

SANCTION LETTER

To, M/s. SRIYAMI FARMERS PRODUCER COMPANY LIMITED

Add: H. NO. 48 MALANGAON,
TAL KAVATHE MAHANKAL DIST SANGLI,
SANGLI-416405
Maharashtra

Madam/ Dear Sir,

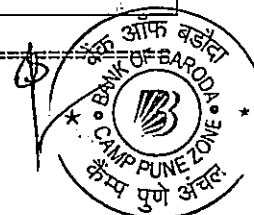
Reg.: Loan application of M/S Sriyami Farmers Producer Company Limited, Tasgaon Dist. Sangli for Integrated Sorting grading, processing, storage and marketing of Grapes under SMART Project Government of Maharashtra and AIF scheme for Construction of Factory building, Purchase of plant and machineries, furniture and fixture, other fixed assets etc.

With reference to your loan application, requesting us to sanction Term Loan facility, we are pleased to convey the sanction of Term Loan facility of Rs. 170.63 Lakh (One Crore Seventy Lakh and Sixty Three Thousand only) subject to following terms & conditions;

Facility	Term Loan
Name of account	M/S Sriyami Farmers Producer Company Limited
Amount of Loan	Rs. 170.63 Lakh (One Crore Seventy Lakh and Sixty Three Thousand only). Subject to approval of Project report from SMART
Purpose and Facilities eligible for loan/ borrowing	Integrated Sorting grading, processing, storage and marketing of Grapes for Construction of Factory building, Purchase of plant and machineries, furniture and fixture, other fixed assets etc.
Security	I. Primary Security: 1. Registered Mortgage of all piece and parcel of the Agriculture land along with the proposed construction there on that situated at land bearing Gat No. 1890 adm 1.15 ha at post Manerajuri Tal. Tasgaon Dist Sangli 2. Hypothecation of Plant, Machinery, Furniture, Fixtures & other assets created out of bank finance. 3. Personal Guarantee of the Authorized signatory of FPC. II. Collateral Security: 1. To be covered under CGTMSE
Margin	10.00% of Total Project Cost.
Subsidy Schemes details	1. Ma. Balasaheb Thakare Krushi Vavasay ani Gramin Parivartan Prakalp (SMART) with upfront subsidy @ 60% subsidy of eligible project cost. 2. Interest subvention @ 3% upto loan amount Rs.2.00 Cr and Reimbursement of CGTMSE fee up to coverage of Rs. 2.00 Cr as per AIF Scheme guidelines.
Repayment	i. Repayment period of the loan will be as per Project Report submitted to SMART and acceptable to Bank. ii. Instalment frequency will be synchronized with frequency of income generation from the proposed activity. iii. Interest charged during Moratorium period (if any) is to be capitalized. iv. Branch has to regenerate the repayment schedule after completion of the moratorium period.
Interest Rate	Applicable ROI for Proposals Eligible under Agriculture Infrastructure Fund with exposure up to 2.00 Cr. is One year MCLR + 1% per annum subject to maximum of 9% p.a. with yearly rests (Present MCLR 8.55%) The ROI is subject to change as per Bank's guidelines.
Documentation	As per Bank's extant guidelines
Processing fee	@0.50 % of Sanctioned amount + GST(As per Food and Agro scheme)
Other Charges	As per Bank's extant guidelines

C.A.M.P. (Centre for Agriculture Marketing and Processing), Pune Zone

2nd Floor, 32-Darekar Heights, Karve Road, Pune – 411 004, Email: camp.pune@bankofbaroda.com



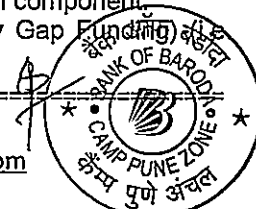
Annexure-I

Purpose and Facilities eligible for loan/borrowing & Components wise costing is as under
(Rs. In Lakh)

