

**M/s Manglam Build Developers Limited**6th Floor, Apex Mall, Lalkothi, Tonk Road,
Jaipur (Regd. Office)**Dated: 15.02.2017****Dear Sir,****Reg: Sanction of Credit facilities of Rs. 35.00 crore**

As per your request, we are pleased to convey sanction of Term loan of Rs. 35.00 crore on the following terms and conditions:

Facility-I Term loan

Nature of facility	Term Loan – Fresh																		
Amount	Rs.35.00 crore (Rs. thirty five crore only) for “Manglam Tarang”																		
Purpose	Construction of Residential units in Jaipur namely “Manglam Tarang”																		
Primary Security	1 st exclusive charge over land and building situated at 200ft main road Near Muhana Mandi Mansarover admeasuring area of 36602.77 sq mtrs. in the name of the Company M/s Manglam Build Developers Ltd. along with the proposed construction of Rs. 56.41 crore. Presently mortgaged with Bank of Maharashtra. The same shall be released and mortgaged with our Bank prior to release of the facility.																		
Margin	100% for land cost and administrative and marketing expenses & IDC and 38% for civil construction																		
Interest	3.50% (Bank's spread) over 1 year MCLR (present 1year MCLR of the bank is 8.60%) which works out to 12.10% at present with monthly rests, subject to changes in MCLR/ Spread from time to time. Penal Interest @ 2 % p.a. over & above the normal rate on overdue portion shall be charged.																		
Interest Reset, if any	Bank has the right to reset the spread at the time of annual review of the term loan.																		
Moratorium Period	Moratorium period of 36 month from the date of 1 st disbursement.																		
Repayment	Principal repayment shall be made 36 monthly installments as under starting from October 2016. (Rs. in crores) <table><tr><th>Period (FY)</th><th>No of Monthly Installments</th><th>Monthly Installment Amount</th></tr><tr><td>FY 2019-20</td><td>6</td><td>0.97</td></tr><tr><td>FY 2010-21</td><td>12</td><td>0.97</td></tr><tr><td>FY 2021-22</td><td>12</td><td>0.97</td></tr><tr><td>FY 2022-23</td><td>6</td><td>0.99</td></tr><tr><td>Total</td><td>36</td><td></td></tr></table>	Period (FY)	No of Monthly Installments	Monthly Installment Amount	FY 2019-20	6	0.97	FY 2010-21	12	0.97	FY 2021-22	12	0.97	FY 2022-23	6	0.99	Total	36	
Period (FY)	No of Monthly Installments	Monthly Installment Amount																	
FY 2019-20	6	0.97																	
FY 2010-21	12	0.97																	
FY 2021-22	12	0.97																	
FY 2022-23	6	0.99																	
Total	36																		

A/c-Manglam Build Developers Limited**Page 1 of 12**

ORIENTAL BANK OF COMMERCE

(A GOVT. OF INDIA UNDERTAKING)

Umrao Complex, M.I. Road, JAIPUR
Ph. 2376925, 2376638 FAX-2368619**O.B.C****ORIENTAL BANK OF COMMERCE**

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	Interest to be serviced as and when due on monthly basis.
Insurance	The proposed building, mortgaged to Bank shall be comprehensively insured under the agreed Bank's clause for the value under construction. The cost of insurance including annulal premium shall born by the borrower.
Annual Review	The account shall be reviewed on annual basis and applicable review fee shall be recovered.
Upfront fees	50% concession in applicable schedule of charges i.e. 1750000 plus service tax

Other terms & conditions:**1. Meeting Margin Requirements & End use of facilities**

The borrower shall deposit the stipulated margin in the account and the payment shall be made to the supplier directly and the advance amount shall be utilized strictly for the purpose for which it is sanctioned.

2. Invoices

Original invoices or a list of machinery/ equipment etc. duly certified by Chartered Accountant of the borrower along with photocopies of the Invoices shall be kept along with the loaning documents.

