

Mapusa Branch
Perry Mansion, Talliwada, Mapusa, Bardez, Goa. Tel No 0832-2262548
Email: cbsmapuca@unionbankofindia.com

MAP/ADV/528/2015

Date: 14.10.2015

M/s Boshan Developers Pvt Ltd.
Boshan Homes, C 501/502,
Opp. Shri Bodgeswar Temple,
Mapuca, Bardez Goa 403507.

Dear Sir,

Sub: Sanction of Credit Limits

With reference to your request letter dated 16/01/2015 and subsequent correspondence / discussion we had with you / your representative, we have pleasure in advising you that the competent authority has sanctioned the following credit facilities to you as detailed hereunder for a period of one year subject to periodical review at the Banks discretion, for financing the commercial cum residential project "Shree Shantadurga Sangodikarin Residency" at Bicholim, Goa. The sanction is subject to the following terms and conditions:

[Rs. in Lacs]

Nature of Limit	Amt.	Margin	Int./ Comm.	Security
Term Loan	600.00	69.97%	Base Rate + 4.85% ie 14.50% p.a. at present.	1.Mortgage of project land in survey No.3/20 & 3/34(total adm.4700 sq.mtrs.) and proposed buildings/structures. 2.Hypothecation of the total project receivables.
Total	600.00			

Collateral Security:

Commercial premises on the first floor adm 444.12 sq.m. and on the second floor adm. 444.12 sq.m., along with its proportionate undivided share in the land located in the building 'D' known as "Boshan Homes" constructed on the property bearing Chalta No.3/5, 3/6 and 3/10 of P.T. Sheet No.161, situated at Mapuca, Goa. The property belongs to M/s Boshan Developers Pvt. Ltd, valued at Rs.6.66 Crs. as per valuation report dated 12.12.2014.

Personal Guarantee:

1. Mr. Amir Gaitonde
2. Mr. Kumar S Gaitonde



3. Mr. Omkar Amir Gaitonde
4. Corporate Guarantee of M/s Sumeru Developers Pvt. Ltd.

Specific Terms & Conditions

1. Term Loan shall be disbursed only after completion of all documentation and extension of bank's charge on the collateral security (Boshan Hotel) already mortgaged with us.
2. The project loan is to be repaid in 6 quarterly instalments of Rs.1.00 Crs. after 18 months' moratorium period i.e. from April-June 2017 quarter. Total tenure for the loan will be 36 months and entire loan will be adjusted by Sept 2018 quarter. Interest is to be served as and when debited in the account.
3. Any cost overrun is to be borne by the promoter from their own sources. Undertaking to this effect is to be submitted by the company.
4. Time limit upto 15.11.2015 has been permitted for creation of mortgage of prime security of the proposed term loan. However, the release of term loan shall be made maximum upto Rs.1.50 Crs keeping in view the progress of the project as certified by LIE and after ensuring infusion of equity/ booking advances in the project duly certified by CA. On completion of the mortgage formalities of the prime security of the project (land adm. 4700 sq. mtrs.), further disbursement shall be allowed in the loan account.
5. Banks charges to be registered with ROC within stipulated time.
6. The loan for construction along with margin money shall be disbursed by way of NEFT/RTGS/Demand Draft/pay Order directly in favour of suppliers/contractors. This shall be released in stages, depending upon the progress of the work.
7. Borrower to submit satisfactory evidence viz. quotation/proforma invoice for assets to be purchased/created with Bank finance.
8. The progress of the project shall be monitored by LIE appointed by bank.
9. The borrower should route the entire receipts including the advance sales proceeds of the project through Escrow Account.
10. The bank finance shall be used for development/construction activities and not for speculative activities connected with real state.
11. The release of limit shall be made keeping in view the progress of the project as certified by LIE and after ensuring infusion of equity/ booking advances in the project duly certified by CA on periodic basis.
12. On completion of mortgage, our charges are to be registered with Revenue Authority immediately.
13. The company to disclose in the Pamphlets/ Brochures etc that the property is mortgaged to our Bank.
14. The company would append the information relating to mortgage while publishing advertisement of a particular scheme in newspapers etc.
15. The company has to 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.



