Sanction Letter

To
The Partners
M/s Dadi Ventures
Premises No: 430/VL/1/100/174/A/3/2
B.M. Sarani, PO & PS Siliguri, Darjeeling 734001

RMSME/2024-25/359

Date: 28/11/2024

Dear Sir,

ADVANCES TO SME SEGMENT
SANCTION OF CREDIT FACILITIES

With reference to your application dated 17/07/2024 requesting us for sanction of Working Capital Limits and subsequent correspondence in this regard, we have pleasure in advising sanction of the following credit facilities, which are available subject to your acceptance / fulfillment of the Terms and Conditions detailed in Annexures A/B/C:

(Rs.in Lakhs)

c	FACILITY	Existing	Proposed
A] FUND BASED LIMITS:			
a	FBWC (ABL CRE Dropline OD)	0.00	1000.00
Total of Fund Based Limits		**0.00**	**1000.00**
B] NON-FUND BASED LIMITS:			
a	Bank Guarantee	--	--
Total of Non-Fund Based Limits		--	--
TOTAL LIMITS		**0.00**	**1000.00**

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

The sanction is available on fulfilment of the following conditions/ observation:

1. **The limit will be utilized for construction of the commercial project, Ganapati Drawika Galleria near Baneswar More, opposite Global Tower, Eastern Bypass Road, Siliguri 734005. (WBRERA Registration No: WBRERA/P/JAL/2024/001427).**

2. **Cash flow of the project Ganapati Dwarika Galleria, for which limit has been sanctioned, should be routed through ESCROW account of M/s DM Ventures opened with the branch and bank will have first charge on the same. If the credit to the accounts is less than 80% of projected sales realizations, penal interest @1.00% will be charged from the borrower till next review of the limits.**

3. **Total margin of Rs.7.66 Cr proposed to be brought in by partner's contribution to be continued during currency of loan as per the Cash Budget and quarterly CA certificate in this regard to be submitted to the Bank.**

4. **The unit is to submit quarterly Cash Budget to the Bank during the currency of the** loan.

5. **The unit is to be submit quarterly CA certificate towards utilization of fund. CA certificate for the quarter is to be submitted within 20th day of the succeeding month from the closure of the quarter.**

6. **Debt Service Reserve Account (DSRA) equivalent to 3 months instalment & Interest is to be built up before full disbursement of the loan during moratorium period and before commencement of instalments in ESCROW account.**

7. The ABL CRE limit will be repaid in 5 equal quarterly repayment @ Rs.2.00 Cr per quarter. Repayment will commence from Jun 2027 Quarter and the last instalment will be falling due on Jun 2028 Quarter. **The repayment is linked with the cash flow of the project. In case of early realization of the sales, the loan is to be liquidated early in sync with the cash flow of the project. However, in case of delay repayment, the repayment obligation as per the repayment schedule is to be met up without fail.**

8. The unit and its partners should strictly adhere to the the guidelines set in the respective state/ UT RERA Authority of the State and also furnish quarterly data in the prescribed format which will be certified by independent Architect, Engineer & Chartered Accountant.

9. Opening new current account or other accounts, with banks outside the lending arrangement without obtaining Bank's NOC, would amount to an event of default and will be dealt with accordingly.

10. Audited Balance Sheet as on the date of closure of the financial year is to be submitted to the Bank within 30th September of the preceding financial year. Delayed submission of the Audited Balance Sheet will attract penal provision as pet the extant instructions of the Bank.

11. During the currency of the Bank's loan, no consideration by way of commission, brokerage fees or any other form would be paid by the company or received by any of the guarantors, directly or indirectly.

12. The unit is to submit stamped Balance Confirmation Certificate as on 31st March every year by 30th April of the subsequent financial year duly signed by officials authorized for the same.

13. Notarised Asset Liability Statement of the Partners as on the closure date of each financial year is to be submitted to the Bank along with the copies of Individual ITR, ITR Acknowledgement, IT Assessment order and proof of assets declared in the Asset Lability Statement.

14. The Bank may separately advise any terms/stipulations/conditions/observations of the sanctioning authority; apart from the terms and conditions which are mentioned in this letter and its annexure and that shall be binding on the borrowers/guarantors.

15. By accepting the sanction terms, the unit is confirming that they will not avail similar facility from any other bank without the permission of the Bank.