Sr No	Particular	Project cost Approved by SMART	New Project after addition of GST @ 18%	SMART Subsidy (Front ended)	Loan amt. as per New project cost	Margin amt. as per New project cost
1	Pack House-16 MT	50.00	59.00	30.00	23.10	5.90
2	Pre cooling Unit	50.00	59.00	30.00	23.10	5.90
3	Cold Storage-30MT	15.00	17.70	9.00	6.93	1.77
4	Raising Shed	13.15	15.52	7.89	6.08	1.55
5	Factory Shed/Processing Unit	69.21	69.21	41.53	20.76	6.92
6	Part of Factory Shed-Conveyer Machinerics	69.31	81.79	41.59	32.01	8.19
7	Generator 200 KVA (With all accessories)	11.60	13.69	6.96	5.36	1.37
8	Transformer 300 KV	4.20	4.96	2.52	1.94	0.50
9	Solar System-110KWP	60.00	70.00	36.00	27.00	7.00
10	Crates	5.50	6.49	3.30	2.54	0.65
11	Material Handling Equipment's	17.00	17.00	10.20	5.10	1.70
12	Special Packaging Equipment's	14.00	14.00	8.40	4.20	1.40
13	Plastic pallets 1 MT	1.25	1.48	0.75	0.58	0.15
14	Centrifugal Pump Three Stage 100 LPH (2Nos)	1.10	1.30	0.66	0.51	0.13
15	Weighing machine set with PC Software (2Nos)	2.00	2.36	1.20	0.92	0.24
16	Reverse Osmosis 2 KLH	3.50	4.13	2.10	1.62	0.41
17	Tractor-27HP	6.00	6.00	3.60	1.80	0.60
18	Tractor operated Air assisted sprayer 230 Lit Capacity	2.50	2.95	1.50	1.16	0.30
19	Operating Expenses	19.77	19.77	11.85	5.93	1.98
Total		415.09	466.33	249.05	170.63	46.64

*Note:

- FPC have submitted their project report to SMART along with Quotations (incl. GST amount)
- SMART have approved the Project of FPC as per Unit Cost Norms, however, in components GST is included and in some cases GST is not included considering upper cap limit of Unit cost.
- SMART vide their project approval letter dated 08.03.2023 at point no. 9, also informed that, any additional expenses done by FPC towards GST will be subsidized @60%.
- As such, new project cost has been arrived after addition of GST Amount @18% in each component.
- Branch to ensure that, disbursement will be done only after receipt of VGF (Viability Gap Funding) Subsidy amount including 60% of GST Amount)

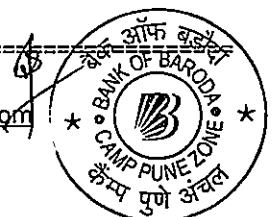


This sanction letter is subject to satisfactory credit rating, Title Search Report from empaneled advocate, Valuation report from empaneled valuer, revised approval letter from SMART and completion of various formalities/documentation as per Bank's extant guidelines, approval of deviations (if any) from the competent authority and clearances to the satisfaction of the Bank and subject to fulfilment of pre-disbursement conditions mentioned under;

Pre disbursement Conditions:

