



'Popular House', Ashram Road, Ahmedabad - 380 006
Phone: (079) 26585106, Fax (079) 26583223 e-mail: bo0960@pnb.co.in

22nd November 2016

Mr. Manish Shah
Managing Partner,
True Value Infraworld Limited Liability Partnership,
(PAN No. AAKFT2017L)
True Value House, Opp. Sundarvan Nr. ISRO, Satellite Road, Satellite
Ahmedabad

Reg: Sanction Of Credit Facilities For Your Project "East Ebony"

This has reference to the proposal dated 12.10.2016 for the captioned project and subsequent clarifications latest dated 28.10.2016. It gives us pleasure to inform you that, ZOCAC in its meeting dated 22.11.2016 has approved as under:

A. Sanction of:

- Fresh Term loan of Rs. 50.00crs for construction of 55 residential high end luxurious units under the project name of **East Ebony** on Land situated at East Ebony, F.P. no. 96, 278, TP no. 50, Behind Rajpath Club, Near Shaligram House, Off S. G. Road, Bodakdev, Ahmedabad, Gujarat having total saleable area of 358727 Sq. Ft.

B. Pricing:

(i)	MCLR 5 years (9.55%) + 2.90% i.e. 12.45% p.a., as applicable
(ii)	Upfront fees - As applicable
(iii)	Other charges - As applicable.

C. Other Approvals are as under:

Permission for Part release of security to facilitate the sale of residential units & execution of sale deed in favour of the buyer.

D. Project Stands Approved for Housing Finance to Individuals as per bank norms.

The above is approved on the terms and conditions as per Annexure-1 and additional stipulations mentioned below:

- The firm to submit NA permission for the piece of land of 17 sq mt before disbursement.
- The firm to ensure that Plan Approval upto 11th Floor is duly received and held on record.
- The firm to ensure that the debts are availed in stages and at all time DER be maintained.
- During July to Oct 2016 there was almost no progress in the project, looking at the cost incurred in the project was almost same. The progress be submitted at the earliest

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5. Promoters contribution to be increased upto the level of Rs. 43.00crs so that margin of 25% be maintained.
6. The firm to obtain to necessary statutory approvals has been obtained by the party before disbursement of loan.
7. The Firm to submit CA certificate for fund raised & deployed on quarterly basis to ensure that promoter has inducted sufficient fund in the project at least 40% upfront & thereafter on pro rata basis to the extent as proposed in the project cost & term loan disbursed to the company.
8. The branch to obtain project completion certificate duly certified by LIE/CA for fund raised & deployed on completion of project i.e. date of commencement of operation and also ensure that promoter has inducted funds in the project as proposed in the project cost.
9. Any increase in Cost of Project due to increase in ROI/other factors will be borne by the promoters from their own sources.
10. The firm that the ERR is obtained within 6 months of sanction.
11. Promoters to submit certificate from CA to have inducted their contribution in the project.
12. The entire sale proceeds from the project be deposited in an escrow account with our Bank.
13. The builder/developer/company would disclose in the Pamphlets/ Brochures etc., the name(s) of the bank(s) to which the property is mortgaged.
14. The builder/developer/company would append the information relating to mortgage while publishing advertisement of a particular scheme in newspapers/magazines etc.
15. 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.
16. Undertaking to be submitted by the party that in case of any shortfall in receipt of booking amount, the shortfall amount shall be brought in by the promoters.
17. An undertaking to be obtained from the borrower (Lessor) to the effect that the loan taken under the scheme shall not be utilized for speculative purposes.
18. The firm to ensure that the advance from customers should be brought proportionately vis-à-vis disbursement of loan.
19. Branch to explore possibility of getting the ancillary business through cross selling.
20. Firm to confirm that
 - Fund required for the ongoing & upcoming projects have been tied up and there is no time and cost overrun in the projects.