We are forwarding this letter in duplicate along with Annexures A/B/C 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/C

ANNEXURE A

TERMS AND CONDITIONS

1. SECURITY:

Limit	Primary Security	Collateral Security	
		Immovable Property	Personal Guarantee
Fund Based:			
ABL CRE Dropline OD Limit: Rs. 1000.00 Lacs		Commercial & Residential Plot admeasuring about 69.27 Katha situated at: Plot No 6140, 6137, 3859, 3848, 3859, 3861 Situated at Hill Cart Road, Near Bata Gali, PO and PS Siliguri-734001 {Mouja Siliguri, (at present Siliguri Madhya), JL No 110 (88), Touzi No 3(Ja), Pargana Baikunthapur vide the following Title Deed Numbers: Belongs to D.M. Ventures, who is: Corporate Promoter, Title Deed No: I-1916/2020, I-1917/2020, I-535/2020, I-582/2020, I-658/2020, I-684/2020, I-1651/2020, I-1285/2022, I-809/2022. Belongs to: Maonil Estate Pvt Ltd, who is: Corporate Promoter, Title Deed No: I-1879/2004. Belongs to: Anita Mitruka, who is: Partner, Title Deed No: I-1641/2021	1.Shri Naresh Kumar Agarwal s/o Keshoram Agarwal. 2.Shri Deepak Kumar Agarwal s/o Shyam Sundar Agarwal 3.Shri Mrinal Agarwal s/o Naresh Kumar Agarwal. 4.Smt Anita Mitruka W/o Sushil Mitruka. 5.Shri Prateek Agarwal s/o Deepak Kumar Agarwal. Corporate Guarantee: 1.M/s Maonil Estates Private Limited. (CIN: U45209WB1991PTC052028) 2. DM Ventures, Partnership Firm (PAN - AAPFD1772M)

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2. PERIOD OF ADVANCE & REPAYMENT TERMS:

Fund Based Working Capital (ABL CRE Dropline OD): The facility which has been sanctioned on 26.11.2024 is available for a tenure of 43 months including moratorium period of 30 months, subject to review every 12 months, when it may be cancelled / reduced depending upon the conduct and utilization of the advance, or as per the Bank's Scheme.

Repayment of principal will commence from June 2027 quarter. The Limit shall be reduced by equal amount distributed over a period of 5 quarters i.e. Rs.2.00 Cr per quarter. Repayment will be falling due on the last date of the concerned quarter. Interest is to be serviced monthly during the period of moratorium also, as and when applied.

Others: Interest shall be payable on the outstandings 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.
Commitment charges, as applicable, shall be payable in case of non-utilization of sanctioned limits.

3. RATE OF INTEREST:

Fund Based ABL CRE Dropline OD: Interest at the rate of 2.30 % above the Marginal Cost of Funds Based Lending Rate (MCLR) which is presently 8.90% p.a. Present effective rate 11.20 % p.a. calculated on daily products at monthly rests. Bank shall any time and from time to time be entitled to vary the margin base on Credit Risk Assessment of the borrower and the EBR / MCLR 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.
Application of interest in respect of Agricultural Advances shall be in line with the harvesting seasons.

Charges for Non-Fund Based facility:

BG Issuance Charges	NA
LC Opening Charges	NA

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
   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

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g) **Penal INTEREST @ 2% of outstanding amount shall be charged if no of days overdue is greater than 7 days.**

h) **If the credit to the accounts is less than 80% of projected sales realizations, penal interest @1.00% will be charged from the borrower till next review of the limits.**

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 interest rates on the accounts either on the entire outstandings 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:

Loan Processing Charges	1 % of the limit plus applicable GST
Equitable Mortgage Charges	Rs. 25/- per Lakh i.e. Rs. 25000.00 plus applicable GST
CERSAI Fee	Rs. 100 plus applicable GST
Other Charges, not mentioned above:	
Processing Fee will be recovered annually on the anniversary date, irrespective of review/ renewal of the working capital limits on due date.	

4. MARGINS:

SL.	ITEM	MARGIN (IN %)
A	**FUND BASED LIMITS**	
a	Raw Materials: Imported	-
b	Raw Materials: Indigenous	-
c	Semi-Finished Goods	-
d	Finished Goods	-
e	Components / Consumables / Spares	-
f	Domestic Receivables	-
g	Export Packing Credit	-
h	Term Loan	-
B	**NON-FUND BASED LIMITS**	
a	Letters of Credit	-
b	Bank Guarantees	-

5. TENOR / RETENTION PERIOD OF BILLS: (NAP)

The cover period of 90 days for Receivables would be extended only in respect of buyers other than associate / sister concerns. Receivables beyond 90 days will not be reckoned for computing Drawing Power. Drawing Power will also not be available on unpaid stocks.

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6. INSURANCE:

All the assets charged to the Bank, both the underlying assets of the activity for which ABLCRE-CP has been sanctioned and the property against which loan is given 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 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."