3. New Equipment / Machinery

The facility shall be utilized for purchase of new equipment/ vehicles only, unless otherwise permitted.

4. Registration of Land & Mortgage thereof

In case of Term Loan against land & building, loan amount for construction of building shall be disbursed only after the land is registered in the name of the borrower and mortgaged in favor of the Bank.

5. Disbursement

Disbursement shall be made in phases depending on the progress of construction, which shall be verified by the Branch by obtaining suitable evidence and by making periodical visits.

6. Scope of Project

The Borrower shall not change scope of project without prior approval of the bank (lead bank in case of Consortium / JLA accounts).

Personal Guarantee:**(Rs. in crore)**

Name	Status	Net worth	As on
Nand Kishore Gupta	Director / Guarantor	29.65	31.03.2015
Ram Babu Agarwal	Director / Guarantor	10.33	31.03.2015
Vinod Kumar Goyal	Director / Guarantor	22.51	31.03.2015
Rajendra Agarwal	Director / Guarantor	13.08	31.03.2015
Neha Gupta	Director / Guarantor	0.42	31.03.2015

**A/c. Manglam Build Developers Limited**

**O.B.C****Concession approved:**

Upfront Fees	50% concession in applicable charges i.e. Rs. 17.50 lakh plus service tax
CIBIL Charges	1010+ Service tax
Documentation Charges	30000+ Services Tax
CERSAI Charges	100+Service Tax
Other charges, if any	As per bank schedule of charges

Review of existing Term loan:**(Rs. in crore)**

S. no.	Nature of facility	Sanction amount	Proposed limit	Rate of interest
1.	Term loan-I (Manglam Casa Amora)	14.80	13.29	1 year MCLR+3.50%*

- extension of the DCCO of the Manglam Casa Arora Project for a period of 12 months from 31.12.2016 to 31.12.2017 and shifting of repayment of Term Loan to January 2018 which was originally scheduled to start at January 2017.
- Review charges i.e. Rs. 132900 plus service tax recovered.

* Our Bank's effective ROI shall not be lower than the ROI of Union Bank of India.

Pre disbursement Conditions:

1. Prior to release of the facility Branch shall obtain satisfactory Credit Report from all the PSBs and Axis Bank and confirm that all the A/cs are running regular and classified as standard assets with all FIs.
2. Branch to obtain a certificate from LIE before the 1st disbursement and also at each disbursement, confirming therein the requisite statutory approvals required till the date of reporting have been obtained and copies of all necessary permission, clearance, approvals from statutory/ competent authorities for taking up the projects and construction of the building held on record.
3. All projects involving civil construction and falling under seismic Zones III, IV and V are considered vulnerable and as such it must be ensured that the borrower follow the bye laws and regulations as per specifications of BIS and the borrower has to follow NBC code. An undertaking to this effect from the borrower shall be obtained.
4. Escrow account to be opened with our bank. All the booking amounts/ receivables in respect of project will be received by cheque/ draft/ NEFT/ RTGS

