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Sanction Letter

Ref No.: CF\TL\Hyd\4473149
Application No.: 202143975738

Date: July 22, 2021

Modi Realty Mallapur LLP
5-4-187/3&4, Soham Mansion, MG Road,
Secunderabad,
Hyderabad - 500003,
TELANGANA.

Modi Properties Private Limited
5-4-187/3&4, Soham Mansion, MG Road,
Secunderabad,
Hyderabad - 500003,
TELANGANA.

Kind Attention:Mr. Soham Modi - Director
Facility: Term Loan

Dear Sir,

Tata Capital Financial Services Limited (TCFSL) takes pleasure to informing you that TCFSL has sanctioned a Term Loan facility/facilities to you on the following terms and conditions.

This in-principle sanction is subject to fulfillment of the terms and conditions entailed herein in entirety to the complete satisfaction of TCFSL.

TERMS AND CONDITIONS

Lender	Tata Capital Financial Services Limited
Borrower	Modi Realty Mallapur LLP
Co-Borrower	Modi Properties Private Limited

Facility Name	**Term Loan**
Total Facility Amount	Rs. 70000000.00 (Rupees Seven Crore Only)
Tenure	36 Months
Interest Type	Floating
Rate of Interest	12.00% p.a. i.e. ROI equal to LTLR less 6.75% Presently Long Term lending Rate (LTLR) as on date is 19.25%. Interest rate on repayment would change based on the changes in Long term lending rate (LTLR) as announced by TCFSL from time to time . This would lead to change in Interest payable to TCFSL.
~~Upfront Fees(Non-refundable)~~	~~1.00% of the Loan Amount + Applicable GST, to be collected upfront from Borrower.~~
End Use of Loan	For completion of the Gulmohar Residency project
Payments under the facility	- In multiple tranches as per customer request subject to minimum owners equity of 40%. - Final 10%, ie Rs.0.70 Crs to be disbursed post achieving a milestone of incurring 2/3rd construction cost or OC for couple of blocks and 1/3rd unit sales.
Repayment Schedule	Interest - to be paid on Monthly basis on every month from the date of first disbursement till Maturity.

For MODI REALTY MALLAPUR LLP

Partner

For Modi Properties Pvt. Ltd.

Managing Director

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Repayment Schedule	Principal - Payable in Equal Monthly Installments till maturity.
Disbursement Draw down	As per request after acceptance of the Sanction Letter and execution of Documents stipulated below and on compliance of such sanction terms prescribed.
Escrow Mechanism	Cash flows coming from the Gulmohar Residency Project and Mayflower Project have to be routed through a designated ESCROW account/s. Gulmohar Residency Project receivables coming into the escrow account will be capitalized @ 20% of such receivables (post moratorium) and balance towards completing the project. The said % of capitalization may get varied as per the minimum security coverage as mentioned above. Once in a half year/year, such % of capialization will be fixed. Such receipts of Gulmohar Residency of capitalization amounts will be appropriated towards monthly interest/principal payments and any amount over and above of 1 month instalment buffer would be adjusted towards the aggressive rundown of the principal outstanding Mayflower project receivables will be routed back to the company and shall be appropriated towards the loan due in case of over dues.
Prepayment Penalty	2.00% on the amount prepaid.
Additional Interest	**3.00% p.a. over and above the normal interest rate shall be charged in case of delayed payment of Interest, Principal or monies payable under the loan/specific agreement from the due date till the date of receipt.**
Stamp duty	As applicable and will be borne by the Borrower.

Common Terms And Conditions

Security / Collateral	Primary: - Exclusive Charge by way of Hypothecation of Receivables (sold and unsold inventory) of the Gulmohar Residency Project at Mallapur Village, Hyderabad with minimum of 2X of receivables of unsold inventories. Such project receivables have to be routed through the escrow account with a Bank as prescribed by TCFSL. - Hypothecation of Receivables (sold and unsold inventory) of the Mayflower Project. Collateral: Extension of charge by way of Registered Mortgage of the builders share of the land area of the project Gulmohar Residency Project, & Mayflower Project, Mallapur Village including 2nd charge/residual charge on properties/Units mortgaged with GHMC, having clear & marketable tittle in the name of Modi Realty Mallapur LLP, & Modi Properties Private Limited. The collateral coverage should be of minimum of 2x throughout the loan tenor.
Guarantee	Personal Guarantee: Unconditional and Irrevocable Personal Guarantee of Mr. Soham Modi and Mrs Tejal Modi
Debt Service Reserve Account(DSRA)	DSRA of 2 months instalment to be kept with TCFSL by way of security deposit (SD)/Fixed deposit (FD).

