

SME-1

LETTER OF ARRANGEMENT

(To be issued in duplicate)

To
 M/S R. M. Resorts Private Limited
 Registered Office: 305, 3rd Floor
 Triputi Trade Centre,
 Sansar Chandra Road, Jaipur
 302001

(Borrower's name & address)

Shri Prabhat Kumar Maheshwari S/o Shri. Ram Lal Maheshwari R/o 3, Bansal Nagar, Fatehabad Road
 Agra

Shri Kaushal Kishore Singhal S/o Shri Jagdish Prasad Agarwal R/o C-37, Kamia Nagar, Agra
(Guarantor's name & address)

Date: 24.02.2015

Letter No.: 54/SME/14-15

Dear Sirs,

ADVANCES TO SME SEGMENT
SANCTION OF SBI ASSET BACKED LOAN FOR COMMERCIAL REAL ESTATE

With reference to your application dated 29.12.2014 requesting for sanction of facility in the form of dropline overdraft limit for fixed asset acquisition, we have pleasure in advising the sanction of an dropline overdraft facility for Rs. 49500000/- (Rupees Four Crore Ninety five Lacs only) against mortgage of property, under the SBI Asset Backed Loan for Commercial Real Estate subject to your acceptance/fulfillment of the following terms and conditions

Limit*	Primary Security	Collateral Security	Personal Guarantee
Rs. 49500000/-		Immovable property	
	Assets created out of Bank finance	Equitable Mortgage of Property bearing khasra nos. 2049, 2050, 2051, 2061 and khasra no. 2048, situated at Mauza Basai Mustkil, Taj Nagari Phase-2, Fatehabad ShamShabad link Road Agra.	1. Shri Prabhat Kumar Maheshwari S/o Shri Ram Lal Maheshwari 2. Shri Kaushal Kishore Singhal S/o Shri Jagdish Prasad Agarwal

R.M. Resorts Pvt. Ltd.

R.M. Resorts Pvt. Ltd.

Director

Witness to Common Seal

Scheme specific terms and conditions are as under,

Facility: Dropline overdraft where limit is reduced every month so as to have the overdraft fully liquidated at the end of the period and there is flexibility of regular transaction both by way of credits and debits upto the limit marked for the month.

Repayment: The loan amount of Rs. 49500000/- sanctioned is available for a period of 75 months with annual review when it may be restituted/cancelled depending upon the conduct and utilization of advances.

The repayment of loan will be in 63 monthly installments start from January 2016 where first 27 installments will be for Rs 5.00 lacs+ Interest only and last 36 installment will be Rs 10.00 lacs+ Interest only.

Interest Rate: Rate of Interest: 2.50 % above Base Rate (BR) .Present effective rate is 12.50% p.a.(Present Base Rate 10.00 %)

Upfront fee: Upfront fee charged will be 1% of the limit(Max Rs 10.00 Lac)

Collateral: The loan is granted against maximum 60% of the realizable value of immovable property. (Compliant under SARFAESI Act)

Penal rate: 2% above the applicable interest rate will be charged on the overdue amount beyond 07 days.

Prepayment Penalty: 4% of the limit

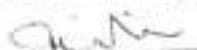
Commitment Charges: Nil (More than 75% utilization); 0.50%(50% to 75 % utilization) and 1% (less than 50% utilization)

We are forwarding this letter in duplicate along with Annexures 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,


CHIEF MANAGER

Encl.: Terms and Conditions – Annexures A & B (No. of pages : 9)


R.M. Resorts Pvt. Ltd.


Director


R.M. Resorts Pvt. Ltd.


Director

witness to common Seal





TERMS AND CONDITIONS

ANNEXURE A

1. PERIOD OF ADVANCE & REPAYMENT TERMS:

Sanction of Dropline overdraft facility under the scheme SBI Asset Backed Loan for commercial real estate is available for period 75 months with annual review when it may be reinstated/cancelled depending upon the conduct and utilization of advances. The drawing power shall be reduced monthly as per detailed in table below so as to have the overdraft fully liquidated at the end of the period. Regular transactions are permitted upto drawing power available. No over-drawings is permitted.