1. As per approved project report and JA.KRA.KRU.AA./SMART/MU.U.M.AA/1232/2023 Dated 08-03-2023 and as per fresh quotations which are submitted to SMART for fresh approval". Revised Quotations as per approval received from "SMART" to be submitted to branch.
2. Company to provide fresh/revised MOA with authority/empowerment to borrow money from bank and same need to revise at ROC.
3. Company to provide Board resolution informing about authorized signatory of company and availment of loan from our Bank.
4. Due diligence in respect of price and major supplier of machineries need to be carried out by Branch. Ref: As per project approved by Ma. Balasaheb Thackeray Agribusiness & Rular Transformation (SMART) vide letter no JA.KRA.KRU.AA./SMART/MU.U.M.AA/1232/2023 Dated 08-03-2023 and as per guidelines issued by SMART vide letter no Ja.Kra.SMART/S.Ma.Su/667/20 dated 13.07.2020 finalization of major supplier of machineries and Contractors will be done through bidding and tender process.
5. The Project includes CIVIL work and PEB work for installation of Grape grading & processing unit. Branch to obtain agreement/ quotation/ estimates of from Company w.r.t. Suppliers of machineries and Contractors finalized through tender process. Branch need to obtain and scrupulously verify the quotations and vetting report of project estimates from paneled valuer as and when provided by the company. Branch need to satisfy upon the same.
6. Branch need to obtain Construction agreement for Civil work and Steel/PEB work/ processing Unit, agreement for installation of transformer, solar plant, weighing scale etc. and scrupulously verify the same as and when provided by the Company. Branch need to satisfy upon the same.
7. In the event of cost overrun, the Company shall not resort to Bank/other Bank for financing the over-run in project cost. Escalation in cost of the project if any to be met by the Company from its own sources. The Company should not resort to any additional borrowing in case of cost escalation. The promoter has to bring additional equity in case of any cost overrun.
8. Applicant to ensure to register themselves on AIF portal.
9. Branch to ensure to obtain suitable undertaking to cover the facility under CGTMSE.
10. All documentation formalities should be completed before disbursement of credit facility.
11. Branch should obtain new quotations, estimates as required after the completion of tender process and disbursement should be done as per new quotations, estimates submitted by the FPC. Also proper due diligence should be carried out before disbursement of proposed facility.
12. Branch should obtain valuation report of the leased land property situated at village Manerajuri, Tal: Tasgaon Dist: Sangli bearing Gat No. 1890 admeasuring 1.15 Ha area. Report should be obtained from empaneled valuer authorized for doing valuation of agri land.
13. Branch to obtain fresh/ interim TCR from empanelled advocate.
14. Registered Mortgage to be executed following all due care and obtaining all documents as per Panel Advocate Search Report for Agriculture land provided to proposed borrower on lease along with the construction there on situated at village Manerajuri, Tal: Tasgaon Dist: Sangli bearing Gat No. 1890 adm 1.15 ha in the name of Mr. Sandeep Narayan Patil along with the building constructed/ to be constructed thereon.
15. Branch to comply with the conditions of search report before mortgage of the property.
16. Branch should ensure that our mortgage charge should be registered with the revenue authorities. Copies of land extracts denoting our charge to be obtained and kept on record before disbursement of proposed facility.
17. Branch should obtain FSSAI license before disbursement of proposed facility.
18. Branch should ensure that Charge creation with Registrar of Companies (ROC) has to be done in case of Hypothecation of Assets created out of bank finance within 30 days from the date of disbursement.
19. Disbursement to be done in stages as per requirement for purchase of machinery and construction.
20. The loan amount to be disbursed by DD /RTGS/NEFT after receipt of margin from the applicants to the extent possible. Relevant receipts to be kept on record. End use to be ensured.
21. Post sanction/ Post disbursement visits to be done and reports thereof to be kept on record.

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22. The Branch has to ensure that proposed Machinery, Furniture and fixtures, stocks and mortgaged properties will be insured fully with our bank's clause.
23. The Branch has to ensure that the proposed margin to be brought by applicant for term loan respectively.
24. CERSAI to be done for hypothecated/ mortgaged assets. Also, Branch should confirm that Our Bank Charge is noted with appropriate authority CERSAI for primary and collateral securities.
25. Branch should ensure that the credit facility is covered under CGTMSE in time as per AIF scheme guidelines.
26. Declaration should be obtained that, if subsidy will not be received or received late due to any reason then applicant should repay entire loan amount along with interest as per agreed terms and conditions.
27. Branch should obtain the certified copy of the resolution passed at the Board meeting of the Company authorizing borrower of credit facilities from the Bank and execution of the loan documents before disbursement of proposed facility.
28. The applicant / borrower/ directors shall confirm that all approvals, clearances, consents and waivers, etc. required for the project are obtained from the competent authorities and are valid and, effective. The applicant / borrower shall further undertake to keep them valid, and effective during the tenure of the loan / bank facility. A copy of the same submitted for record before disbursal.
29. KYC Compliance and Due Diligence is the responsibility of the Branch. Branch should verify the Xerox copies submitted by the applicants with that of Originals and ensure their Genuineness. KYC of all the directors has to be verified by the branch.
30. Branch to ensure that, disbursement will be done only after receipt of VGF (Viability Gap Funding) (i.e. Subsidy amount including 60% of GST Amount)
31. This letter is issued as per the request of the Customer without any risk and liability on our side.