A/c-Manglam Build Developers Limited**Page 3 of 12**



- in Escrow account. One month interest shall be maintained during moratorium period.
5. A DSRA shall be opened with our Bank keeping reserve for the amount of interest and installment for one quarter.
 6. Branch to obtain an undertaking from the Company that
 - I. In the event of reduction in project cost on account of any saving of duties/ other taxes, price negotiation, lower contingency or otherwise, there would be pro rata reduction in promoter's contribution/ debt component of means of finance.
 - II. In case of any negative variance in advances from customers, the same will be met by the promoters by infusion of additional owned funds into the system or by raising long term unsecured loans.
 - III. It would disclose the names of the banks to whom the property is mortgaged in the pamphlets/Brochures etc and while publishing advertisement of a particular scheme in Newspaper/ Magazines.
 - IV. The Company should 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.
 - V. During the currency of bank loan, firm shall maintain the financial ratios as per estimates/projections.
 - VI. It shall not invest proceeds from the subject project in any other concern including associate concerns till the currency of Bank's finance.
 - VII. Builder developer company would append the information relating to mortgage while publishing advertisement of a particular scheme in newspaper/magazines.
 7. Branch to ensure compliance of terms and conditions of sanction which are in conformity with those proposed in TEV study, otherwise same be referred to sanction authority for approval.
 8. Collateral security and personal guarantee as per details in the note shall be obtained to cover all the facilities.
 9. Upfront Fee and other charges shall be recovered from the borrower as per schedule of service charges and the concessions approved by the Competent Authority before conveying sanction letter / before disbursement as per system in vogue.
 10. The facilities shall be released only after all the securities are properly charged and all documentation formalities completed in consultation with law Officer.
 11. Branch Certificate of Compliance be got cleared before release of facilities.
 12. Project site shall be got visited by branch manager before disbursement of Term loan.
 13. LIE shall vet the building and cost of civil construction.





14. Company to undertake that unsecured loans from promoter/ director/ friends/ family members/ shareholders and preference share capital forming part of promoter's contribution shall not be withdrawn till the currency of bank loan. The unsecured loan are subordinate to our term loan and are interest free in nature. An Auditor certificate to be obtained from the company for bringing the required margin.
15. Branch shall ensure to obtain an undertaking from the company that during the currency of bank loan, company shall maintain the financial ratios as per estimates/projections.
16. Company shall submit a copy of the properly worded Board resolution accepting the terms of sanction, authorizing them to avail credit limits and also certifying that the proposed credit limits falls within the power delegated to the company and do not violate any other provisions of company law. The resolution should also specify the name of the authorised person who will execute the loan document and under whose signature common seal of the company would be put.
17. The company should provide an undertaking that in case of any cost overrun and shortfall in advance receipts from prospective customers towards the project, shall be met with from own sources without any resources to the lenders.
18. An under taking from the Directors of the company shall be obtained stating that no shares of company are pledged with any bank/FI.

Post Disbursement conditions:

1. A condition is stipulated that the borrower shall keep the external credit rating alive, failing which additional interest @1% shall be charged in the account.
2. Branch shall ensure the overdue in the accounts as per the CIBIL Report of Sri Ram Babu Agarwal and Vinod Kumar Goyal is regularized and the CIBIL score shall be increased.
3. The credit facilities sanctioned to the borrower should be availed within a period of six months of the date of sanction failing which the sanction shall lapse.
4. Branch to explore the possibility for Housing loan under tie up arrangement with our bank.
5. Term Loan will be disbursed in phases as per the project implementation/ cash flow schedule. A certificate from the statutory auditor of the company shall be obtained before each tranche of disbursement ensuring the margin contribution by the company and utilization of fund for the purpose it is sanctioned.
6. In case of Non compliance of Terms & conditions of sanction penal interest of 1% p.a. shall be levied.
7. The Bank reserves the right to withhold disbursement of the loan at any time if in its opinion, there occurs any event that adversely affects the viability of the project or there has been an Event of Default under the Loan Agreement.





8. The borrower shall be advised to take prior permission before giving the corporate guarantee to other companies in future.
9. Branch to obtain SA certificate on quarterly basis that unsecured loan to be maintained as per projections & should not be withdrawn during the currency of bank finance.
10. NOC for sale of flats shall be given by OBC on behalf of the lender and agreement to this effect shall be signed with the other lenders, if any.