Total Loan:- 495.00 Lacs from Bank	MONTH START	OPEN BAL	Addition s	REPA Y	CLS BAL	INTERE ST	TOT.I NT	TOT.Instal l.
Repayment:-63 Months								
1ST YEAR 2014-15	9th mn	0.00	0.00	0.00	0.00	0.00		
	10th mn	0.00	0.00	0.00	0.00	0.00		
	11th mn	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	12th mn	0.00	0.00	0.00	0.00	0.00		
2ND YEAR 2015-16	1st mn	0.00	150.00	0.00	150.00	1.63		
	2nd mn	150.00	30.00	0.00	180.00	1.95		
	3rd mn	180.00	30.00	0.00	210.00	2.28		
	4th mn	210.00	30.00	0.00	240.00	2.60		
	5th mn	240.00	30.00	0.00	270.00	2.93		
	6th mn	270.00	30.00	0.00	300.00	3.25		
	7th mn	300.00	30.00	0.00	330.00	3.58		
	8th mn	330.00	30.00	0.00	360.00	3.90		
	9th mn	360.00	30.00	0.00	390.00	4.23		
	10th mn	390.00	30.00	5.00	415.00	4.50		
	11th mn	415.00	30.00	5.00	440.00	4.77		
	12th mn	440.00	45.00	5.00	480.00	5.20	40.79	15.00
3RD YEAR 2016-17	1st mn	480.00	0.00	5.00	475.00	5.15		
	2nd mn	475.00	0.00	5.00	470.00	5.09		
	3rd mn	470.00	0.00	5.00	465.00	5.04		
	4th mn	465.00	0.00	5.00	460.00	4.98		
	5th mn	460.00	0.00	5.00	455.00	4.93		
	6th mn	455.00	0.00	5.00	450.00	4.88		
	7th mn	450.00	0.00	5.00	445.00	4.82		
	8th mn	445.00	0.00	5.00	440.00	4.77		
	9th mn	440.00	0.00	5.00	435.00	4.71		
	10th mn	435.00	0.00	5.00	430.00	4.66		

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	4th mn	90.00	0.00	10.00	80.00	0.87		
	5nd mn	80.00	0.90	10.00	70.00	0.76		
	6th mn	70.00	0.90	10.00	60.00	0.65		
	7th mn	60.00	0.00	10.00	50.00	0.54		
	8th mn	50.00	0.00	10.00	40.00	0.43		
	9th mn	40.00	0.00	10.00	30.00	0.33		
	10th mn	30.00	0.00	10.00	20.00	0.22		
	11th mn	20.00	0.00	10.00	10.00	0.11		
	12th mn	10.00	0.00	10.00	0.00	0.00	7.15	120.00
	Total			495.00		220.84	220.84	495.00

2. RATE OF INTEREST:

Rate of Interest: 2.50 % above Base Rate (BR). Present effective rate is 12.50 % p.a. (Present Base Rate 10.00 %). Interest shall be charged on the debit balances in the overdraft account 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. The rate of interest is subject to revision from time to time and you shall be deemed to have notice of changes in the rate of interest whenever the changes in Base Rate are displayed/notified at the branch/published in newspapers/made through entry of interest charged in the statement of account sent to you.

Accrued but unapplied interest, if any, shall be governed by RBI's directives on IRAC norms

Enhanced Interest:

- i) Enhanced rate of interest at 1% cumulatively subject to a maximum of 2% 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
 - c) Delayed/non-submission of stock statements
- ii) Enhanced rate will be charged on the excess drawings in case any irregularity / breach is continuously less than 60 days, and if it exceeds beyond 60 days, on the entire outstandings from the date of irregularity / breach. Enhanced interest will be compounded monthly.
- iii) The Bank shall also be entitled to charge at its discretion, enhanced 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.

3. INSURANCE:

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

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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.