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- The account of the Associate/Allied/Group concern is continuously running regular and no restructuring has been done by the lender.
21. Firm to submit monthly statement showing detail of flat sold, advances received/balance to be received from the buyers. They shall be examined to ensure that:
- Amount received against individual flats and the date of depositing the amount in the ESCROW should be reconciled.
 - That NOC have been obtained for the flats sold
 - Amount receivable from buyers is more than the amount of loan outstanding at all times.
22. Firm to ensure that present demonetization scheme by Govt does not have any adverse effect on the Project
23. Firm to Submit NEC from Bank's approved Counsel in respect of the IPs and ensure that valid and enforceable EM/registered Mortgage of IPs can be created.
24. Lender Engineer shall be appointed to the satisfaction of the bank to ensure proper end-use of funds & vetting of progress for completion of project.
25. Due Diligence from Bank's empanelled CA/CS to be obtained before release of facility.

Detailed Terms and conditions are enclosed.

Please ensure strict compliance of all the terms and conditions as mentioned above. Further, in case, any discrepancy is observed, the same may be brought to our notice immediately.

Sr. Manager
(Ashwin Dhingere)

Asstt Gen Manager
(Nitil Pandya)

APPENDIX - I

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APPENDIX – I

DETAILED TERMS AND CONDITIONS OF SANCTION

ACCOUNT: M/s True Value Infraworld Limited Liability Partnership (LLP) BO: Ashram Road, Ahmedabad

Facility No.	01		
Nature	Term Loan (Fresh)		
Purpose	For construction of Residential Housing project with project cost of Rs.172.00Cr		
Amount	Rs. 50.00 Crs (Rs. Fifty Crore Only) (Fresh sanction) under sole banking		
Margin	Minimum 70.93% Margin maintaining Debt to asset ratio of 50.00: 172 at all the time during disbursement.		
Interest	MCLR (5years) + 2.90% i.e. 12.45 % p.a. presently subject to change time to time, with monthly rests as per bank's/ RBI guidelines.		
Repayment	Entire term loan of Rs. 50 crore is repayable in 30 monthly instalments starting from March'2019. However, interest and other charges (if any), shall be recovered as and when debited in the term loan account.		
Part release of security	To facilitate the execution sale deed in favour of Buyer, for part release of the security, the company to repay Rs.1400 per Sq.Ft. Term loan instalment already paid is also be taken in to account for the purpose of release of security/ issuing Non encumbrance/ no objection certificate.		
Security Primary	Security Description	Ownership	Realisable value
	1.First Part Passu charge on Land & Building including P&M situated at East Ebony, Behind Rajpath Club, Near Shaligram House, Off S. G. Road, Bodakdev, Ahmedabad, Gujarat admeasuring 8804.95 sq. yards.	True Value Infraworld LLP	Land 41.05 Cr Building 97.18 Cr
	Total		138.23
	Nil		
	Personal Guarantee of following Directors		

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	Sr. No.	Name of Guarantor	Relationship with borrower	Net Means	Immovable property	Date of confidential report
				Present	Present	Present
				as at 30.6.16	as at 30.06.16	at
	1.	Shri Manishbhai Shah	Designated partner	14.30	17.10	23.09.2016
	2.	Shri Hardayalbhai Mansani	Designated partner	10.35	18.00	23.09.2016
Insurance	: The borrower shall get the above assets insured against all risk at their own cost with usual bank clause. A copy of the insurance policy will be kept on bank's record also.					
Disbursement:	1. Before disbursement company to submit approved plan of the project. 1. As far as possible, the payment shall be made directly to the suppliers, supported by Civil engineer/ architect certificate/report and / or CA certificate for the expenses incurred.					
Draw Down:						Cumulative
Schedule	Period of Draw Down			Disbursement		Disbursement
Quarter-wise	Quarter Ending December 2016			12.00		12.00
	Quarter Ending March 2017			5.50		17.50
	Quarter Ending June 2017			4.50		22.00
	Quarter Ending September 2017			4.50		26.50
	Quarter Ending December 2017			4.50		31.00
	Quarter Ending March 2018			5.50		36.50
	Quarter Ending June 2018			4.00		40.50
	Quarter Ending September 2018			3.50		44.00
	Quarter Ending December 2018			4.00		48.00
	Quarter Ending February 2019			2.00		50.00
	TOTAL			50		
	Any change in draw down schedule is required 15 days' notice prior to scheduled dates.					
Repayment Default	: Penal interest @ 2% over and above the normal rate to be recovered for the amount / period of default.					
Escalations	: The borrower shall meet such costs, if any, from its own sources and shall not ask for any additional term loan from the bank.					
Pre-payment Charges	: Pre-payment penalty @ 1% to be levied if Term Loan is repaid by taking loan from other banks/ FI. No pre payment to be levied if the prepayment is made in full from the internal accruals / project revenue.					
Nameplate	: Bank's name plate, evidencing hypothecation of security / asset to be					