Annexure-2**Various undertakings to be obtained from the borrower on letter pad**

The borrower shall undertake:

1. To maintain deposits (unsecured loans) by family members, friends & relatives or directors / partners at estimated / projected level during the currency of the Bank's advance.
2. That the names of Borrower or its Directors/Partners or Guarantors do not figure in any list of defaulters circulated by RBI or any bank and Financial Institution nor the names of partners/directors appear in caution list issued by RBI/CIBIL/ECGC etc.
3. To deal exclusively with our Bank/member banks.
4. To declare dividend only after obtaining approval from the Bank [in case of default in payment of interest/installments of Term Loan].
5. Not to pay any consideration, in whatever form, to the guarantors/guaranteeing directors, either directly or indirectly (except without prior approval of the Bank) for guaranteeing the credit limits sanctioned by the Bank. [Similar undertaking shall also be obtained from the guarantors.]
6. Not to obtain any financial assistance from any other source without express approval of the Bank in writing.
7. Not to effect any change in promoter directors or in the core management team nor any merger/ acquisition/ amalgamation shall be done without express permission of the Bank in writing.
8. Not to extend finance to associate concerns during the currency of the Bank's advance without the Bank's prior written consent.
9. Not to effect any adverse change in the company's capital structure.
10. Not to implement any scheme of expansion/modernization/diversification/ renovation (except normal capex) or sell any fixed assets during any accounting year, except under such scheme, which has already been approved by the Bank.
11. Not to Invest in shares/debentures or lend or advance funds to or place deposits with any other concern except normal trade credit or security deposits in the normal course of business or advances to employees.
12. Not to undertake guarantee obligations on behalf of any other company, firm or person without the Bank's prior permission in writing.





13. Not to effect any upward change in the remuneration payable to the directors either in the form of sitting fees or otherwise. (In case of any default in payment of interest / installment)
14. Not to create any further charge, lien or encumbrance over the assets and properties of the company / firm, charged / to be charged to the Bank, in favour of any other bank, financial institution, Company, firm or person.
15. To confine its entire banking business relating to activity including deposit, bill business, foreign exchange business to our bank / the member banks of the consortium / JLA (as the case may be). In case of Multiple Banking Arrangement, pro-rata share of the banking business shall be routed through our Bank.
16. To keep the Bank informed of the happening of any event likely to have a substantial effect on their profits or business.
17. To maintain adequate books and records which should correctly reflect their financial position and scope of operations and should submit to the Bank at regular intervals such statements as may be prescribed by the Bank in terms of RBI instructions issued from time to time or otherwise. The borrower shall give an undertaking that the Bank reserves the right to periodically inspect their records and books of accounts to ensure the correctness of information furnished by them.
18. To submit Audited Financial Statements etc. to the Bank within the stipulated period of time. The borrower will be liable to pay penal interest in case of any delay in submission thereof.
19. (In cases where the latest audited financial statements of the borrower are not available and the assessment has been made based on the Provisional financial statements certified by the Company's Statutory Auditor)
 - That the adverse variation between Provisional and Audited financial statements shall not be more than 5% in respect of Sales, Networth, Networking capital, unsecured loans (treated as quasi-equity).
20. (Penal Rate of Interest / Prepayment Penalties:
Penal interest over and above the normal interest is applicable in following cases:

Default in repayment of loan installments and / or servicing of monthly interest or as stipulated in the sanction.	2% on irregular portion
Overdrawing / excess drawings in CC/OD account beyond the available drawing power or sanctioned limit including ad hoc/ temporary sanctions.	2% on irregular portion
Overdue Bills (Demand / Usance).	2% for the overdue period.
Non-compliance of terms of sanction	2% till compliance of terms of sanction. Minimum for one month.
Non-submission of Stock / Book Debt Statements, QIS Statements within the	1% from due date till submission of such statement, subject to



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stipulated time period.	minimum of one month
Adhoc Limits (Except Exporters finance & limits up to and inclusive of Rs.2.00 Lacs)	1% on the adhoc portion for the stipulated period of facility.
Non-submission of requisite data for renew/review after the validity period of last sanction / review.	1% till submission of complete renewal proposal on entire outstanding.
Devolvement of LC / BG	2% on the irregular portion / or amount not reimbursed to the Bank.
Prepayment of Term Loans (Taken over by other banks)	2% on the outstanding balance- One time.