Other Terms & Conditions :-

- 1) The borrower to undertake that during the currency of our advance, they will not, without the permission of the Bank in writing:
 - i. Implement any scheme of Expansion / Modernization / Diversification, except which are approved by our Bank.
 - ii. Formulate any scheme of Merger / Acquisition / Amalgamation / Reconstitution
 - iii. Enter in to borrowing either secured or unsecured with any other Bank / Financial institution / Corporate Body.
 - iv. Invest / Deposit / lend funds to group firm & companies / family members / other corporate bodies / firms / persons.
 - v. Create any further charge, lien or encumbrances over the assets charged to the Bank in favor of any other Bank, Financial institution, NBFC, firm, firm or person or otherwise dispose of any of the fixed assets.
 - vi. Pay commission / brokerage / fees etc. to Guarantor / or any other person for guaranteeing the facilities sanctioned.
 - vii. Allow the level of net working Capital to come down from the estimated / projected level.
- 2) The proper books of accounts, stock register and records of machineries are to be maintained as per the Bank's requirements and to be made available to the Bank officials / representative during inspection.
- 3) The Bank will have the right to examine the books of accounts and carry out inspection or valuation of assets of the borrower, which are charged to the Bank, from time to time by Bank's officials / technical experts / external agencies / C.A. firms / Management Consultants and / or valuers. The inspection / valuation charges so incurred will be borne by the borrower.
- 4) Bank's name plate for lien should be displayed at the business premises / unit of the borrower, on at the place of storage of hypothecated goods.
- 5) All money advanced or to be advanced by the Bank will be utilized exclusively for the purpose set forth in application / project report submitted to the Bank. In case the advance is utilized or attempted to be utilized for any other purpose or if the Bank apprehends or has reasons to believe that the said loan is being utilized for any other purpose, the Bank shall have the right to recall the entire or any part of the loan / advance forthwith without assigning any reason thereof.
- 6) The borrower to obtain comprehensive insurance policy covering insurance of various factory buildings, plant & machineries, electric installations, furniture & fixtures, vehicles, computers, equipment, stock of raw materials, work-in-progress, finished goods, collaterals etc. charged to the Bank incorporating 'Bank clause'. Insurance policy should cover stocks lying at different places and should cover all risks including



