Guidelines for Marketing Payment Schedule:

Definitions:

(a) DSS – Date of Start of Sales, generally Date of Start of Pre-Launch
(b) DSC – Date of Start of Construction, generally Date on which excavation commences

(1) At least 7 days prior to pre-launch, the Planning / PCA department will send the "Marketing Schedule" to Marketing/Sales Strategy Project Incharge

(2) Concept Schedule shall be used to prepare the Marketing Schedule.

(3) Marketing Schedule = [Concept Schedule + Buffer Period (as defined below)]

(4) Buffer Period: Period to be added to Concept Schedule, to arrive at Marketing Schedule

No. of levels (from lower most basement)	Buffer period to be added to Concept Schedule for Marketing purposes
<= 10 levels	3 months
11- 25 levels	4 months
26 – 40 levels	5 months
40 levels +	6 months

Note: it is to be noted that a separate 'Unforeseen Construction Factors Buffer' (as per norms stated in 'Schedule Preparation Management Policy') is already added to the Construction Baseline Schedule to arrive at the Concept Schedule.

(5) Buffer period is not to be added only at the end but is to be distributed across key milestones.

(6) It should be ensured that for any building (including bungalow/row house), the minimum committed marketing possession date shall not be less than 2 years from the date of start of construction.

(7) In any given marketing project (MP), no more than 100 units should be planned for possession in the 1st month that possession starts and no more than 200 units (300 units in case of Casa MP) should be planned for possession in any given month thereafter. This may mean that a given wing/plant may have possession date of multiple month eg. 'May - June 2016' or 'May - July 2016'.

(8) Sales Strategy / Marketing can modify the Payment scheduled one or multiple times during the course of sales of a wing / plant to suit market conditions and drive sales by modifying the % for any milestone. Any change should be compared in terms of impact on NPV (@ DSS) vis-à-vis the payment schedule issued by Planning / PCA. (Note: If any milestones are to be added / deleted, same is to be done by Planning / PCA based on Marketing/Sales requirement).

(9) Customer Care shall be the final repository of the applicable payment schedule for each unit. In case of any dispute, the records available with Sales Strategy shall prevail.

(10) Marketing Payment Schedule should be setup to maximize the NPV (@ DSS) of the inflow from the unit sale (subject to what the market is willing to accept). Following guidelines can be followed for payment schedule during Launch Phase (i.e. pre-launch to launch + 6 months)

a. For Sale Wings:

Stage #	Payment Milestone – On Initiation of	% of Consideration Value (CV)*
1	Booking Amount I	Approx. 2% of the lowest price of each typology (rounded off to nearest thousands or lakhs, which is multiple of 9. To be decided by Sales Strategy).
2	Booking Amount II - 21 days from Booking	Fixed amount, calculated by Sales Strategy (SS) at start of each activation / quarter, which approximately equals 10% of the CV of the median unit (can differ for different units if their Gross Weights are > 20% apart). As far as possible, the amount for this installment (along with all applicable taxes) should be rounded off to the nearest 25,000/- so that it is easy to remember.
3	45 days from Booking	19.9% - (less) Booking Amount I & II
4	*Period between 2.5 to 4 (max. 5) months from Date of Start of Sales (DSS):* Various RCC stages which occur during this period	22.6% (Max. 3 Milestones)
5	*Period between 4 (max. 5) to 16 (max. 17) months from DSS:* Various RCC stages	If Marketing Schedule from start of Construction to Offer for Fitouts: i) <= 30 months: 45% (Max. 6 Milestones) ii) 30.1 months – 42 months: 37.5% (Max. 5 Milestones) iii) 42.1 months+: 30% (Max. 4 Milestones)
6	*Period between 16 (max 17) months from DSS to 15 months prior to Fitouts:* Various RCC stages	Balance other than 7, 8 and 9 i.e. If Marketing Schedule From start of Construction to Offer for Fitouts: i) <= 30 months: 0% ii) 30.1 months – 42 months: 7.5% (1 Milestone) iii) 42.1 months+: 15% (Max. 2 Milestones)
7	Internal Brickwork / Partitions	5% (1 Milestone)
8	Plumbing Works	5% (1 Milestone)
9	Offer for Fitout Possession*	5% (1 Milestone)