7. CREDIT GUARANTEE COVER: (NAP)

a) Pre-shipment Credit, if any, will be covered by the Bank under the Individual Packing Credit Guarantee (IPCG) of ECGC, with premium payable by debit to your account.
b) Post-shipment policy of ECGC with buyer-wise limits for non-L/C exports to be obtained by you at your cost, if applicable
c) ECGC officials have the right to inspect the Unit, if considered necessary.
d) Credit Guarantee under CGTSI Scheme to be covered, wherever applicable.
e) National Credit Guarantee Trustee Company Ltd (NCGTC) shall provide 100% guarantee coverage on the outstanding amount for the credit facility provided under the scheme (only for GECL) as on the date of NPA.

8. STOCK STATEMENTS:

Quarterly Cash flow statement is to be submitted by the unit within 20th day of the next month from the closure of the quarter. In case of variance of more than 20% from the projection, higher interest may be levied by the Bank.

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9. INSPECTIONS (QUARTERLY):

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.

10. VALUATION OF INVENTORY: (NAP)

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

11. SECURITY DOCUMENTS:

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

a. Letter of Arrangement
b. Agreement of Loan cum Hypothecation
c. Guarantee Agreement
d. Recital for creation of Mortgage
e. Confirmation of Mortgage
f. Undertaking from the borrower
g. any other documents as may be required by the Bank

12. OTHERS CONDITIONS: NAP

No drawings will be permitted in the cash credit limit against -

a) stocks lying outside the leased godown

b) stocks retained in third parties' premises

c) stocks received from outside parties for job work, if any, and

d) Sundry creditors in excess of assumed levels will be deducted from stocks while extending D.P

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ANNEXURE B

TERMS & CONDITIONS

a) Disbursement will be made only after completion of security documentation and formalities in respect of mortgage creation / extension. 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.

b) Drawings in the account will be regulated on the basis of Drawing Power computed as per the quarterly cash budget.

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 maintain adequate books and records which should correctly reflect their financial position and scope of operations and should submit at stipulated intervals such statements as may be prescribed by the Bank. The Unit should produce books of accounts for the inspection of Bank staff as and when called for.

f) 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.

g) The Unit should confine their entire business including foreign exchange business to us.

h) The Bank will have the option of appointing its nominee on the Board of Directors of the Unit to look after its interests.

i) ***The Capital invested in the business by the proprietor / partners / directors should not be withdrawn during the currency of our advance.***

j) 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 1% 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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k) 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.

l) 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 has invested, including any action taken by any creditor against the said Units legally or otherwise.

m) After accounting for provision for taxation, the Bank will have the first charge on the profits of the Unit towards repayment of instalments under Term Loans sanctioned / DPGs executed by the Bank or other repayment obligations, interest and any other dues from the Unit to the Bank.

n) 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.

o) 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 stamped letters of undertaking from the Unit and 'No Withdrawal' letters from the depositors should be submitted to this effect to the Bank.

p) 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.

q) 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.

r) 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.

s) In respect of Working Capital Limits of Rs. 10 crore and above, Financial Follow-up Report (FFR I) should be submitted at quarterly intervals within six weeks (42 days) from the close of relative quarter. FFR II (Half-yearly Operating Statement) should be submitted at half-yearly intervals within 8 weeks (56 days) from the close of the relative half-year. Non-submission of the statements will be construed as non-compliance of the covenants. **(NAP)**

t) A charge of Rs____________/- will be levied per branch allocation in respect of limits allocated to other branches of the Bank. **NAP**

u) In respect of creation / extension of Equitable Mortgage in respect of property offered as collateral security to the Bank, a charge of Rs. 25,000/- will be levied.

v) Processing charges as applicable (presently 0.45% of the loan amount. + GST) on the Working Capital limits sanctioned will be charged annually or at the time of renewal, whichever is earlier.

w) If the Credit Rating awarded to the Unit is below CUE-10, the risk rating will be reviewed half-yearly. The Unit should provide necessary information to facilitate such a review. In the absence of half-yearly review for want of such information, the risk rating will automatically slip by one step.

x) **Next review of the above facilities is due on 26/11/2025. The Unit is required to submit financial data one month before the due date.**

y) In respect of Term Loans, enhanced rate of interest is payable under the following circumstances:
   a) Non-payment of interest / instalments
   b) Cross default
   c) In case of adverse deviation in respect of any of the following there financial parameters arrived at based on audited financial statements each year, from the estimated / projected levels accepted at the time of sanction / last review, will attract enhanced interest:
      i) DSCR b) Interest Coverage Ratio c) FACR

z) In respect of certain schemes such as Swarojgar Credit Card, etc., the facility should be covered under the Group Insurance Scheme.

aa) In case of a Company being the borrower, the following terms are applicable:
   a) A resolution to be passed in a meeting of the Board of Directors of the Company for 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 / Authorized Signatory to execute the security documents for availing the credit facilities sanctioned to the Company.
      iii. Authority in favour of Directors / Authorized Signatory for filing the documents and CHG-1 and CHG-4, 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.