<p>earthquake. The firm is to cover the same under BANCASSURANCE Scheme. The insurance policy to be submitted to the Bank.</p>
<p>7) Valuation Reports in respect of the Factory Land & Building and other immovable property/ies charged to the Bank should be obtained from the Bank's approved Architect / Engineer / Valuer once in every -3- years as per Bank's norms, the fees for which are to be borne by the borrower.</p>
<p>8) The borrower to obtain and continue to obtain / renew various licenses / permissions / sanctions, etc. from various Government Departments from time to time and copy of the same should be given to the Bank.</p>
<p>9) In case of any default in the repayment of the loan or interest, the Bank and / or RBI will have an unqualified right to disclose or publish the name of Firm / Proprietors / Guarantors as defaulter in such manner and in such medium as the Bank or the RBI in their absolute discretion may think fit.</p>
<p>10) The Borrower will submit a declaration that any of the director of the FPC is not relative of any member of the Bank's Board / Senior Officer of the Bank / Member of any other Bank's Board.</p>
<p>11) The borrower would keep the Bank informed of the happening of the event that is likely to have substantial effect on the profit / business or circumstances adversely affecting its financial position.</p>
<p>12) The borrower shall endeavor to use our e-banking (electronic payments, NEFT, RTGS, etc.) facilities for its entire/proportionate financial requirements.</p>
<p>13) Penal interest will be charged, @ 2.00% p.a.(or at the discretion of the bank not below 1.00%); as per Bank's norms, for the following irregularities:</p> <ol style="list-style-type: none"> Non / Delay in payment of installment and / or interest and / or excess over the limit. Non / Delay in submission of monthly stock & book-debt statement and / or quarterly C.A. certified book-debt statement. Non / Delay in submission of provisional / audited financials, CMA, I. T. returns, etc. for review of the facilities. Non / Delay in submission of QIS statements. Non / Delay in payment of devolved LC In the event of any breach / non-compliance of any of the major/specific terms and condition of the sanction (at the sole discretion of the Bank) Non-compliance of any financial covenant undertaken by the borrower.
<p>14) All the terms and conditions of the sanction are complied with in letter & spirit are taken care of during documentation / disbursement / post disbursement supervision and follow up at monitoring stages.</p>
<p>15) This sanction is valid for a period of -2- months from the date of issuance.</p>
<p>16) The advance made available under the above mentioned facilities are repayable on demand and the terms & conditions of these facilities granted, at the discretion of the Bank, are subject to change from time to time without any prior notice. The Bank reserves the right to withdraw, modify or amend the terms & conditions of advance and Bank would not be bound to disburse full amount of advance in the event of any failure on the part of the borrower in satisfying any of the stipulated terms & conditions.</p>
<p>17) The Bank reserves the right to discontinue the credit facilities / advance / loans and / or to withhold / stop any disbursement/s without assigning any reasons / giving any notice, in case of non-compliance / breach of any of the terms & conditions stipulated therein and from time to time as also in the relevant document or any information / particulars furnished to us found to have been incorrect or in case of any development or situations wherein, in the opinion of the Bank, its interest will be/is likely to be prejudicially affected by such continuation or disbursement.</p>
<p>18) Rate of interest is subject to change with Bank's administrative guidelines / RBI directives, issued from time to time.</p>
<p>19) Inspection charges for periodical verification of stocks/machinery/securities should be borne by the borrower.</p>
<p>20) Charge on properties/primary assets to be registered with CERSAI within prescribed time limits. Charges for registration to be borne by the borrower.</p>
<p>21) Borrower / Firm shall not make payout of interest on unsecured loans (USLs) raised from relatives/associate concern without prior written consent of the bank OR interest payable to the relatives / associate concerns on USLs should be capitalized and added to the USLs. However, USLs should stand subordinated to the bank loan and no USL should be withdrawn without prior written consent of the bank.</p>

22) Any sale / job work transactions with the associate concerns should be at the prevailing market rates and proper record of such transactions to be maintained.
23) In case of any shortfall / contingency, the borrower should arrange additional working capital funds from own sources.
24) The margin and other charges will be subject to change as per RBI's directives / Bank's Policies from time to time.
25) The borrower to maintain financial discipline and ensure that adequate funds are available in the account before issuing cheques. The bank will have the right to discontinue the sanctioned credit facilities in the event of dishonor of -4- cheques of Rs. 1.00 crore & above and / or -6- cheques (drawn by firm in both the cases) of below Rs.1.00 crore during financial year for want of sufficient funds in the account.
26) The charges in respect of inspection of securities, CIBIL/Equifax/CRIF, review/renewal of credit facility/ies etc. and all other charges as prescribed by the bank from time to time shall be borne by borrower.
27) Payment shall be made directly to dealers of machineries and equipment. Borrower to submit a copy of invoices.
28) Branch to ensure all guidelines of AIF scheme should be followed and same has been updated on respective scheme's online portal for update sanction, Disbursement and subsidy claim lodge as per prescribed procedure of respective government department.
29) Branch to ensure all guidelines should be followed regarding utilization of subsidy amount as per scheme guidelines of respective scheme as SMART & AIF.

Thanking You!

Yours faithfully,



(Vaibhav Subhash Kaviratke)
Chief Manager
C.A.M.P. Head,
Pune Zone