16. The progress of the project will be monitored based on LIE report and inspection to ensure that the borrower's request for funds is appropriate for the particular stage of development and in accordance with the pre-determined schedule.
17. 50% of the estimated promoter's contribution to be brought in upfront and CA certificate to that effect to be held on record prior to release of limits.
18. Report of work completed, cost-to-date, construction deadlines and loan funds drawal/ repayment plan vis-a-vis actual, cash inflows, any critical feature in project etc should be compiled by the borrower and to be submitted to the bank at periodic intervals.
19. Company to submit periodic reports regarding the financial position of the firm and accounts receivables and payable to assess the liquidity level and cash flow of the firm.
20. Company to submit External Credit Rating before 31st Dec. 2015.
21. Upfront fee of Rs.6,84,000/- is to be paid before documentation of the loan. Inspection, documentation, vetting and other charges are to be borne by the firm.

General Terms and Conditions

22. No Diversion of funds to sister concern/ associate concerns be allowed. No diversion of funds will be allowed for non business transaction or creation of fixed assets other than the project assets.
23. No inter-transfer of funds within the group, except for genuine trade transaction.
24. Insurance cover equal to at least 110% value of stocks/ machinery/ collateral security in the form of immovable properties, covering risk of riot, earthquake, flood, MD clause Policy(s) should be obtained in the joint names of borrower A/c Union Bank of India Mapusa Branch. A copy of the policy to be submitted to the bank. A list of the current insurance policies along with copies thereof to be submitted to the bank detailing therein the names and addresses of the insurer, brief particulars of goods covered, type of cover, amount of cover and date of expiry of each policy. Insurance policies to contain the agreed bank's clause.
25. Valuation of immovable properties charged to the Bank has to be carried out at least once in 3 years or as and when deemed fit by the Bank through empanelled valuer.
26. Bank's Name Board to be displayed prominently at Business premises / Godowns evidencing hypothecation of stock / Book debts / Machinery to Union Bank of India.
27. Letter of free access and negative lien to be submitted periodically from owners of premises in case goods/ machinery financed by the Bank is kept at third party's factory / go down / premises.
28. The company to submit an undertaking that the promoters agree to bring in additional funds if required to meet shortfall in the means of financing envisaged and or overrun if any in the cost of the project without recourse to institutions. Cost escalation if any in the project has to be met by the borrower from own sources.



29. The company to submit an undertaking from all the promoters for non disposal of shareholding during currency of bank loan.
30. The company should adhere to the implementation schedule submitted to us.
31. Yearly debit balance confirmation to be submitted.
32. **Rate of Interest**
 - a. Is subject to REVIEW from time to time as per RBI directives / Bank's credit policy, without giving prior notice.
 - b. To be charged on monthly rests and to be serviced as and when charged
 - c. Subject to the rating of the customer based on the audited financial, Balance sheet, position and performance, collateral security coverage, conduct of the account, growth in business, achievement of projections and other parameters as prescribed by the Bank.
33. **Penal Interest & Charges**
34. @ 2% over and above the normal rate will be charged (till rectification of irregularities) in the following situations:
 - a. Non-compliance of any Terms and conditions of sanction / renewal of credit facility(s)
 - b. Non compliance of terms of sanction: till such time the terms are complied with
 - c. Non Submission / delayed submission of Stocks / Book Debt Statements (submitted after 15th of the subsequent month)
 - d. Non submission of Audited financials before 15th of November every year. Penal interest to be charged from 15th November till the date of submission.
35. All expenses Relating to title clearance certificate from Bank's empanelled Advocate, valuation of securities (prime + collateral) by Empanelled valuer, inspection(s) carried out by Bank's official/ internal Auditors/ Statutory/ Concurrent/ RBI / Stock Auditors, registration of charges with ROC, etc are to be borne by the borrower.
36. Creation / Modification of charge(s) with Registrar of Companies on the assets charged to Bank is to be registered within 30 days of executive of documents in case of corporate clients. Creation / Satisfaction charges to be recovered as per the extant guidelines of the Bank + actual if any.
37. Search report confirming registration of charge to be submitted to the bank.
38. **Credit Report / Search Report**
 - a. Bank is at liberty to call/ give confidential / credit report to / from any Bank / Financial institution(s), on the borrower firm/ company and its related / sister/ associate concern(s) and also to obtain credit report from Credit Information Dept. annually.
 - b. Credit reports will be obtained from State Bank of India, Corporation Bank, Madgaon Urban Co op Bank, Syndicate Bank on the company and its Directors. The same should read satisfactory.