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b) 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 CHG-1 and CHG-4, 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.

ab) 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 are to be given immediately and a confirmation to this effect given to the Bank.

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

i. Permanent Account Number (PAN) of each Borrower / Guarantor and Corporate Identity Number (CIN) in the case of companies.
ii. Passport Number and other details including photocopies.
iii. 3 self-attested photographs of the Borrower and Guarantors.
iv. Location / sitemap of immovable properties with important landmarks.
v. Names and addresses / occupations of all the legal heirs of Borrower and Guarantors.
vi. Details of properties not charged to the Bank

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ad) During the currency of credit facilities, if any individual Borrower(s) / Promoters / Beneficial Owners/ Guarantor(s)/ Partner(s) intends to seek change in nationality / acquire citizenship of other country, he/she shall provide a prior intimation to the Bank in writing, and further confirmation of changes in the nationality/ citizenship shall be intimated to the Bank within 60 days (Promoter and Beneficial Owner are defined as per Companies Act 2013 and RBI's Master Directions on Know Your Customer (KYC) ,2016 respectively).

ae) Notwithstanding anything contained hereinabove, we confirm having agreed that the Bank reserves the absolute right the cancel limits (either fully or partially) unconditionally without prior notice

a. In case the limits / part of the limits are not utilized by us, and/or
b. In case of deterioration in the loan accounts in any manner whatsoever, and / or
c. In case of non-compliance of terms and conditions of sanction.

af) I. I/We hereby agree and give consent for the disclosure by the Bank of all or any such information and data relating to me / us information relating to my / our obligation in any banking facility granted / to be granted to me / us by the bank as borrower / guarantors and incase of default, if any, committed by me/us, in discharge of my/our obligations, as the State Bank of India may deem appropriate and necessary, to disclose and furnish to credit Information Bureau (India)Ltd (CIBIL) and any other agency authorized in this behalf by RBI.

II. I/We undertake that CIBIL and any other agency so authorized may use and process the said information and data, disclosed by the bank, in the manner as deemed fit by them. They may also furnish for consideration the proposed information and data or products thereof prepared by them, to banks or financial institutions and other credit guarantors or registered users, as may be specified by the RBI in this behalf.

af) 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 meads 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.

ag) The Borrower agrees that upon the account of the Borrower being categorized as Non Performing Asset (NPA) as per the extant Income Recognition and Asset Classification (IRAC) norms of RBI, the Borrower shall pay interest at the default rate per month on the entire outstanding amount of the loan for the period that the account shall remain NPA. Default rate shall mean the rate of interest over and above the MCLR or others as shall be applicable in case the Credit Risk Assessment (CRA) for an account is the highest (presently interest rate applicable to SB-15) as per norms of CRA linked interest rate applicable in the Bank".

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ANNEXURE C

MANDATORY COVENANTS

M1. The borrower should maintain adequate books of accounts, as per applicable accounting practices and standards, which should correctly reflect its financial position and scale of operations and should not radically change its accounting system without notice to the Bank.

M2. The borrower should submit to the Bank such financial statements as may be required by the Bank from time to time in addition to the set of such statements to be furnished by the borrower to the Bank as on the date of publication of the borrower's annual accounts.

M3. In case of default in repayment of the loan/advances or in the payment of the interest thereon or any of the agreed instalments of the loan on due date(s) by the borrower, the Bank and/or the RBI will have an unqualified right to disclose or publish the borrower's name or the name of the borrower/unit and its directors/partners/proprietors as defaulters/willful defaulters in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit.

M4. The Bank will have the right to share credit information as deemed appropriate with Credit Information Companies (CICs) or any other institution as approved by RBI from time to time.

M5. The borrower should not induct into its Board a person whose name appears in the willful defaulters list of RBI/ CICs. In case such a person is already on the Board of the borrowing company, it would take expeditious and effective steps for removal of that person from its Board. Nominee directors are excluded for this purpose.

M6. In the event of default in repayment to our Bank or if cross default has occurred, the Bank will have the right to appoint its nominee on the Board of Directors of the borrower to look after its interests.

Cross default will be defined as:

a. Default by the borrower to any other bank under Consortium/MBA OR
b. Default by the borrower's associate/sister concern/subsidiary to our Bank OR
d
c. Default by the borrower's associate/sister concern to any other bank. Further, cross default would be deemed to have occurred only in case default to particular lender(s) is not cured within 30 days.