- a) Wherever, the limits of Clean Overdraft have been set up, the rate of interest shall be charged @Base Rate + maximum Spread on monthly rests. However, in case the account is overdrawn because of any irregularity for which penal interest is to be charged, and the nature of overdrawing is clean in nature, the maximum rate of interest shall be Base Rate + Maximum Spread + Penal Interest.
- b) In cases where the penal rates are applicable for more than one type of default, the aggregate of such penal rates shall not exceed 2% p.a. subject to the condition that the overall rate of interest including penal charge shall not exceed Base Rate + Maximum spread + 2%.

**A/c-Manglam Build Developers Limited**

**Annexure-3**

General covenants/ terms & conditions to be stipulated & applicable to all facilities:

1. Registration with Central Registry of Equitable Mortgage created

- The branch shall register mortgage with Central Registry within 30 days of creation of the mortgage. Modification of the charge on the property should also be registered with Central Registry as per latest guidelines prescribed from time to time. CERSAI registration charges to be recovered from the borrower.

2. Obtaining Latest Valuation Report

- Branch shall obtain from an approved valuer latest valuation reports of the properties charged to the Bank as per the Bank Policy. The valuation report should show the market, realizable and insurable value of the properties.

3. Obtaining Title Clearance & Non-encumbrance Certificate

- Legal opinion, Non-encumbrance certificate in respect of property to be mortgaged as primary / collateral security shall be obtained in the prescribed format and effective & valid mortgage shall be created before disbursement of credit facilities, unless otherwise permitted by the sanctioning authority.

4. Comprehensive Insurance of Securities

- All the securities charged to the Bank, movable or immovable, shall be kept comprehensively insured with 'Agreed Bank Clause'.

5. Obtaining Undertaking for Payment of Tax

- An undertaking shall be obtained from the owners of the properties mortgaged to the Bank that there are no arrears of tax including interest leviable thereon under various provisions of Income Tax Act, against them.

6. Recovery of Process fee and other charges

- Process fee, documentation charges and other charges shall be recovered as per schedule of charges subject to concessions approved if any. Sanction shall be conveyed to the borrower only after recovery of process fee as per guidelines of the Bank. The Bank reserves the right to withdraw the concessions granted (if any) without assigning any reason.

7. Statutory / Regulatory Permissions

- All statutory and/or regulatory permissions from local or other competent authorities shall be obtained by the branch/borrower (as applicable)



**8. Registration of Charge with ROC**

- The charge shall be got duly registered/ modified (as applicable) with the Registrar of Companies within the prescribed time limit

9. Obtaining latest CRs of Directors / Guarantors / Proprietor / Partners

- Latest CRs of the directors/guarantors/proprietor/partners to be compiled and a copy thereof to be submitted to Head Office/Regional Office, if not already submitted.

10. Monitoring Officer

- Monitoring officer shall be nominated by the Regional Office. The designated Credit Monitoring officer shall submit regularly quarterly/monthly reports, as applicable, to H.O. /R.O. as per the laid down guidelines.

11. Financial Tie-up

- The increase in limits is to be made effective only when share of other banks is tied up, unless otherwise approved and all terms of sanction are complied with.

12. End-use of facilities sanctioned

- Advance/Facility sanctioned shall be used for the specific purpose for which it is sanctioned and not for any other purpose. End use of the funds/facility shall be ensured by the Branch.

13. Display of Bank's nameplate

- Bank's nameplate shall be affixed on all the assets charged to the Bank.

14. Pending Inspection / Audit irregularities

- All pending inspection/audit irregularities shall be got rectified.

15. Pollution control clearance

- The Borrower shall ensure that the NOC/Clearance/permission of the Pollution Control Board is obtained and renewed from time to time, wherever applicable.