39. CIBIL

- a. Bank is at liberty to pass on any information about the borrower/ guarantor(s) to credit information Bureau of India Ltd. (CBIL) for onward collection. Processing and sharing of credit information on the borrower/ guarantor(s) among various Banks / Financial Institutions. A consent letter to be submitted to this effect.

40. Limit Cancellation

- a. Bank's advance(s) is / are repayable on DEMAND and may be recalled/ cancelled / modified without giving prior notice and Bank's reserves its rights to recall/cancel/modify/ freeze the credit facility(s) if subsequently it is found that the information/ papers submitted by you is/are false/ incorrect and same is prejudicial to the interest of the Bank & it could have affected Bank's decision in sanctioning / continuing the credit facility(s) to you.
41. The facility(s) will lapse/ be terminated if it is not utilized within 3 months from the date of sanction and have to be revalidated depending upon the merits of the case.
42. Each of the following events shall, inter alia, constitute an Event of Default (EOD)
- o Failure by the Borrower to pay any amount due and payable to banks e.g installment of term loan, servicing of interest on term loan/working capital limit.
 - o Delay in achieving commercial operations beyond the estimated COD
 - o The borrower ceasing or threatening to cease to carry on its business
 - o Non compliance of any term or condition stipulated by bank.

Upon the occurrence and continuance of an EOD, all amounts outstanding under the facility shall be immediately due and payable and the Bank may:

- o Impose penalty @ 1% p.a on each default subject to maximum penalty of 2% over and above the stipulated interest rate on entire loan amount for the period of default.
- o Exercise powers to recall the advance and take recovery action including action under the SARFAESI Act 2002
- o Suspend or terminate all undrawn commitments and enforce the Security
- o Demand cure of the default

The Bank also reserves the absolute right to recall the advance in case of:

- o Limits not being utilized by borrower, misutilised or,
- o Deterioration in the loan accounts in any manner whatsoever, and/or
- o Non-compliance of terms and conditions of sanction



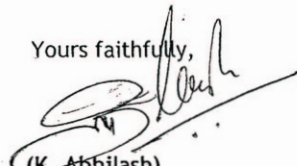
- o Continuous excess in the cash credit/other working capital limits
43. **Inspection**
- a. Periodical inspection of prime / collateral securities will be conducted by the branch officials and or internal/Statutory/ RBI auditors.

The above limits, sanctioned in your favour are valid for a period not exceeding 12 months and will fall due for review in the month of October 2016. For this, you are required to submit your formal request with the latest Audited financials, projections etc. latest by August 2016. The sanction is subject to review/interim review from time to time as the Bank thinks fit. The limits are also subject to usual provision that the advances are repayable on demand. The rate of interest to be charged is subject to Bank's BASE rate fixed from time to time depending on the directives of RBI or the policy of the Bank. No separate notice will be issued by the Bank to the Borrower / Guarantor for such revision.

Please sign the duplicate copy of this letter in token of your agreeing to the terms and conditions stated above and call on us to comply with formalities and to execute the security documents.

Thanking you,

Yours faithfully,


(K. Abhilash)
Branch Manager

ACCEPTED THE ABOVE TERMS & CONDITIONS

(Authorised Signatories)