Exemption: This covenant is not applicable to PSUs classified as Maharatna / Navaratna and GoI owned entities.

M7. In case of default not corrected within 90 days or restructuring of debt, the regulatory guidelines provide for conversion of debt to equity. The Bank shall have the right to convert loan to equity or other capital in accordance with the regulatory guidelines. Further, in such a scenario, the borrower agrees to facilitate the process of conversion of loan to equity or other capital. In case of listed company approval of shareholders to be obtained.

M8. Bank will have the right to examine at all times the borrower's books of accounts and to have the borrower's factories inspected, from time to time, by officer(s) of the Bank and/or qualified auditors and/or technical experts and/or management consultants / appoint ASM of the Bank's choice.

and conduct Stock and Receivable Audits at the prescribed periodicity as per Banks laid down guidelines.

Cost of such inspections/ Audits shall be borne by the borrower.

M9. After provision for tax and other statutory liabilities, the Bank will have first right along with other secured lenders as per arrangement of security sharing on the profits of the borrower for repayment of amounts due to the secured lenders, in case of payment default to the lenders is not cured within 90 days. (unless expressly permitted otherwise by any law for the time being in force).

M10. The borrower shall keep the Bank informed of the happening of any event likely to have a substantial effect on their profit or business: for instance, if, the monthly production or sales are substantially less than what had been indicated, the borrower shall immediately inform the Bank with explanations and the remedial steps taken and/or proposed to be taken. Further, for listed corporates, the borrower will inform the Bank simultaneously along with Stock Exchange(s).

For the purpose of this covenant, "substantial effect on their profit or business" would mean adverse variance of 5% or more

Modification: In respect of "AA" (includes + and -) and better rated and PSUs classified as Maharatna / Navaratna, adverse variance of 10% or more shall be applicable.

M11. Effect any change in the borrower's capital structure where the shareholding of the existing promoter(s) (a) gets diluted below current level or (b) leads to dilution in controlling stake for any reason (whichever is lower), without prior permission of the Bank - for which 60 days' prior notice shall be required. In case of Limited Liability partnerships and partnership firms, "promoters" would mean managing partners for the purposes of this covenant.

M12. The borrower will utilise the funds for the purpose they have been lent. Any deviation will be dealt with as per RBI guidelines and terms of sanction.

M13. Promoter's shares in the borrowing entity should not be pledged to any Bank/NBFC/Institution without our prior consent.

STATE BANK OF INDIA ★ 63991 ★ SME, H.C. ROAD Br.

M14. a. Only for Term Loans (> Rs 50 crores) – Covenants (in relation to the undernoted parameters) (i.e. DSCR, Int. Coverage, FACR, Debt/EBIDTA etc.) are to be stipulated for all term loans and these are required to be tested annually on the basis of Audited Balance Sheet (ABS). Penal interest will be charged in case of breach of any two of the four parameters vis-à-vis values as approved by the sanctioning authority in the sanction note. The penal interest will apply from the day after the date of ABS, and shall continue till the breach is cured.

The details are as under:

Parameters	Benchmark for annual testing of financial	Penalty for adverse deviation:	
DSCR	Covenants to be mentioned as per sanction note	a. Upto 10%	Nil
Interest Coverage Ratio		b. >10%	50 bps p.a.
FACR			
Debt/EBIDTA			

b. DSRA to be created as per the Banks terms of sanction.

M15. Each of the following events will attract penal interest/ charges as applicable, at rates circulated from time to time, over and above the normal interest applicable in the account:

i. For the period of overdue interest/instalment in respect of Term Loans and over drawings above the Drawing Power/limit in Fund Based Working Capital accounts on account of interest/devolvement of Letters of Credit/Bank Guarantee, insufficient stocks and receivables etc.

ii. Non-submission of stock statements within 20 days of the succeeding month.

iii. Non-submission of Audited Balance Sheet within 6 months of closure of financial year.

iv. Non-submission/delayed submission of FFRs, wherever stipulated, within due date.

v. Non-submission of review/renewal data at least one month prior to due date.

vi. Non-renewal of insurance policy(ies) in a timely manner or inadequate insurance cover Non-creation of DSRA at the stipulated time.

M16. In the event of default, not corrected in 90 days, the Bank shall have the right to securitise the assets charged and in the event of such securitisation, the Bank will suitably inform the borrower (s) and guarantor(s). In addition, the Bank shall have the right to novate/assign the assets charged

M17. The borrower shall keep the Bank advised of any circumstance adversely affecting the financial position of subsidiaries/group companies or companies in which it has invested, including any action taken by any creditor against the said companies legally or otherwise. Further, for the purpose of this covenant, "adversely affecting the financial position of subsidiaries/group companies or companies in which it has invested" would mean impact on TNW of the particular entity by 10% or more.