For MODI REALTY MALL...

Partner

For Modi Properties Pvt. Ltd.

Managing Director

Validity	The sanction is valid for a period of 90 days from the date of this offer letter.
Costs and Expenses	All costs, charges and expenses in connection with or relating to the Credit Facility (including but not limited to costs of investigation of title, legal fees, filing / submission of any information /record to any agency pursuant to application law, directives, regulations etc. including Information Utility (IU), professional charges, and stamp duty) shall be borne and paid by the Borrower including Documentation charges of Rs 5000/-. All Costs or Expenses to be collected from the Borrower along with applicable tax
Facility Undertaking	Borrower hereby agrees and undertakes that - In the event of any account being reported into SMA category by any of the lender to RBI , TCFSL shall have the right to recall the loan. - Facility shall be utilised for sanctioned purposes only. - TCFSL shall have the right to call back the facility and/or increase the applicable Rate of interest (ROI) by 2.00% over and above the existing rate in the event of downgrading of credit rating (by any credit rating agency) by two notches from the level held by the Borrower at the time of sanction. Where an external credit rating is not available, the internal rating assigned by the Lender shall be considered for this purpose.
Schedule of Charges / Penalty	

Penalty charges for non creation of security	**2% of the outstanding amount will be charged for the period of delay in respect of Delayed/non-submission of security/collateral related documents and non perfection of security.**	
Description	**Periodicity**	**Penalty Amount**
Delayed of First Insurance cover note and non renewal of Insurance on due date.	**First Insurance:- within 30 days from disbursement date.** **Renewal : as and when due.**	**Additional one time charge of Rs 20,000/- per financial year.**
Non adherence of financial covenants of sanction letter.	**At the time of Review /Renew of account.**	**Additional one time charge of Rs 20,000/- per financial year.**

Penalty to be collected along with applicable GST.

Special Covenants	- To ensure that the continuous cashflow, TCFSL has all the rights to route the receivables of the project MayFlower Platinum for the above mentioned facility - Owners equity to be minimum of 40% of the project
Disbursement covenants	Overall group limit (Modi Properties Pvt Ltd, Modi Realty Pocharam LLP, & Modi Realty Mallapur LLP) should not exceed Rs.11.00 Cr including all the facilities in the group at any point of time.
NOC Issuance	NOC issuance for flats mortgaged with TCFSL: The company would seek NOC from TCFSL at the time of sale of each flat and deposit the monies into Escrow Account/TCFSLs collection account. TCFSL issues the NOC post capitalization of 20% or such higher percentage of value of the Unit (Higher of Sale value/value arrived by TCFSLs panel valuer)
Terms & Conditions	The Borrower hereby agrees and confirms that the sanction of the Facility will be interalia governed by the Terms & Conditions mentioned in loan or specific agreement hereto in addition to the terms contained in this sanction letter.

For MODI REALTY MALLAPUR LLP

Partner

For Modi Properties Pvt. Ltd.

Managing ~~Director~~

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Disbursement Documents	- Sanction letter duly accepted by Borrower, Co-Borrower and Guarantors. - Specific Agreement to be executed by Borrowers, Guarantors and Security Provider. - Authorisation for Borrower to avail the Credit Facility. - Undated cheque of full facility value. - NACH Mandate for repayment of Principal and Interest. - KYC documents of Authorised signatory. - KYC Documents, ITRs and Financials of Borrower & Co-Borrower. Documents from Guarantors (Individual/Personal) - Signature Verification. - KYC documents and ITRs. - Notarized Affidavit on Networth of each Guarantor. Documents incase Collateral is Immovable Asset. - Mortgage deed along with title documents. - Title search and Valuation report from TCFSL empalaned agency. - Declaration cum Indemnity (if any). - ROC search report. Documents in case Collateral is movable Asset. - Hypothecation deed - Site visit before disbursement. - Sanction plan along with approval for 6th floor to be shared - Latest PIPR of the project to be submitted prior to disbursement - Latest TSIR and valuation of the project to be completed Any other documents as prescribed by Tata Capital Financial Services Ltd.
Post Disbursal Documents	- The borrower shall maintain adequate books and records which should correctly reflect their financial position, End use verification and operations and it should submit to Tata Capital at regular intervals such statements as may be prescribed by Tata Capital in terms of the RBI's instructions issued from time to time. - CA certificate of end use will be submitted to us within 30 days from the date of disbursement. - Comprehensive Insurance cover note within 30 days from First Disbursement, duly lien marked in TCFSL favor. - Charge filing with ROC within 30 days from security creation. - Charge filing with CERSAI within 30 days from security creation. - Quarterly PIPR to be submitted during the construction stage.