Additional wing-level milestones for which targets shall be set and CM achievement tracked (not informed externally to customer) by Planning:

(11) Handover of Entrance Lobby to HFM / Hospitality

(12) Handover of Lift shafts to Lift contractor

(13) Handover of MEP shafts to MEP contractor

(14) 80% of units in wing closed (i.e. windows and main door installed)

(15) Handover of Clubhouse to HFM / Hospitality (not part of wing-wise tracking, applicable as single event)

*Note: Offer for Fitout Possession will carry 3x weight of all other milestones for the purpose of target achievement tracking and shall be sub-divided into:

a. Initiation of snagging by FM, post CM confirmation that the said units are ready (as per policy, in groups of ½ to ¼ of total no. of floors in the wing) (1/3rd)
b. Completion of OC related requirements (See 'Occupation Certificate Requirements' liaison policy for target requirements and timelines thereto) (1/3rd)
c. Offer for fitout possession (1/3rd)

Notes:

(a) Generally, first 3 milestones are construction independent (i.e. fixed time). All others are linked to construction. However, in case of 'Under Construction Inventory', said payment schedule shall be modified to ensure that payment in first 4 months from booking is between 30-40% and then balance is as per (c) and (d). In case of 'Mature Inventory', possession linked payment schedule (eg. 20:80 can be considered) with effective implementation such that customer has to pay stamp duty also just before possession.

(b) Final RCC stage should not exceed initiation of ~90% of total no. of slabs in the wing

(c) Amount linked to any stage should generally not be less than 5% and not exceed 12.5% (can be upto 20% in case of construction independent (i.e. fixed time) milestones). **Generally quantum of each demand should be kept at 7.5% or higher to avoid too many demands (each demand leads to significant follow-up cost and coordination). Overall, total no. of demands for a wing should be at 15 or lower (including Booking Amount Installments).**

(d) Milestones should be set such that no demand is raised in less than 29 days from the previous demand.

(e) In case of milestones 7 and 8, Planning / PCA should work with CM to ensure that they are initiated as soon as possible. Any delay would be a loss of NPV.

(f) Payment schedule should be issued with following note "*The initiation of any given stage shall lead to the linked payment becoming due, irrespective of whether the stages stated prior to it have been initiated or not. Payments are to be made within __ days of demand being raised and any late payments shall carry interest as per the terms of the Application Form / Agreement for Sale or Lease."*

(g) * *For definition, see* 'Standard Components of Unit Consideration' sales strategy policy.

(h) The aforesaid milestone target dates are to be set by Central Planning for all habitable plants (sale or non-sale) with approval of COO, 7 days prior to start of construction or start of sales (pre-launch, if applicable, or launch), whichever is earlier

Samples Payment Schedule:

70 storey wing with construction period of ~52 months. Const Start: July 2015; Sales Start: August 2015. Median CV is 6 Crores

Milestone (Initiation of -	%age of CV	Likely Dates**	Milestone group No.^
Booking	9,00,000		1
Within 21 days of Booking	60,00,000		2
Within 45 days of Booking	19.9% - (less) 69,00,000		3
Foundations	12.5%	Nov-15	4
RCC works for Basement 3	10.1%	Jan-16	4
RCC works for Basement 1	7.5%	Apr-16	5
RCC works for P0	7.5%	Jul-16	5
RCC works for P4	7.5%	Oct-16	5
RCC works for Level 7	7.5%	Dec-16	5
RCC works for Level 22	7.5%	Jul-17	6
RCC works for Level 60	7.5%	Sept-18	6
Internal brickwork / partitions	5.0%		7
Plumbing Works	5.0%		8
Offer for Fitouts	5.0%	Dec-19	9
	100%		

** For internal understanding / tracking only. Customers are generally made aware of expected dates for next 1-3 milestones by CC.

^ For purposes of explanation only; not to be used in Marketing Schedules issued by Planning / PCA.