M18. Borrowers to submit Certificate on quarterly basis furnishing details of accounts opened with other banks and Details of investments made in Stock Markets, Mutual Funds, NBFCs, ICDs, Associate Companies, Subsidiaries, Real Estate etc., Due Diligence Report etc.

M19. Borrowers to obtain ECGC coverage on Foreign Bank Guarantee issued.

M20. Security to be created as per the approved schedule. / Banks. Approval for delay in creation and perfection of securities.is required. (Maximum period 12 months).

II. Mandatory Negative Covenants:

The Borrower shall not without the prior written permission of the Bank undertake any of the following activities:

MN1. Formulation of any scheme of amalgamation or reconstruction or merger or de- merger.

MN2. Any New project or Scheme of expansion or Acquisition of fixed assets if such investment results in breach of financial covenant(s) or diversion of working capital funds for financing long-term assets.

MN3. Investment by way of share capital or Loan or Advance funds to or Place deposits with any other concern (including group companies). Further, such investment should not result in breach of financial covenants relating to TOL/Adj.
TNW and Current Ratio agreed upon at the time of sanction.

MN4. Entering into borrowing arrangement either secured or unsecured with any other bank, financial institution, company or otherwise or accept deposits which increases indebtedness beyond permitted limits, stipulated if any at the time of sanction. (This covenant will not be applicable for NBFCs).

MN5. Issuing any guarantee or Letter of Comfort in the nature of guarantee on behalf of any other company (including group companies).

MN6. 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 is subsisting in any repayment obligations to the Bank.

MN7. Create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, company, firm or persons.
Exemption: This covenant is not applicable for NBFCs.

MN8. Sell, assign, mortgage or otherwise dispose of any of the fixed assets charged to the Bank. However, fixed assets to the extent of 5% of Gross Block may be sold in any financial year provided such sale does not dilute FACR below minimum stipulated level. (Not applicable for unsecured loans).

MN9. Entering into any contractual obligation of a long term nature (i.e. 2 years or more) or which, in the reasonable assessment of the Bank, is an unrelated activity and is detrimental to lender's interest.

MN10. Change the practice with regard to remuneration of directors by means of ordinary remuneration or commission, scale of sitting fees etc. except where mandated by any legal or regulatory provisions.
Exemption: This Covenant is not applicable to the corporates with ECR of "AA" (includes + and -) and better rated and PSUs classified as Maharatna / Navaratna.

MN11. Any trading activity other than the sale of products arising out of its own manufacturing operations. (Not applicable in case finance is for trading activity only).
Exemption: This covenant is not applicable for NBFCs.

MN12. Transfer of controlling interest or making any drastic change in the management set-up including resignation of promoter directors (includes key managerial personnel).
Exemption: This Covenant is not applicable to PSUs classified as Maharatna / Navaratna.

MN13. Repay monies brought in by the promoters/directors/principal shareholders and their friends and relatives by way of deposits/loans /advances. Further, the rate of interest, if any, payable on such deposits/loans/advances should be lower than the rate of interest charged by the Bank on its term loan and payment of such interest will be subject to regular repayment of instalments to term loans granted/deferred payment guarantees executed by the Bank or other repayment obligations, if any, due from the borrower to the Bank.
Exemption: This Covenant is not applicable to PSUs classified as Maharatna / Navaratna.

MN14. Opening of Current Account with another bank or a bank which is not a member of consortium/MBA..For credit facility(ies) under sole banking arrangement, borrower shall confine entire business with financing bank. Further, in respect of credit facilities under consortium/MBA, the borrower agrees to offer to the Bank (on a right of first refusal basis) at least pro rata business relating to remittances, non-fund based transactions including LCs/BGs, bills/cheque purchase, Forex transactions and any interest rate or currency hedging business, Merchant Banking, IPO/FPO, Capital market transactions, Cash Management Product, Vehicle Loan etc.
Exemption: This Covenant Is not applicable to PSUs classified as Maharatna / Navaratna.

