

M/s Laxmi Keshav Constructions & Oasis Bulidcon,
Mouza Khamla,
Nagpur



Home First Finance Company India Pvt. Ltd.
CIN: U65900MH2010PTC240703
Website: homefirstindia.com
Phone No.: 1800 3000 8425
Email: loanfirst@homefirstindia.com

27th February 2018

Dear Sirs,

Ref: Construction Finance Facility

With reference to your application dated 22nd December 2017, and further to our recent discussions we set out below the terms of the proposed Financial Facility. If this is acceptable, please acknowledge and return a copy of this letter.

1	Name of Borrower	1. M/s Laxmi Keshav Constructions (Proprietor – Abhay Joshi) 2. Oasis Bulidcon (Partnership Firm)
2	Loan Amount	Rs. 2.00 crores (Rupees Two Crores only), hereinafter referred to as the said loan.
3	Purpose	Construction Finance Facility For Construction & Development of Residential Project "Gaarva Residency", Plot no. 1,2,3,4 H No. 3377/B/1,2,3,4, Ward no. 75, Kh no. 30, 31, 32/5, Village / Mouza – Khamla, Urvela Co-op housing society, Atrey Layout, Nagpur hereinafter referred to as the said project
4	Drawdown Schedule	1. Loan to be drawn in multiple disbursements or such suitable disbursements as decided by HFFC/depending on progress of construction/valuation. 2. M/s Laxmi Keshav Constructions & Oasis Bulidcon will request for a disbursement at least 3 days prior to the withdrawal of an installment. 3. Drawdown to commence within 30 days of the date of this letter 4. Disbursement will be subject to full operationalization of the Escrow account opened with HDFC Bank. 5. The disbursement of the said loan shall be subject to the title documents in relation to the project having been scrutinized and are valid and enforceable in law.
5	Term	30 months from the date of first disbursement.
6	Repayment	M/s Laxmi Keshav Constructions & Oasis Bulidcon will open 3 Escrow Accounts and a Designated Current Account with any bank acceptable to HFFC. M/s Laxmi Keshav



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	Constructions & Oasis Buildcon will inform flat/ unit purchasers to draw all cheques in favor of " M/s Laxmi Keshav Constructions & Oasis Buildcon, Escrow Account No _____ (Which has be declared in RERA "and ensure that all receivables from this project are deposited in the said escrow account. As per RERA the 70% & 30% of the monies would flow in the respective accounts. Out of the 30% account, Initially 35% of the monies received in the Escrow account will be paid to HFFC towards principal repayment from the date of 01st disbursement. This percentage receivable will be reviewed by HFFC on a quarterly basis based on HFFC's calculations. The balance funds will be transferred to the Designated Account of M/s Laxmi Keshav Constructions & Oasis Buildcon and M/s Laxmi Keshav Constructions & Oasis Buildcon will utilise it for construction of the project and for interest payment / repayment of the loan to HFFC. Strict monitoring of the project will be done either by HFFC itself or may be outsourced. M/s Laxmi Keshav Constructions & Oasis Buildcon will ensure that the maximum principal outstanding at the end of the months from the date of first disbursement of the loan does not exceed as per the schedule below: <table><tr><th>Monthend</th><th>Outstanding (Rs in Lacs)</th></tr><tr><td>27</td><td>150</td></tr><tr><td>28</td><td>100</td></tr><tr><td>29</td><td>50</td></tr><tr><td>30</td><td>0</td></tr></table>	Monthend	Outstanding (Rs in Lacs)	27	150	28	100	29	50	30	0
Monthend	Outstanding (Rs in Lacs)										
27	150										
28	100										
29	50										
30	0										
7	Security 1. Mortgage of property financed i.e. Entire land & present & future construction of the Project of Plot no. 1,2,3,4 H No. 3377/B/1,2,3,4, Ward no. 75, Kh no. 30, 31, 32/5, Village / Mouza - Khamla, Urvela Co-op housing society, Atrey Layout, Nagpur 2. An exclusive charge on the scheduled receivables under the documents entered into with the customers of the funded project by the borrower and all insurance proceeds, both present and future. Scheduled Receivables: Receivables/Cashflows/Revenues including booking amounts arising out of or in connection with or relating to the project.										