4. STOCK STATEMENTS:

Half yearly submission of statement of stock/receivable/fixed asset during second quarter and last quarter of financial year.

5. MARGIN : Nil

6. INSPECTIONS:

The Bank's officials / inspectors are to be permitted in the factory / business premises 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.

7. 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

8. SECURITY DOCUMENTS:-

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

a. Mortgage Document

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- b. Guarantee Agreement
- c. Agreement of loan cum hypothecation
- d. DP Note and DP Note Delivery letter.
- e. Any other documents as may be required by the Bank
- f. Yearly affidavit from the borrower that funds have been /will be utilised for the range of approved activities under MSMED Act 2006, wholesale/retail trade and not used for speculative purpose like investment in stockmarket, acquisition/development of land etc or for any activity not permitted by law.

TERMS & CONDITIONS

ANNEXURE B

- a) i) You (The builder/developer/company) would disclose in the Pamphlets/Brochures etc, the name(s) of the Bank to whom the property is mortgaged.
- ii) You would append the information relating to mortgage while publishing advertisement of a particular scheme in newspaper/magazines etc
- iii) You would indicate in your Pamphlets/Brochures that they would provide No Objection Certificate (NOC)/permission of mortgagee Bank for sale of flats/property, if required
- iv) You shall not raise any fund from any Bank/FI on said project during the currency of our Loan as per the terms of ABL scheme under which the facility has been extended.
- v) No Parri-passu charge shall be shared with any other FI/Banks over the collateral security.
- b) Disbursement will be done only after completion of security document and formalities in respect of mortgage creation. In respect of companies, in addition to these two requirements, charge to be filed with the Registrar of Companies within the prescribed period for creating a charge in favour of the Bank
- c) The Bank will have the right to examine at all times the Unit's books of account and to have the Unit's factories / offices / showrooms inspected from time to time by the officials of the Bank and / or qualified auditors and / or technical experts and / or management consultants or other persons of the Bank's choice
- d) The Unit should not be dissolved / reconstituted without obtaining Bank's prior approval in writing. Post-facto approval of reconstitution dissolution will not be accorded nor the existing guarantors shall be released if the dissolution/reconstitution is effected without prior approval in writing.
- e) The Unit should submit provisional financial statements within one month and audited financial statements within three months from the date of closure of the accounting year. The returns submitted to the Sales Tax and Income Tax authorities should also be submitted to the Bank.
- f) The Unit should confine their entire business including foreign exchange business to us.
- g) The Bank will have the option of appointing its nominee on the Board of Directors of the Unit to look after its interests.
- h) The Capital invested in the business by the proprietor / partners / directors should not be withdrawn during the currency of our advance.
- i) In case the Unit fails to complete the formalities with regard to creation of a charge in favour of the Bank within a period of two months from the date of this letter, an enhanced interest of % on the outstandings or reduction of Drawing Power by 10% / 20% or both will be considered without any reference to the Unit