MN15. Payment of commission to the guarantor(s) for guaranteeing the credit facilities sanctioned by the Bank

i. Change in Machinery/ manufacturer/ cost of machinery
ii. Modification in repayment period of term loans whose weighted average maturity is not extended.
iii. Disbursement of term loan by way of reimbursement of expenditure incurred within one year of date of sanction

MN16. Issuance of BGs with auto renewal clause. (Except in favour of Govt Departments for business purposes)

MN17. A. Change in Machinery/ manufacturer/ cost of machinery
B. Modification in repayment period of term loans whose weighted average maturity is not extended.
C. Disbursement of term loan by way of reimbursement of expenditure incurred within one year of date of sanction

We accept

Borrower/s

DADI VENTURES	

STATE BANK OF INDIA * SME, H.C. ROAD Br. * 63991

Guarantor/s

NARESH KUMAR AGARWAL	
MRINAL AGARWAL	
ANITA MITRUKA	
DEEPAK KUMAR AGARWAL	
PRATEEK AGARWAL	
MAONIL ESTATES PRIVATE LIMITED	
D M VENTURES	

Consent to disclose credit/security information to Information Utilities (IUs) by Borrower and Guarantor

The Borrower and Guarantor hereby agrees and gives consent for the disclosure/ sharing by the Bank of all or any such (a) information and data relating to it/him (b) information or data relating to his obligation in any credit facility granted / to be granted by the Bank and availed/enjoyed/guaranteed by it/ him as Borrower (c) Information relating to assets in relation to which any security interest has been created in favour of the Bank and (d)) default, if any, committed by it/ him in discharge of such obligation as the Bank may deem appropriate and necessary to disclose and furnish to any of the Information Utilities (IUs) registered with Insolvency and Bankruptcy Board of India (IBBI), Credit Information Companies ("CIC") registered with Reserve Bank of India (RBI) and any other agency authorised in this behalf by the IBBI, RBI, and/or any such agency that may be constituted or require such information at any time under any of the statutory provisions/ Regulations. The Borrower declares that the information and data furnished by it/him is true and correct. The Borrower further undertakes that (a) the IU/CICs and / or any other agency so authorised may use, process the said information and data disclosed by the Bank in the matter as deemed fit by them and (b) the IU/CICs and / any other agency so authorised may furnish for consideration, the processed information and data or products thereof prepared by them, to Banks / Financial Institutions or other Credit Grantors or Registered Users/ Insolvency Professionals, as may be specified by the IBBI/RBI or such other Regulators/ Statutory Authorities in this behalf. Notwithstanding any right available to the Bank under any law for the time-being in force, the Borrower hereby further agrees and undertakes that the furnishing of information to IUs and any default as reported by IU is sufficient to record the default for the purpose of filing/ initiating any proceedings including but not limited to filing application before the Adjudicating Authority under Insolvency and Bankruptcy Code (IBC) for Insolvency Resolution Process. The Borrower further agrees and undertakes to authenticate the information furnished by it/ him to the Bank/IUs/CICs or such Institutions ("Credit Information Institutions") in such manner as may be prescribed by the respective Credit Information Institutions or the Regulators/Authorities governing such Credit Information Institutions.

We accept
Borrower/s

STATE BANK OF INDIA
63991
SME, H.C. ROAD Br.

DADI VENTURES	

Guarantor/s

NARESH KUMAR AGARWAL	
MRINAL AGARWAL	
ANITA MITRUKA	
DEEPAK KUMAR AGARWAL	
PRATEEK AGARWAL	
MAONIL ESTATES PRIVATE LIMITED	
D M VENTURES	

<u>**DECLARATION OF NATIONALITY**</u>

Sl No.	Name	Status (Borrower/ Director/ partner/ Guarantor)	Nationality/ Citizenship*	Remarks if any
1.	NARESH KUMAR AGARWAL	Partner	Indian	NA
2.	ANITA MITRUKA	Partner	Indian	NA
3.	PRATEEK AGARWAL	Partner	Indian	NA
4.	MRINAL AGARWAL	Guarantor	Indian	NA
5.	DEEPAK KUMAR AGARWAL	Guarantor	Indian	NA

Signature of Borrower

Signature of Guarantor

STATE BANK OF INDIA ★ SME, H.C. ROAD Br. ★ 63991

ANNEXURE D

Key Fact Statement / Fact Sheet

Loan- Fund Based ABL CRE Limit				
1	Loan amount		Rs.1000.00 Lakhs	
2	Loan term		43 Months	
3	Interest type (fixed or floating)			
4	(a)	Interest chargeable (In case of Floating Rate Loans)	(a)	*FBWC ABL CRE DROPLINE OD: 8.90% (MCLR 6M + 2.30 % spread) ; Effective ROI – 11.20% p.a.
	(b)	Interest chargeable (In case of Fixed Rate Loans)	(b)	NA
5	Date of reset of interest			
6	Mode of communication of changes in interest rates		Letter, email, Bank's website, phone call etc.	
7	Fee payable			
	a	On application (Pl individually specify all type of fee)	Processing Fees: 1% of the loan amount	
	b	During the term of the loan (Pl individually specify all type of fee)		
	c	On foreclosure (Pl individually specify all type of fee)	2.00% of the limit	
	d	Fee refundable if loan not sanctioned/disbursed		
	e	Conversion charges for switching from floating to fixed interest and vice-versa		
	f	Penalty for delayed payments		
8	EMI payable		NA	
9	Details of security/collateral obtained		Commercial & Residential Plot admeasuring about 69.27 Katha situated at: Plot No 6140, 6137, 3859, 3848, 3859, 3861 Situated at Hill Cart Road, Near Data Gali, PO and PS Siliguri-734001 {Mouja Siliguri, (at present Siliguri Madhya), JL No 110 (88), Touzi No 3(Ja), Pargana Baikunthapur vide the following Title Deed Numbers: Belongs to D.M. Ventures, who is: Corporate Promoter, Title Deed No: I-1916/2020, I-1917/2020, I-535/2020, I-582/2020, I-658/2020, I-684/2020, I-1651/2020, I-1285/2022, I-809/2022.	

