

To,
M/s SHLOK REALTY
Shop No 4, Success Regency, Kalda Corner
Shreya Nagar, City Aurangabad.
Dist :Aurangabad, state: Maharashtra, India- 431005

SBI/IFBAUR/RMRE/2023-24/260

Date: 11.09.2023

Dear Sirs,

ADVANCES TO REAL ESTATE SEGMENT
SANCTION OF CREDIT FACILITY
TERM LOAN FACILITY OF RS. 4.90 CRS

With reference to your application dated 27.07.2023 requesting us for sanction of Project Specific term loan facility for construction of residential project named "**Renuka Nagari**" consisting of 180 Row houses located at Gut no 61 and 62, Narayanpur KH Tq: Gangapur, Aurangabad 431136 (Outside the local limit of Aurangabad Municipal Corporation) and subsequent correspondence in this regard, we have pleasure in advising sanction of the following credit facilities, which are available subject to your acceptance / fulfilment of the Terms and Conditions:

(Rs. in Crs)

SL	FACILITY	LIMIT
A] FUND BASED LIMITS:		
1	Project Specific Term loan facility for Project " Renuka Nagari " under BFRHP Scheme	4.90
Total of Fund Based Limits		4.90
B] NON-FUND BASED LIMITS:		
a	--	--
Total of Non-Fund Based Limits		--
TOTAL LIMITS		4.90

For M/s Shlok realty	For M/s Shlok realty	For M/s Shlok realty
Mr. Mangesh Ram Palaskar (Designated Partner)	Mr. Narendra Marotirao Surkutwar (Designated Partner)	Mrs.Pooja Shailesh Somani (Designated Partner)
Mr. Mangesh Ram Palaskar (Guarantor)	Mr. Narendra Marotirao Surkutwar (Guarantor)	Mrs.Pooja Shailesh Somani (Guarantor)

(Please furnish particulars of inter-changeability between limits, if any)

Terms and Conditions:

- RERA account with other bank to be closed by 30.09.2023 and all sales proceeds to be routed through our accounts only.
- Total Promotor's margin of Rs. 2.50 Cr to be in the form of Partner's capital.
- Term Loan to be disbursed based on LIE, CA certificates on common date in proportion to physical progress of the project.
- The Firm to extend undertaking that they will not withdraw CAPITAL & USLs brought in for the proposed project during the currency of the term loan the same will be subordinate to bank loan.
- The Firm to extend undertaking that in the event of advances from prospective Clients falling short of the amount expected in the means of finance the shortfall would be made good by the promoters by contributing additional amount towards their contribution and that any cost overrun will be borne by the partners from their own sources.
- Any shortfall in Customer Advance to be made good by the Promoter's contribution and in case of excess Customer Advance, TL to be reduced accordingly as per SOP on BFRHP.
- Disbursement to be made in line with physical progress, receipt of customer advance, promoters' contribution as envisaged in the proposal / cash flow. LIE report on the physical progress and CA Certificate on Cost Incurred on the project to be obtained quarterly.
- **DSRA for one quarter (interest + instalment Rs. 2.79 Crs) to be created during construction period and to be completed before commencement of repayment.**
- **The partners should hold their own contribution in capital (Rs. 2.50 Crs) also till the repayment of all dues of the Partnership Firm. In case of breach of such terms by the partners and allowing any of the partners to withdraw his contribution, the Bank shall have the right to recall the entire outstanding in the loan account and to charge penal interest.**
- First right of refusal is exercised by SBI in case of total Home Loans availed by the buyers of Units from all Institutions.
- Disbursement to be made in line with physical progress duly certified by LIE and CA on common date and as per SOP on BFRHP.
- Irregularity / default in CIBIL of partners if any to be cleared at the earliest.