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Others	prominently, displayed where the securities charged to the bank are kept. (i) The unsecured loans / sponsor support shall be subordinated to our Term Loan. (ii) With progress of project, it should be ensured that all necessary statutory and other approvals/permissions have been obtained by the company. (iii) The builder/developer/company would disclose in the Pamphlets/Brochures etc. the name(s) of the bank(s) to which the property is mortgaged. (iv) The builder /developer/company would append the information relating to mortgage while publishing advertisement of a particular scheme in newspapers/magazines etc. (v) 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.
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OVERALL TERMS AND CONDITIONS (FOR ALL THE FACILITIES)

1. The borrower to deal with our Bank exclusively and shall not open current account/s with any other bank without our prior permission and shall route all sale transactions through our bank. The borrower's entire business relating to their activity including deposit, bills, foreign exchange, merchant banking etc. should be restricted only to our bank.
2. No commission to be paid by the borrowers to the guarantors for guaranteeing the credit facilities sanctioned by the Bank to the borrowers. An undertaking to this effect to be obtained from the borrowers as well as guarantors.
3. The borrower to furnish to the branch the required financial information, on the prescribed performa, within 10 days/ or within the specified period, as specifically permitted, to enable the branch to submit quarterly review sheet or PMS (wherever applicable) to the Bank's higher office.
4. Borrower shall pay upfront fee, documentation charges, inspection charges, commitment charges and other charges as per Bank's Scheduled Charges.
5. The borrower shall not undertake expansion/diversification/modernization (except those investments accepted in CMA data) without obtaining prior permission of the bank and without proper tie-up of funds. Similarly, no investment shall be made in associate/allied/ group concerns without prior bank permission.
6. Friends/relatives from whom the unsecured long term loans of Rs. 29.00 Cr (As per CMA) have been raised shall provide an undertaking that they shall not withdraw these loans during the currency of the bank loan and the borrower shall undertake not to allow their withdrawal without prior permission of the bank.





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7. Monies brought in by principal shareholders/directors will not be allowed to be withdrawn without the Bank's permission.
8. The Bank or its authorized officials or other representatives will have the right to carry out periodical inspection or examine the books of accounts of the borrower and to have their factories/offices/assets inspected from time to time by officers of the Bank and/or outside consultants and the expenses incurred by the Bank in this regard will be borne by the borrower.
9. 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. Borrower shall undertake to give their acceptance to these stipulations.
10. Bank's charge over primary/collateral securities wherever applicable to be got registered/modified with ROC within the stipulated period of 30 days, as per requirements of Companies Act/LLP Act, and certificate of registration of charge to be obtained and kept on record.
Search Report shall be obtained every year and/or on each registration/modification of charge and cost in this respect to be borne by the company.
11. In case the company commits default in the repayment of loan/advance or in the payment of interest thereon or any of the agreed installments of the loan on due date, the bank, CIBIL and/or Reserve Bank of India will have an unqualified right to disclose or publish the names of the company and its directors as defaulters in such manner and through such medium as the bank/RBI in their absolute discretion may think fit.
(Consent of borrowers and guarantors in terms of LA cir. No.100/2002 be obtained).
12. During the currency of bank's credit facilities, the borrower shall not, without the prior approval of the Bank in writing:
 - a.) Permit any transfer of the controlling interest or make any drastic change in the management set up.
 - b.) Divert/utilize Bank's funds to other sister/associate/group concerns or for purposes other than those for which the credit facilities have been sanctioned.
13. Margins/rates of interest are subject to revision from time to time at the sole discretion of the Bank.
14. The Bank shall charge penal interest under the following circumstances:
 - Default in repayment of Term Loans/DPG installments.
 - Irregularities in TL Account.