16. Search Report

- Search report in respect of charges already created shall be kept on record.

17. Credit Risk Rating

- The borrower shall take steps to improve the credit rating under all relevant parameters. The Bank Reserves the right to increase the rate of interest on advances to the borrower in case of any downgradation in the external / internal credit risk rating of the borrower during the currency of the loan.



**18. Non-induction of long term funds / withdrawal of unsecured loans**

- Penal interest of 2% over and above the applicable rate shall be levied from the date of sanction if the borrower does not introduce the long term funds or level of unsecured loans is not maintained (as per terms of sanction) which affects the agreed / benchmark ratios.

19. Change in Ownership / Management of the borrower

- Prior permission of the Bank in writing shall be obtained in case any change is effected in the ownership pattern / management structure of the borrowing entity. The Bank reserves the right to recall the advance in case any change in ownership pattern / reconstitution / management structure is effected without obtaining Bank's prior approval in writing. (The management change could be either change in Promoter / Promoter Director or the core management team)

20. Undertaking about legal heirs

- Branch to obtain an undertaking on affidavit about the names, age and addresses of legal heirs of the borrower / obligants / guarantors, which shall be recorded and updated from time to time.

21. Declaration from Borrower / Guarantor to provide information to CIBIL / other credit informant bureau

- Necessary documents/declaration from the borrower/guarantors pertaining to Credit Information Bureau of India (CIBIL) shall be obtained.

22. Acceptance of Terms & Conditions of sanction

- The borrower shall be informed of the terms & conditions in writing and acceptance thereof shall be obtained.

23. Pledging of shares to any institution

- The borrower(s)/ promoter(s) shall take prior permission of the Bank before pledging their share of the borrower company for raising finance. While seeking permission in such cases, particulars relating to purpose, amount, rate of interest, terms & conditions, source of repayment etc must be furnished to the Bank.





24. Review / Renewal of Credit Facilities

- Renewal / Review exercise of Credit facilities should begin two months prior to the due date for renewal / review / expiry of validity of sanction. The borrower shall submit the relevant information / paper accordingly.

Asstt. General Manager



MANGLAM BUILD DEVELOPERS LTD

CORPORATE LOAN - RS. 36 CRORE - REPAYMENT SCHEDULE

Sl.No.	Principal due on	Principal instalment
1	01/07/2015	7500000
2	01/08/2015	7500000
3	01/09/2015	7500000
4	01/10/2015	7500000
5	01/11/2015	7500000
6	01/12/2015	7500000
7	01/01/2016	7500000
8	01/02/2016	7500000
9	01/03/2016	7500000
10	01/04/2016	7500000
11	01/05/2016	7500000
12	01/06/2016	7500000
13	01/07/2016	7500000
14	01/08/2016	7500000
15	01/09/2016	7500000
16	01/10/2016	7500000
17	01/11/2016	7500000
18	01/12/2016	7500000
19	01/01/2017	7500000
20	01/02/2017	7500000
21	01/03/2017	7500000
22	01/04/2017	7500000
23	01/05/2017	7500000
24	01/06/2017	7500000
25	01/07/2017	7500000
26	01/08/2017	7500000
27	01/09/2017	7500000
28	01/10/2017	7500000
29	01/11/2017	7500000
30	01/12/2017	7500000
31	01/01/2018	7500000
32	01/02/2018	7500000
33	01/03/2018	7500000
34	01/04/2018	7500000
35	01/05/2018	7500000
36	01/06/2018	7500000
37	01/07/2018	7500000
38	01/08/2018	7500000
39	01/09/2018	7500000
40	01/10/2018	7500000
41	01/11/2018	7500000
42	01/12/2018	7500000
43	01/01/2019	7500000
44	01/02/2019	7500000
45	01/03/2019	7500000
46	01/04/2019	7500000
47	01/05/2019	7500000
48	01/06/2019	7500000
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