All Scheduled Banks

Sub: Offer for fresh Term Loan facility for the year 2019-2020

Sir,

HUDCO avails credit facilities from Banks and FIs to meet fund requirement for normal business activities. The funds are proposed to be raised from Banks and FIs in single or multiple tranches depending upon HUDCO's operational requirement.

You are requested to forward your offer for fresh Term Loan facility based on the following indicative terms:

- Amount of term loan offered – As per exposure norms of the Bank
- Rate of Interest – MCLR/External benchmark linked interest rate/ any other interest rates decided by bank, payable on monthly/quarterly rests
- Purpose/End utilization of loan proceeds – To augment the resource base of HUDCO to meet the operational requirements of HUDCO.
- Tenor- 1 year to 5 years
- Security - The facility will be a clean facility on unsecured basis (may be against Negative Lien on assets) without creation of charge of any nature, whatsoever, with any authority (RoC, etc.). However, HUDCO shall have right to deal with its assets both movable/immovable in ordinary course of its business. Further, HUDCO would reserve the right to dispose of certain unutilized properties forming part of the Gross block of Fixed Assets without any prior approval from the concerned lenders. In this regard, it may please be noted that disposal off the properties referred above does not affect the business or operation of HUDCO considering the fact that the amount of such properties is negligible in comparison to the total value of HUDCO's assets and as such it will not be prejudicial to the interest of the Banks & FIs who shall have negative lien on HUDCO's assets as security for the loans given to HUDCO.
• Drawal - The offered facilities shall be drawn fully / partly as per actual requirements.

• Prepayment – HUDCO would reserve the right to prepay the facility by assigning prior notice to the Bank without payment of any pre-payment penalty.

In this regard, it may further be noted that information pertaining to HUDCO's (i) Corporate profile, (ii) Product profile / major activities / demographic spread, (iii) Organisational structure, (iv) Operational highlights over the years including scheme-wise & state wise operations, (v) Overall Resource Base (vi) Annual Report for previous 02 years etc, could be accessed at our Official web-site – www.hudco.org. Moreover, we would be pleased to provide any further information / clarification / data analysis as you may require for your proposal note.

The said offer shall remain open till 31st March 2020

Thanking you,

[Signature]

Qamar Ali