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- Home loan penetration to be ensured as per Bank's extant guidelines firm have to give separate undertaking in this regards.
- In subsequent disbursements, it is to be ensure that construction works is completed upto the level for which loan was released. This should be confirmed through CA Certificate / Engineers certified / LIE report certifying the same.
- Limit will be disbursed after creation of valid mortgage and completion of documentation formalities.
- The Firm will close all the current account maintained with other bank (if any).
- RERA compliance to be ensured on timely basis or as and when required.
- Undertaking in respect of sales milestone (In terms of Number of units and amount) to be submitted at monthly/quarterly intervals. LIE to confirm all approvals are in the place.
- Booking of new units to be considered only on the basis of actual funds realized.
- Disbursement to be made as per Cash Budget after ascertaining adequate margin has been brought in upfront. If any amount realised from advanced booking of units (over and above the amount estimated in the proposal) is adjusted towards loan limit.
- Data to be submitted to the banks empanelled auditor for conduct of Stock and Receivable audit to be conducted at half yearly intervals and to Banks empanelled engineer for report at quarterly intervals.
- It is to be ensured that loan disbursement request does not exceed 5 times Net Owned Funds at any stage during the life of the facility.
- Before disbursement request, the undernoted documents to be submitted:
 - a. All statutory approvals / permissions/ Plan approvals.
 - b. Undertaking to be submitted that developer will achieve estimated DCCO of 01.04.2026.
- The Firm to ensure Bank's charge is prominently displayed at the project site.
- There is total promoters contribution including USL of Rs. 2.50 Crs. Out of which promoters have already infused Rs. 2.01 Crs till date (consisting of partners capital of Rs. 1.87 Crs and Unsecured loan from family and friends to the extent of Rs. 0.14 Crs). Balance promoters contribution of Rs. 0.49 Crs will be in the from of capital & position of advance bookings. CA certificate to be submitted for infusion of capital with UDIN number.
- Partners to utilise/avail our digital channel services for receiving cash inflows/payments.

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- MOU with SBI under builder tie-up is to be signed for tie up of the project before disbursement.
- First right of refusal for home loan under the project to be with us.
- The Partnership Firm should keep the Bank informed in advance of any subsequent amendment proposed in the Partnership Deed.
- NOC to builder to permit prospective buyers to avail loans from other banks to be issued only after approval of DGM (B&O), Zonal Office, Aurangabad
- Charge of the bank to be noted on the Property card or 7/12.

The Borrower shall indemnify the Bank against all losses, costs, damages expenses whatsoever that the Bank may incur or sustain by reason of any fraud detected in or in respect of any loan or any other financial assistance granted or to be granted to a group company or group establishment of the Borrower or in respect of any security offered or documents executed in respect of such loan or other financial assistance. For the purpose of this clause, Group Company or group establishment means a subsidiary company or holding company or associate company or a joint venture or any other similar establishment in which the Borrower is having control, influence or substantial interest.

We are forwarding this letter in duplicate along with Annexure A & B and shall be glad if you return to us the originals duly signed by you and the guarantors in token of having accepted the Terms and Conditions, below the words **"We Accept"** appearing at the end of the Annexures and retain the duplicate thereof for your record.

Thereafter, you may call on us with the guarantors, preferably with prior appointment, to execute the documents in this regard.

Assuring you of our best services at all times.

Yours faithfully,

Branch Head

Encl.: Terms and Conditions – Annexure A, B, C, D & E

We accept/ acknowledge receipt of draft copies of loan documents and schedule of applicable charges.