		Guarantees Personal guarantee of Mr. Abhay Joshi Mr. Vivek Babanrao Husukle Mr. Sachin Suresh Jirapure Mr. Prafulla Dharmaraj Rewatkar Mr. Pawan Wamanrao Kalbande Other Security Any/or other security of similar / higher value acceptable to HFFC
8	Security Cover	As determined by HFFC from time to time.
9	Interest Rate	As in the Facility Agreement, inter alia including but not limited to the following: 1 (a) The rate of interest applicable will be 12.50% per annum. You shall pay interest on the outstanding principal amount of the said Loan at the end of each month at the Applicable Rate, plus tax or other statutory levy, if any. Provided HFFC in its sole discretion may call upon you to pay the interest on such other dates, as HFFC may deem fit. Provided further, the last interest installment shall be paid simultaneously with the last installment of the principal amount of the said Loan. Interest shall be payable from the date of first disbursement and shall be calculated on the basis of a year of 365 days. (b) HFFC may, at its sole discretion, charge interest on the Said Loan at the weighted average Rate of interest on the disbursements made out of the Said Loan. For the purpose of this clause "weighted average rate" means the weighted mean of the Rates of interest Applicable to the Said Loan
10	Fees	
	Administrative Fee	1.00% of the loan amount after signing Facility Agreement + GST
11	Other Conditions	1.The said Loan will be disbursed in suitable installments to be determined by us in consultation with you and after you have complied with all requirements of HFFC. 2.You shall also execute a Facility Agreement; Demand Promissory Note and/or such other documents as may be required by HFFC in the format laid down by HFFC. 3. If there is any interest tax levied by the Government of India or any other Authority under the Interest Tax Act 1974 or under any other law, you shall reimburse to HFFC any such tax imposed or levied by the Government of India or any



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other authority on interest and/or other payments required to be paid by you to HFFC in connection with the said Loan.

4. The said Loan is subject to approval from the financial institution and/or banks from which your Company might have taken loans so far, if such an approval is stipulated in your agreement/arrangement with them.

5. You shall not raise any loans from any other source, for this project without prior written permission from HFFC.

6. You shall at all times during the pendency of the said Loan take such steps as may be required and keep the property financed/ property/ies offered as security, insured with such insurance agency as approved by HFFC. The said insurance policy/ies shall be endorsed in favour of HFFC and shall be deposited with HFFC at the time of execution of the Facility Agreement and other related documents unless expressly permitted by HFFC in writing;

7. This letter has been issued subject to HFFC being satisfied, that the project financed and the securities for the said Loan and all the documents of title relating thereto, the legal validity of undertaking the project/s by you and other ancillary documents in relation thereto have been scrutinized and are valid and enforceable in law.

8. You shall take a written No Objection Certificate (NOC) from HFFC for sale of each unit, in the Said Project. The NOC shall be taken from HFFC as and when each unit is sold, failing which HFFC will have a right to treat this as an event of default and call back the Said Loan.

9.(a) You shall maintain an Escrow Account and a No Lien Account (Designated Account) with a Bank acceptable to HFFC. All disbursements of the said Loan made to you will be in the No Lien Account only. You will ensure that the said Receivables shall be deposited in the Escrow Account only. From the 1st month from the date of 1st disbursement of the loan a certain percentage of the funds received in the escrow account will be transferred to the account of HFFC towards principal repayment and the balance to be transferred to the No Lien Account. You will primarily utilise the funds from the No Lien Account for the specific purpose of your working capital requirements, payment of interest and other dues to HFFC. HFFC shall have full authority to monitor all transaction in these accounts in

such manner, as it may seem necessary, HFFC may appoint such external agencies or individuals for the above purpose. Any fees/charges that may be payable for the above shall be borne by you without any demur. HFFC's decision on this shall be final and binding on you.

(8) HFFC will have the first option to adjust the sale proceeds against the principal outstanding/ other dues.