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- j) The Unit should keep the Bank informed of the happening of any event likely to have a substantial effect on their profits or business and the remedial measures taken in this regard.
- k) The Unit should keep the Bank informed of any circumstances adversely affecting the financial position of their sister / associate / family / subsidiary / group concerns in which it as invested, including any action taken by any creditor against the said Units legally or otherwise.
- l) After accounting for provision for taxation, the Bank will have the first charge on the profits of the Unit towards repayment of instalments or other repayment obligations, interest and any other dues from the Unit to the Bank
- m) The proprietor / partners / directors should not withdraw the profits earned in the business/ capital invested in the business without meeting the instalment(s) payable under the Term Loan. In the case of Companies, dividend should be declared only after meeting the dues to the Bank
- n) All moneys raised by way of deposits from friends, relatives and / or from any other source should not be withdrawn / repaid during the currency of the Bank's advance. Suitable tamped letters of undertaking from the Unit and 'No Withdrawal' letters from the depositors should be submitted to this effect to the Bank
- o) The Bank's name board(s) should be displayed prominently or painted on the machines pledged / hypothecated to the Bank and / or in the premises where the machines are installed and a list of such assets should also be displayed in the Unit
- p) The Unit and other depositors of title deeds should possess a clear, absolute and marketable title to the properties proposed to be legally / equitably mortgaged in favour of the Bank to the satisfaction of the Bank's solicitors/ advocates. Further, the said properties are to be revalued as and when required at your cost.
- q) Any legal expenses such as a solicitor's / advocate's fees, stamp duty, registration charges and other incidental expenses incurred in connection with the advance should be borne by the Unit.
- r) Inspection charges of Rs 3,000/- per inspection
- s) In respect of creation / extension of Equitable Mortgage in respect of property offered as collateral security to the Bank, a charge of Rs. 15000/- will be levied.
- t) Documentation charges of Rs 20,000/-
- u) Upfront fee at the rate of 1.00 % of limits sanctioned (Max Rs 10.00 Lac) will be charged in respect of dropline overdraft.
- Penal rate at 2% above the applicable rate will be charged on the overdue amount beyond 07 days. The Bank shall also be entitled to charge at its discretion, enhanced interest rates on the account, either on the entire outstandings or on a portion thereof, for any irregularity / non-observance / non-compliance of the Terms and Conditions of the overdraft.
- v) In case of a Company being the borrower, the following terms are applicable:
 - i) A resolution to be passed in a meeting of the Board of Directors of the Company for

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availing the credit facilities sanctioned by the Bank and a duly certified extract to be submitted to the Bank. The resolution should contain, inter alia, the following particulars:

- i) Acceptance of the Terms & Conditions of the credit facilities sanctioned to the Company.
 - ii) Authority in favour of Directors / Authorised Signatory to execute the security documents for availing the credit facilities sanctioned to the Company.
 - iii) Authority in favour of Directors / Authorised Signatory for filing the document and Form 8 and 13 with the Registrar of Companies for creating a charge over the assets of the Company in favour of the Bank.
 - iv) Affixation of the Company's Common Seal on the security documents and vesting of authority to authenticate such affixation.
 - v) Requesting the guarantors to offer their Personal Guarantee / Corporate Guarantee in favour of the Bank for the credit facilities sanctioned to the Company.
 - vi) Creation of first charge on the assets of the Company in favour of the Bank for the credit facilities sanctioned to the Company.
- w) The charge over the assets of the Company in respect of the limits sanctioned herein should be registered with the Registrar of Companies within 30 days from the date of execution of documents and filed copies of Form 8 and Form 13, together with receipt should be deposited with us. The Certificate of Registration is to be produced to the Bank within reasonable time for our records.
- x) During the currency of the Bank's credit facilities, the Unit / Guarantors will not, without the Bank's prior permission in writing:
- i) Effect any change in the Unit's capital structure.
 - ii) Implement any scheme of expansion / modernization / diversification / renovation or acquire any fixed assets during any accounting year, except such schemes which have already been approved by the Bank.
 - iii) Formulate any scheme of amalgamation or reconstruction.
 - iv) Invest by way of share capital or lend or advance funds to or place deposits with any other concern, including sister / associate / family / subsidiary / group concerns. However, normal trade credit or security deposits in the normal course of business or advances to employees can be excluded.
 - v) Enter into borrowing arrangements either secured or unsecured with any other bank, Financial Institution, company or person.
 - vi) Undertake guarantee obligations on behalf of any other company, firm or person.
 - vii) Declare dividends for any year except out of profits relating to that year after making all due and necessary provisions and provided further that no default had occurred in any repayment obligations.
 - viii) Effect any drastic change in their management setup.
 - ix) Effect any change in the remuneration payable to the Directors / Partners, etc. either in the form of sitting fees or otherwise.
 - x) Pay guarantee commission to the guarantors whose guarantees have been stipulated / furnished for the credit limits sanctioned by the Bank.
 - xi) Create any further charge, lien or encumbrance over the assets and properties of the Unit / Guarantors to be charged / charged to the Bank in favour of any other bank, Financial Institution, firm or person.
 - xii) Sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to the Bank.
 - xiii) Undertake any trading activity other than the sale of produce arising out of its own manufacturing / trading operations.
 - xiv) Open any account with any other bank. If already opened, the details thereof is to be given immediately and a confirmation to this effect given to the Bank.