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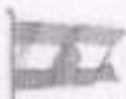
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- Non-submission/delayed submission of quarterly review sheet information after 6 weeks from the close of the quarter concerned.
 - Non/delayed submission of review proposal with audited Balance Sheet, and statement of assets and liabilities of the guarantors after 9 months from the date of sanction.
 - Default in observance of borrowing covenants/terms and conditions of the sanction.
 - Any other eventuality/situation to be decided by the bank.
15. The borrower shall execute all necessary legally enforceable loan documents, as per bank's guidelines. Documents will be drafted/vetted by banks' counsels at borrower's cost.
- (Certificate from bank's approved counsel confirming proper and valid execution of documents/securities to be obtained by the bank to be kept on record)
16. Common seal of the LLP shall require to be affixed on the documents to be executed in terms of the provisions of the LLP Agreement.
17. We will ensure compliance of instructions in terms of LA Cir. No.99/2011 regarding Legal Compliance Certificate to be submitted to ZO.
18. Borrower shall give acceptance of terms & conditions as per letter of sanction which will form part of documentation and be placed on bank records.
19. All guidelines w.r.t. to Law Division cir no 11/2014 be adhered to.
20. Party to submit necessary documents/information for review of the term loan and pay the applicable Review charges as per Bank's guidelines failing which penal interest will be charged.

I. Mandatory Covenants:

1. The borrower should maintain adequate books of accounts. As per applicable accounting practices and standards, which should correctly, reflects its financial position and scale of operations and should not radically change its accounting system without notice to the Bank.
2. The borrower should submit to the bank such financial statements as may be required by the Bank from time to time in addition to the set of such statements to be furnished by the borrower to the bank as on the date of publication of the borrower accounts.
3. In case of default in repayment of loan/advances or in the payment of the interest thereon or any agrees installments of the loan on the due date(s) by the borrower, the Bank and/or the RBI will have an unqualified right to disclose or publish the borrowers name or the name of the borrower/unit and its directors/partners/proprietors as defaulters/willful defaulters in such manner and throughout such medium as the Bank or RBI in their absolute discretion may think fit.
4. 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.





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5. The borrower should not induct into its Board as person whose name appears in the willful defaulters list of RBI/CICs. In such case a person is already on the Board of the company, it would take expeditious and effective steps of removal of that person from its board. Nominee directors are excluded for this purpose.
6. 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 interests.
7. 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.
8. Bank will have the right to examine at all times the borrower's books of the accounts and to have the borrower's factories inspected. From time to time by the officer(s) of the bank and/or qualified auditors and/or technical experts and or management consultants of the Bank's choice. Cost of such inspection shall be borne by the borrower.
9. After provision of tax and other statutory liabilities, unless expressly permitted otherwise, the bank will have a first right on the profit of the borrower for repayment of amounts due to the bank.
10. 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.
11. Effect any change in the borrower's capital structure where the share holding 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 firm 'promoters' would mean managing partner for the purpose of this covenant.
12. The borrower will utilize the funds for the purpose they have been lent. Any deviation will be dealt with as per RBI guidelines.

Further, It may be specifically indicated that the breach of financial covenants may be considered by lenders as an Event of Default.

13. Each of the following events will attract penal interest/charges as applicable, at rates circulated from time to time, over and above the normal interest applicable in the account.
 - For the period of overdue interest/installment in respect of Term Loan
 - Non submission of Audited balance sheet within 8 months of closure of financial year
 - Non submission/ delay submission of follow up/ review data such as QRS/QMS information, project progress report etc. wherever stipulated, within due date.
 - Non submission of review/ renewal data at least one month prior to due date.
 - Non- obtention of External credit risk rating from agency approved by RBI.