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1. SECURITY:

FUND BASED: Project Specific Term loan facility under BFRHP scheme for Rs 4.90 Crs	
Primary Security:	
- All that piece and parcel of project Land "Renuka Nagari" consisting of 180 Row houses located at Gut no 61 and 62, Narayanpur KH Tq: Gangapur, Aurangabad 431136 (Outside the local limit of Aurangabad Municipal Corporation) to the extent of 12349.28 Sq. Mtrs. Belongs to M/s Shlok realty through its partners Mr. Manegsh R. Palaskar, Mr. Narendra M Surkutwar and Mrs.Pooja S. Somani Collectively Bounded as: Towards East : Land of Sahebrao Savai Towards West : Nala and Land of Mr. Bharat Raut Towards North : Land of Sahebrao Savai Towards South : Land of Mr. Kadubal Bajirao Bankar - Hypothecation of Stock and Receivables/ movable assets/ work in progress/cash flow of the project created out of Bank Finance on the Project "Renuka Nagari" consisting of 180 Row houses located at Gut no 61 and 62, Narayanpur KH Tq: Gangapur, Aurangabad 431136 (Outside the local limit of Aurangabad Municipal Corporation) to the extent of 12349.28 Sq. Mtrs. Belongs to M/s Shlok realty through its partners Mr. Manegsh R. Palaskar, Mr. Narendra M Surkutwar and Mrs.Pooja S. Somani - Negative Lien on project land and building of the Project "Renuka Nagari" consisting of 180 Row houses located at Gut no 61 and 62, Narayanpur KH Tq: Gangapur, Aurangabad 431136 (Outside the local limit of Aurangabad Municipal Corporation) to the extent of 12349.28 Sq. Mtrs. Belongs to M/s Shlok realty through its partners Mr. Manegsh R. Palaskar, Mr. Narendra M Surkutwar and Mrs.Pooja S. Somani - First charge on all present and future Current assets relating to the project "Renuka Nagari"	
Collateral Security :	
Lien of cash collateral in the form of Bank Deposit to the value of Rs. 50.00 lakhs, &	
Personal Guarantee :	
1) Mr.Mangesh Ram Palaskar 2) Mr. Narendra Marotirao Surkutwar 3)Mrs. Pooja Shailesh Somani	

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2. PERIOD OF ADVANCE & REPAYMENT TERMS:

Project Specific fund-based Term Loan Limit of Rs.4.90 Crs. The facility which has been sanctioned on 31.08.2023 is available for a tenor of 44 months including moratorium period of 32 months for construction of Residential Housing project **Renuka Nagari** or as per the Bank's scheme.

Validity of sanction is for 6 months from date of sanction.

Repayment Schedule for Project Specific Term Loan limit of Rs. 4.90 Crs (Amt in Rs)

Period	No. of months	No. of instalments	Repayment Amount	Outstanding Amount
Up to Mar-26	32	Moratorium	0	4.90
Apr-26 to Jun-26	3	Rs. 1.25 Crs x 1 Quarterly Instalments	1.25	3.65
Jul-26 to Sept-26	3	Rs. 1.25 Crs x 1 Quarterly Instalments	1.25	2.40
Oct-26 to Dec-26	3	Rs. 1.25 Crs x 1 Quarterly Instalments	1.25	1.15
Jan-27 to Mar-27	3	Rs. 1.15 Crs x 1 Quarterly Instalments	1.15	0.00
Total	44		4.90	0.00

Others: Interest shall be payable on the outstanding in the loan accounts computed on daily balances basis duly compounded and debited to the accounts at monthly rests on the last working day of every month, in accordance with the accounting practices of the Bank from time to time.

3. RATE OF INTEREST & OTHER SERVICE CHARGES:

Working Capital: NAP

Term Loan:

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Interest at the rate of 3.00% above EBLR with quarterly reset which is presently 9.15 % p.a. Present effective **Rate 12.15% p.a.** calculated on daily products at monthly rests. Bank shall at any time and from time to time be entitled to vary the margin based on the Credit Risk Assessment of the borrower and the EBLR at its discretion.

Accrued but unapplied interest, if any, shall be governed by RBI's directives on IRAC norms. Interest rates on facilities extended in foreign currency shall be linked to LIBOR rates.