10. You will give the following irrevocable instructions to the concerned Bank with reference to the said accounts:

- a) that the Bank will be authorised to send to HFFC statements pertaining to these accounts directly to HFFC at such frequency as HFFC may require at anytime.
- b) that HFFC has a right to cause the Bank to freeze the accounts at any time without your confirmation and that on the request of HFFC.
- c) the Bank will on freezing the accounts or otherwise transfer the outstanding credit in the accounts to HFFC, as instructed by HFFC, without having to obtain any further instructions from you.
- d) that the Bank will abide by any instruction that HFFC may give to the Bank in connection with the said accounts without any reference to you.
- e) You shall procure and produce to HFFC a written confirmation of the above from the Bank prior to execution of the Facility agreement.

11. You will also undertake and confirm that in the event the cash flow in the account is not sufficient to service the said Loan, interest or other dues, the shortfall will be met through infusion of fresh funds therein by you in a manner and form as mutually acceptable to you and HFFC. The support shall be kept valid until repayment of the entire loan with interest and all other dues. It is also understood that you will not withdraw any funds to repay the principal to the providers of subordinate debt, if any, until repayment of the entire said Loan to HFFC with interest and all other dues is made to HFFC.

12. All project and financial audit charges if required shall be borne by the Borrower.

		13. Disbursement of the loan will be as per progress of construction / project valuation. Any shortfall in project funding and/or any increase in project cost would be met by the Borrower by way of promoter contribution. 14. HFFC to have first right of refusal for all retail loans to prospective purchasers
12	Representations, Warranties and Covenants	1. Those usually found in Financial Facility of this kind (including environmental covenants, covenants regarding any approval/s in terms of NHB Guidelines and compliance of Building Code). 2. As prescribed under the Facility agreement of HFFC to be executed by you. 3. HFFC's Financial Facility will not be subordinate to any other borrowing by the Borrower. 4. That Borrower shall not offer any terms better than that offered to HFFC to any other lender.
13	Events of Default	Those usually found in Financial Facilities of this kind (including cross default and material adverse change). It will be an event of default if there is any change in ownership of the Borrower.
14	Legal Costs	For the account of the Borrower whether or not the Financial Facility or any part is drawn.
15	Law and Jurisdiction	Any dispute under the facility agreement will be under jurisdiction at Mumbai.

Disbursement Schedule

Sr. no.	Stage of work	Projected Disbursement (Rs in Lacs)	Projected Sales (Number of Units- Cumulative)
1	Plinth	100.00	2
2	First Floor Slab	100.00	3

The Financial Facility availability is subject to documentation. This letter of offer shall stand unilaterally revoked and cancelled and shall be absolutely null and void even after acceptance by you, if:

- There are any material changes in the proposal for which the said Financial Facility is, in principle, sanctioned.
- Any material fact concerning your profits or ability to pay, or any other relevant aspect of your application of Financial Facility is withheld, suppressed, or concealed or not made known to us.



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- (c) Any statement made in the application is found to be incorrect or untrue.
- (d) The Facility Agreement and other documents, as required by us are not executed within a period of 30 days from the date hereof or during any further extension of the period mutually agreed upon.
- (e) Any information as may be required by HFFC from time to time pertaining to the project is not furnished in the form prescribed/approved by HFFC.
- (f) As an outcome of legal due diligence, HFFC is of the view that it is unviable to proceed further with the offer as made hereinabove.

If the offer is acceptable to you, kindly sign a copy in token of your acceptance and return it within 15 days from the date of this letter. Along with the acceptance, you are requested to send us a cheque/ demand draft of Rs. 2,36,000/- (Rupees Two Lacs Thirty six Thousand only) in favour of "HOME FIRST FINANCE COMPANY INDIA PVT LTD" payable at Nagpur on account of Fees of Rs. 2,00,000/- plus GST of Rs. 36,000/-, failing which the offer is liable to be withdrawn.

We look forward to your acceptance of this offer in order to expedite the conclusion of this transaction and the disbursement hereunder.

Yours faithfully,

For HOME FIRST FINANCE COMPANY INDIA PVT LTD

AUTHORISED SIGNATORY