department shall make an arrangement for tie-up with the Borrower Company for extending loans to prospective buyers in the project. Such arrangement shall be suitably advertised in the pamphlets/brouchers to be issued for the project.

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