Charges for Non-Fund Based facility:

BG Issuance Charges	NAP
LC Opening Charges	NAP

Enhanced / Penal Interest:

- (i) Enhanced/ penal rate of interest as applicable/decided by the bank from time to time will be charged for the period of delay in respect of:
 - a) Delayed/non-submission of financial data required for review / renewal of limits
 - b) Delayed/non-submission of annual financial statements / FFR etc.
 - c) Delayed/non-submission of stock statements
 - d) Non-renewal of insurance policy (ies)
 - e) Diversion of Funds
 - f) Adverse deviation from stipulated level in respect of various parameters
- (ii) Enhanced / Penal rate will be charged on the excess drawings in case any irregularity / breach of the Bank's extant instructions / guidelines applicable from time to time. Enhanced / Penal interest will be compounded monthly.
- (iii) The Bank shall also be entitled to charge at its discretion, enhanced / penal interest rates on the accounts either on the entire outstanding or on a portion thereof, for any irregularity including non-observance or non-compliance of the Terms and Conditions of the advances, for such period as the Bank deems it necessary.

Details of other charges:

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Sl	Item	Charges (Excluding GST)			Applicable Charges
1	Unified Loan Processing Charges	CRA/ CUE	Above Rs. 50 Lac and Upto Rs. 50 Crore (A)	Above Rs. 50 Crore (B)	Not Applicable
		CRA SB 1 to SB 4 / CUE 1 to CUE 4	0.35% of the loan amount Maximum of Rs. 15 Lac	0.25% of the loan amount Maximum of Rs. 25 Lac	
		CRA SB 5 to SB 7 / CUE 5 to CUE 7	0.45% of the loan amount. Maximum of Rs. 20 Lac	0.35% of the loan amount. Maximum of Rs. 35 Lac	
		CRA SB 8 to SB 10 and CUE 8 to CUE 10	0.55% of the loan Amount. Maximum of Rs. 25 Lac	0.40% of the loan Amount. Maximum of Rs. 50 Lac	
		CRA SB 11 and below and unrated / CUE 11 and below	0.65% of the loan Amount. Maximum of Rs. 30 Lac	0.45% of the loan Amount. Maximum of Rs. 60 Lac	
		³⁵ ₁₇ Full Processing Fee should be recovered at the time of conveying Sanction of Credit Facilities to the Borrower. ³⁵ ₁₇ However, for recovering processing fee in respect of conveying Indicative Term Sheet (In-Principle Sanction/ Approval), the same shall be recovered as per the guidelines, if any.			
2	Unified Upfront Fee	For all term loans other than Micro units: 1.CRA SB 1 to SB 4 / CUE 1 to 4 - 1.00 % of the Loan amount 2.CRA SB 5 to SB 7/ CUE 5 to 7 - 1.20 % of the loan			1.20% of the loan amount

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		amount 3.CRA SB 8 to SB 10 / CUE 8 to CUE 10 : 1.40 % of loan amount 4. CRA SB 11 and below and unrated / CUE 11 and below : 1.50% of loan amount	
3	Annual review charges for Term Loans	-During Implementation, i.e., till the date of achievement of DCCO: - 0.05% of the sanctioned loan amount or Rs. 6.00 Lac, whichever is lower. -After Implementation, i.e., after achievement of DCCO (Covenant Testing Charges) :- 0.05% of the outstanding loan amount or Rs. 3.00 Lac, whichever is lower • Annual Review charges shall be applicable to standalone Term Loan reviews only and not applicable in cases where TL Review is part of regular review/ renewal of other credit facilities.	As applicable
4	Revalidation of Sanctions (WC & TL)	50.00 % of the applicable Processing charges/ Upfront fee charges.	As applicable
5	Pre-payment charges	: - 2.00 % of the pre-paid amount. -Pre-payment penalty of 1% will be applicable on account of "Loan prepaid out of higher cash accruals from the project/ equity infusion by promoters" Exemptions: i. No charges will be levied on floating rate term loans sanctioned to Individual borrowers. ii. Micro Enterprises as defined under MSMED Act 2006 are exempted irrespective of the limits/ out standings. However, Small / Medium Enterprises will be subject to levy of Pre-payment charges. iii. Pre-payment charges will not be levied on the following cases: a.In case payment has been made out of cash sweep/ Insurance proceeds b. Payment at the instance of lenders. iv. In the instances where the Bank has strategically	As applicable