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II Mandatory Negative Covenants:

1. 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).

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

2. Formulate any scheme of amalgamation or reconstruction.
3. Undertake any new project, implement any scheme of expansion/diversification or capital expenditure or acquire fixed assets (except normal replacements indicated in fund flow statement submitted to and approved by the bank) if such investment results into breach of financial covenants or diversification of working capital funds to financing of term loan assets.
4. Invest by the way of share capital in or lend or advances funds to or place deposits with any other concern (including group companies), normal trade credit or security deposits in ordinary course of business or advances to employee 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.
5. Enter into borrowing agreement either secure or unsecure with any other bank, financial institution, company or otherwise or accept deposits which increases indebtedness beyond permitted limits, stipulated if any at the time of sanction.
6. Undertake any guarantee or letter of comfort in the nature of guarantee on behalf of any other company (including group companies).
7. Declare dividends for any year except out of profits relating to that year after making all due and necessary provisions any 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.
8. Create any charge, lien or encumbrance over its undertaking or any part thereof in favor of any financial institution, bank, company, firm or persons.
9. Enter into any contractual obligation of a loan term nature or which, in the reasonable assessment of the bank, is detrimental to lender's interest, viz. acquisitions beyond the capacity 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. Undertake any trading activity other than sales of products arising out of its own manufacturing operations. (Not applicable in case finance is for trading activity only.)
11. Permit any transfer of controlling interest or make any drastic change in the management set-up including resignation of promoter directors.
12. Repay monies brought in by the promoters/ directors/ principal share holder and their friends and relatives by way of deposits/ loan/ advances. Further, the rate of interest, if any, payable on such deposits/ loans/ advance should be lower than the rate of interest charged by the bank on its term loan and payment of such interest will be subject of regular repayment of installments to term loans granted/ deferred payment/ guarantees executed by the bank or other repayment obligations, if any, due from the borrower to the bank.





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13. 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.
14. No commission to be paid by the borrowers to the guarantors for guaranteeing the credit facilities sanctioned by the Bank to the borrowers.
15. Term loan should be regulated through Escrow Mechanism to avoid any kind of diversion of funds.

Sr. Manager
(Ashwin Dhengre)

Asstt Gen Manager
(Niti Pandya)





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BANK OF INDIA GROUP



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Dt. 26/12/2016

Mr. Manish Shah
Managing Partner,
True Value Infraworld Limited Liability Partnership,
(PAN No. AAKFT2017L)
True Value House, Opp. Sundarvan Nr. ISRO, Satellite Road, Satellite
Ahmedabad

Reg: Amendment in Terms & Conditions - M/s True Value Infraworld LLP

With reference to above captioned subject, the sanctioning authority ZOCAC in its meeting dated 26.12.2016 has approved as under:

Permission to release facilities pending NA permission of land admeasuring 17 sq mt subject to compliance of following conditions:

- Company to provide equivalent amount of security for the value of land for which NA permission is awaited (Pre Disbursement condition)
- Since the said parcel of land of 17 sq mt is within the project, Company to ensure that the non conversion of the land for Non Agricultural use does not affect the implementation of the project, independent approachability to the project and land mortgaged to the bank.
- Legal due diligence report may be obtained in this regard that all other land for which NA permission has been received can be mortgaged and valid and enforceable mortgage can be created with us before release of facilities. (Pre Disbursement condition)
- Company to ensure that no construction shall be done from our funds on that parcel of 17 sq mt land till NA is received. Further, NA permission of the 17 sq mt land be obtained latest upto 31.03.2017 as submitted and then valid and enforceable mortgage on the full securities be created and legal report in this regard to be held on record.
- All other terms and condition of last sanction remains same.

Asstt. General Manager



TRUE VALUE INFRAWORLD LLP
Designated Partner

A/c: M/s True Value Infraworld LLP