STATE BANK OF INDIA ★ SME, H.C. ROAD Br. ★ 63991

		Belongs to: Maonil Estate Pvt Ltd, who is: Corporate Promoter, Title Deed No: I-1879/2004. Belongs to: Anita Mitruka, who is: Partner, Title Deed No: I-1641/2021 Personal Guarantee: 1.Shri Naresh Kumar Agarwal s/o Keshoram Agarwal. 2.Shri Deepak Kumar Agarwal s/o Shyam Sundar Agarwal. 3.Shri Mrinal Agarwal s/o Naresh Kumar Agarwal. 4.Smt Anita Mitruka W/o Sushil Mitruka. 5.Shri Prateek Agarwal s/o Deepak Kumar Agarwal. Corporate Guarantee: 1. Maonil Estates Private Limited. 2. D M Ventures.
10	Date on which annual outstanding balance statement will be issued	31st March of every year.

Note: *The rates and manner of imposition of interest may change as per terms and conditions mentioned in the arrangement letter read with SME-1.*

We accept
Borrower/s

STATE BANK OF INDIA ★ SME, H.C. ROAD Br. ★ 63991

DADI VENTURES	

Guarantor/s

NARESH KUMAR AGARWAL	
MRINAL AGARWAL	
ANITA MITRUKA	
DEEPAK KUMAR AGARWAL	
PRATEEK AGARWAL	
MAONIL ESTATES PRIVATE LIMITED	
D M VENTURES	

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ANNEXURE E

a) Repayment Schedule: (Likely drawn down)

Due Date	Principal
30.06.2027	Rs.2.00 Cr
30.09.2027	Rs.2.00 Cr
31.12.2027	Rs.2.00 Cr
31.03.2028	Rs.2.00 Cr
30.06.2028	Rs.2.00 Cr

Interest to be paid as and when applied.

b) Frequency of Repayment: ~~Monthly~~/Quarterly/~~Half Yearly/Yearly/End of the Term~~

c) Moratorium period for payment of principal and/or interest

Moratorium for	Moratorium Period	Start Date	End Date	Date of commencement of Repayment
Principal	30 Months	Dec 2024	May 2027	30.06.2027
Interest	NIL			30.11.2027

d) Example of SMA/NPA Classification

Loans other than revolving facilities		Loans in the nature of revolving facilities like cash credit / overdraft	
SMA Sub-Categories	Basis of classification - Principal or interest payment or any other amount wholly or partially overdue for a period of:	SMA Sub-Categories	Basis of classification- Outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower, for a period of:
SMA-0	Upto 30 days		
SMA-1	More than 30 days and upto 60 days	SMA-1	More than 30 days and upto 60 days
SMA-2	More than 60 days and upto 90 days	SMA-2	More than 60 days and upto 90 days

Example:

If due date of a loan account is March 31, 2021, and full dues are not received before the lending institution runs the day-end process for this date, the date of overdue shall be March 31, 2021. If it continues to remain overdue, then this account shall get tagged as SMA-1 upon running day-end process on April 30, 2021 i.e. upon completion of 30 days of being continuously overdue. Accordingly, the date of SMA-1 classification for that account shall be April 30, 2021.
Similarly, if the account continues to remain overdue, it shall get tagged as SMA2 upon running day-end process on May 30, 2021, and if continues to remain overdue further, it shall get classified as NPA upon running day-end process on June 29, 2021

Chief Manager

Accepted.
Borrower (s)
Date:

STATE BANK OF INDIA 63991 SME, H.C. ROAD Br.

PASSPORT SIZE PHOTOGRAPHS OF BORROWER(S)

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STATE BANK OF INDIA 63991 SME, H.C. ROAD Br.

PASSPORT SIZE PHOTOGRAPHS OF THE GUARANTOR(S)

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