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		decided to exit from the exposure.	
6	Commitment Charges:	a. If the average utilization is more than 60%: No charges. b. If the average utilization is between 50-60%: 0.15% p.a. to be recovered on entire unutilized portion on a quarterly basis. c. If the average utilization is less than 50%: 0.40% p.a. on entire unutilized portion on a quarterly basis. d. Term Loans: 1.25% p.a for delayed draw down beyond 2 months.	As applicable
7	Term Loans: Delayed Drawdown (Irrespective of whether having WC limits or not)	0.50% p.a. for delayed drawdown beyond 2 months from the due date on the amount due for disbursement as per disbursement schedule but not disbursed, for the period of delay.	As applicable
8	Rephasing of Loans/ Deferment in Loan Installments	0.05% of the limit, minimum Rs. 2,000/- and maximum Rs. 1,00,000/-	As applicable
9	Substitution of Collateral Security/ Personal Guarantees	0.02% of the limit, minimum Rs. 2,000/- and maximum Rs. 50,000/-	As applicable
10	Release of Personal Guarantee/Collateral Security	0.03% of the limit, minimum Rs. 5,000/- and maximum Rs. 1,00,000/-	As Applicable
11	Irregularity in Cash Credit/Term Loan Account	Irregularity upto 60 Days: 2% per annum on the irregular portion for the period of irregularity. Continuously irregular for a period beyond 60 days: 5.00 % per annum on the irregular portion for the period of irregularity.	As applicable
12	Non-compliance with Financial Covenants	1.00 % p.a. on the entire Outstanding's for the period of non-compliance.	As applicable

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13	Non submission of Renewal Data, including Audited Balance Sheet	a) All loans upto Rs 10.00 lacs: NIL b) For limits above Rs 10.00 lacs and upto Rs 1.00 cr i. Non-submission of renewal data 30 days before the due date for renewal of limits: Flat Rs 5,000/- upto the due date of renewal & flat Rs 10,000/- pm there after till the date of submission. ii. Non submission of audited balance sheet within 6 months of the closure of the FY of the borrowing entity: • Delay of one month: NIL. • Delay of more than one month: Pricing to go up by 25 basis points till the audited balance sheet is submitted. c) For the limits above Rs 1.00 cr: No change	As applicable
14	Non submission of Stock statements/Cash Flow in stipulated period	Penalty for other Critical Infringements (To be calculated on the Sanctioned Limit for the period of default/ delay) Penalty on sanctioned limit 0.05 %.	As applicable
15	Non submission / delayed submission of FFRs on due date	Penalty on sanctioned limit 0.02 %.	As applicable
16	Diversion of Funds (in Mandatory Negative covenants)	2.00 % p.a. on the entire outstanding's (over and above the aggregate penal interest of 3 % p.a.) till such time the position is rectified.	As applicable
17	Non-renewal of insurance policy(ies) in a timely manner or inadequate insurance cover	Penalty for other Critical Infringements (To be calculated on the Sanctioned Limit for the period of default/ delay) Penalty on sanctioned limit 0.05 %.	As applicable
18	Service Charges	Rs. 500/-	As applicable

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	for providing Credit information reports		
19	Permission for Extending Corporate Guarantee	0.05% of the limit, minimum Rs. 10,000/- and maximum Rs. 10,00,000/-	As applicable
20	Issue of No Objection Certificate (NOC)	0.02% of the limit, minimum Rs. 2,000/- and maximum Rs. 50,000/-	As applicable
21	For implementation of Resolution Plan/ Restructuring/ Extension/ Shifting DCCO etc.	0.25% of the limit (subject to cap of Rs.15 lakhs)	As applicable