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- y) Unconditional Cancellability: Notwithstanding anything contained herein above, the Bank reserves the absolute right to cancel the limits unconditionally without prior notice:
- a) In case the limits/part of the limits are not utilized
 - b) In case of deterioration in the loan account in any manner whatsoever and/or
 - c) In case of non-compliance of term and conditional of sanction, and/ or
 - d) For any other reason which the bank considers appropriate to cancel the facility.
 - z) (a). In the event of default in repayment of any monies or in the performance or breach of any terms or obligations, the Bank and / or the Reserve Bank of India or any other authorized agency will have an absolute discretion or unqualified right, power and authority to disclose or publish your name(s) and other details in such manner as they deem fit.
 - (b) The authorized agencies e.g. CIBIL, etc., may use, process, publish or furnish for consideration or otherwise the information disclosed and /or data or products prepared by them to any person, any to other credit granters and that you shall not raise any dispute whatsoever in that behalf in all respects and to all intents.

The following particulars / documents are to be furnished / submitted to the Bank:

- Audited balance sheet of the last three year.
- Brief detail of Proprietor / Partners / Promoters / Directors.
- KYC documents for promoters / units
- Copy of IT Returns of promoters / Firm for the last three years.
- Copies of license, permission approval by regulatory authority , where applicable
- Availability of utilities like power etc.
- Pollution control clearance, if necessary.
- Details of collateral security (including third party guarantee proposed to be offered.
- Signed statement of Assets and liability from proprietor / partner guarantors.
- Copies of other Bank's sanction letter and statement of accounts (last 6 months)
- Copy of the title deeds of the Factory / Shop/ Godown/ collateral security.
- Details of the capital expenditure, if applied.
- Cheque for processing and fees to be paid for Valuation & Title search reports on property/ (ies) offered as collateral, ROC search (for companies).

Other conditions

A) Company will take prior Approval (No objection certificate) From us before selling any property(Flat), or executing any sort of agreement which may result in transfer of title rights with

B) Company will execute Builder tie up facility from State Bank of India.

C) Company will do sole Banking From SBI only, and no account will be maintained in any other Bank.

D) Display Board will be displayed at site captioning "The Project is finance by SBI".

E) In communications, Broachers, letter Head and Pamphlets our name will be Displayed.

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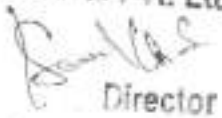
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F) In any case the company will not able to generate d estimated accruals the promoter will infuse additional capital to maintain the estimated Net worth.

G) Disbursement / Utilization will be in accordance with the quarterly status of the Project and level of activity estimated in CMA.

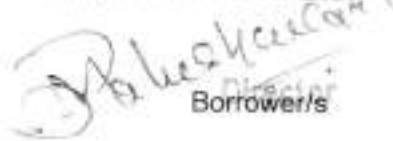
H) LTV of 55.52% will be maintained and monitored before issuing of NOC.

R.M. Resorts Pvt. Ltd.


Director

We accept

R.M. Resorts Pvt. Ltd.


Borrower/s


Guarantor/s



witness to common seal



PASSPORT SIZE PHOTOGRAPHS OF BORROWER(S)



R.M. Resorts Pvt. Ltd.

Director

R.M. Resorts Pvt. Ltd.

Director



R.M. Resorts Pvt. Ltd.

Director

R.M. Resorts Pvt. Ltd.

Director

PASSPORT SIZE PHOTOGRAPHS OF THE GUARANTOR(S)



Director

Director



Director

Director

Note: Self attested passport size photographs of the Borrowers and the Guarantors to be affixed