For MODI REALTY MALLAPUR LLP

Partner

For Modi Properties Pvt. Ltd.

Managing Director

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Periodical Review Requirements	The account to be reviewed and Renewed on half yearly/ Yearly basis as per terms of the agreement. For Renewal of accounts Borrower shall furnish. Mention documents to be dispatched at Tata Capital Financial Services Ltd, I - Think Techno Campus, Building A, 4th Floor , Off Pokharan Road 2, Subhash Nagar, Near Yantra Park , Thane (w) -400607. addressed to Credit Monitoring team, Commercial Finance. Non compliance/ Submission of review requirement may result blocking/ freezing of limits.
Other Financial information	The Borrower needs to furnish other financial information in the format prescribed by TCFSL on quarterly basis within 45 days of closer of quarter.
Data required for renewal of credit limits	On or before the expiry of Review date.
Audited/Unaudited financial statements	Provisional: within three months from the close of the accounting year. Audited: within six months from the close of the accounting year. Bank Borrowing : Outstanding bank borrowings on six monthly basis along with above.

General Covenants	a) All legal and incidental expense including valuation /legal search /ROC search /Stamp Duty and Out of Pocket expenses in connection with proposed credit facility will have to be borne upfront by the Borrower. b) Disbursement of loan shall be subject to the execution of necessary documents completion of all requirements/formalities which forms part of the overall sanction communication from TCFSL. c) The borrower/security provider agrees for insurance product(s) Business Guard or Home Guard Plus via third party tie-ups. TCFSL is only acting as a facilitator for the borrower/security provider in arranging the insurance and is not liable for the settlement of insurance claim or any other liability arising due to the purchase of insurance product(s) by the borrower/security provider.

The aforesaid facility/sanction are subject to the terms and condition set out in loan agreement or master terms and conditions and specific agreement to be executed by yourselves and shall be governed by the terms and conditions as contained in the loan agreement or master terms and conditions and specific agreement as well this sanction letter.Any change/addition in terms and condition of sanction shall be communicated through separate addendum Sanction letter.

"This Letter of sanction does not create any binding obligations on us to disburse funds till the execution of appropriate loan & security documents and till such time same may be cancelled without any prior notice."

This sanction shall stand revoked and cancelled without any notice ,if there are material changes in the Borrower's financial performance, Any material facts concerning the Borrower's profits or its ability to make payments under this loan agreement or any relevant aspects of its request for loan facility are withheld, suppressed, concealed, or are found to be incorrect or untrue."

The Registered Master Terms and Conditions for the credit facility are available on our website at the link below:
https://www.tatacapital.com/mastertc/commercial.html

We look forward to a mutually beneficial and long-term relationship, For any clarification or more information, you may like to contact us by e-mail at contactcommercialfinance@tatacapital.com.

For MODI REALTY MALLAPUR LLP

For Modi Properties Pvt. Ltd.

Partner

Managing Director

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This Letter of sanction hereby supersedes All Sanction letter & terms if any, issued / agreed for this facility.

Yours Truly,
For Tata Capital Financial Services Limited

Authorized Signatory

I/we accept all the terms and conditions which have been read and understood by me/us.

Accepted	**Accepted**	**Accepted**
Modi Realty Mallapur LLP	Modi Properties Private Limited	Mr. Soham Satish Modi
For MODI REALTY MALLAPUR LLP Partner	For Modi Properties Pvt. Ltd. Managing Director	
Borrower	Co-Borrower	Guarantor

Accepted

Mrs. Tejal Soham Modi

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Guarantor