4. MARGINS:

SL.	ITEM	MARGIN (IN %)
A	FUND BASED LIMITS	
a	Raw Materials: Imported	0.00 %
b	Raw Materials: Indigenous	0.00 %
c	Semi-Finished Goods	0.00 %
d	Finished Goods	0.00 %
e	Components / Consumables / Spares	0.00 %
f	Domestic Receivables	0.00 %
g	Export Packing Credit	0.00 %
h	Project Loan	50.00%

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B	NON-FUND BASED LIMITS	
a	Letters of Credit	0.00 %
b	Bank Guarantees	0.00 %

5. INSURANCE: CAR (Contractor All Risk Policy)

The CAR policy taken for all the assets charged to the Bank should always be fully insured by the Borrower against fire, lightning, riots, strikes, floods, cyclones, earthquakes, civil commotion, and other natural calamities, etc., with a company approved by the Bank in the joint names of the Bank and yourselves, at your cost for full market value or Bank's interest, whichever is higher. The policies / cover notes should be lodged with the Bank. The policies should be kept alive (current) during the currency of the advance. In the event of non-compliance, the Bank reserves the right (but not be bound to exercise) to take the insurance cover as required by the Bank by debit to your account. The machinery to be purchased out of the Term Loan, if any, to be insured for the full market value or original cost of the machinery, whichever is higher. Likewise, all the renewals of the policies should also be effected / done by the Borrower at all materials.

The Primary / collateral securities should be insured to the Project Cost/Market/Insurable Value of the security. The insurance policy preferably to be obtained through the insurance company where bank have a tie up arrangement.

The Borrower shall always be responsible to ensure that the insurance policy in respect of the hypothecated assets remains valid till all the dues of the Bank are repaid and to keep such insurance policy renewed each year.

The Bank shall not be liable for any consequence arising from non-renewal of insurance in any year even if the Bank has in any previous year renewed the insurance of the hypothecated assets by debiting the borrower's account for failure of the Borrower to renew such insurance policy.

6. STOCK STATEMENTS/ Monthly Progress Report/ Quarterly Cash Budget:

- Monthly Progress report to be submitted by 7th day of every month.
- Quarterly Cash Budget have to be submitted within 20 days from the end of each quarter.
- Half yearly submission of statement of stock/receivable/fixed asset during second quarter and last quarter of financial year.

7. INSPECTIONS: Monthly

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The Bank's officials / inspectors are to be permitted in the factory / business premises/ location of the projects as and when required to inspect the stocks / books / equipment. Where the premises are leased / hired, necessary approvals to the effect from the Lessor, if any required, are to be obtained. All assistance to be extended to the Bank's officials in conducting and completing such inspections smoothly. Necessary remedial steps also to be taken to rectify any shortcomings, if any, pointed out by the Bank's officials. The cost of such inspections shall be borne by you.

8. VALUATION OF INVENTORY:

ITEM	TO BE VALUED AT
Imported Raw Material	Landed cost (i.e., invoice value plus Customs Duty but excluding Sales Tax and demurrage, if any) or market price, whichever is lower
Indigenous Raw Material, packing materials, consumable stores and spares	Invoice price or market price or Govt. controlled price, whichever is the lowest
Semi-Finished Goods and Finished Goods	Cost of Production or Selling Price or market price or Govt. controlled rates, whichever is the lowest

SECURITY DOCUMENTS:

The following security documents shall be executed by you and the Guarantors:

1

- Letter of Arrangement - SME-1
- Agreement of Loan-cum-Hypothecation - SME-2
- Guarantee Agreement - SME-3
- Deed of Mortgage - SME-9
- Negative Lien
- Builder tie-up Agreement
- any other documents as may be required by the Bank

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