



Ref. No: LNJ/ADV/2022-23/014

DATE: 17/01/2023

To,

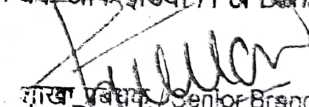
M/s Jackfruitking Agro Producer Company Limited
3217, Ghanwanewadi, Taluka-Lanja,
Dist.-Ratnagiri-416701
Contact. No. 8275455176

Respected Sir/Ma'am,

Your request for sanction of credit facilities

1. We invite reference to your request for credit facilities and are pleased to offer you, the credit facilities to **M/s Jackfruitking Agro Producer Company Limited** as per Annexure -I on the broad terms and conditions mentioned in Annexure - I & II of this letter. Notwithstanding anything to the contrary stated or suggested herein, the outstanding indebtedness, whether actual or contingent, under these facilities is subject to liquidation by you, on first demand by us.
2. This letter is issued in duplicate. Please return duplicate copy duly signed by an authorized signatory in token of having accepted the terms and conditions.

Yours faithfully,

For Bank of India
बैंक ऑफ इंडिया / For Bank Of India

राजा विष्णू / Senior Branch Manager
Senior Branch Manager
Lanja Branch



All broad Terms and Conditions as mentioned in Annexure-I and II are accepted and acknowledged by:

For M/s Jackfruitking Agro Producer Company Limited



Guarantor:
Mr. Harishchandra Sitaram Desai
Mr. Mithilesh Harishchandra Desai
Mrs. Vaijaanti B. Kuweskar
Mrs. Pallavi Dattaram Panhalekar
Mr. Dinesh Chandrakant Majalkar
Mr. Shubhamkar Shrikant Chavan

ANNEXURE – I

A. LIMITS SANCTIONED

(Rs. in Lakhs)				
Type of Facility	Existing	Proposed	Margin %	Pricing ROI/ Commission
A. Fund Based:				
1. Term Loan-I	-	155.00	69.47%	1.00% (CRP) above BOI RBLR subject to maximum effective ROI of 9.00% p.a with monthly rests #
B. Working Capital Fund Based				
2. Cash Credit - Stock & Book-debt	-	25.00	Stock- 25%, Book Debts upto 90 days- 40%	2.50% (CRP) + 0.00% (BSS) above BOI RBLR (9.10%) presently effective 11.60%p.a. with monthly
C. Total/Max WC Limit	-	25.00		
D. Total Fund based limit (A+C)	-	180.00		
E. Non Fund Based		0.00		-
F. Total Limits (D+E)	-	180.00		

#Concessional/Capping of maximum effective ROI on Term loan is proposed under AIF scheme only

B. SECURITY:

S. No.	Details
Principal Security:	
1.	For Term Loan: EQM of Agricultural Land and Proposed Construction at Plot No.572/1/1, Village-Zapade, Taluka-Lanja, District-Ratnagiri admeasuring 0.62 ha. owned by Mr. Mithilesh Harishchandra Desai (Director & Guarantor)
2.	Hypothecation of Plant & Machinery
3.	For CC limit: Hypothecation of Stock & Book Debt
Collateral Securities:-	
1.	(For CC limit) Pledge of TDR in the name of Mr. Harishchandra Sitaram Desai of Rs. 1.00 lakh Hybrid CGTMSE Guarantee cover of Rs.24.00 lakhs for Cash Credit limit
2.	CGTMSE Guarantee cover for Term loan

C. REPAYMENT OF TERM / DEMAND LOANS:

1. Term Loan: Term loan of Rs.155.00 lakhs is proposed to be repaid in 70 monthly instalments of Rs.2,21,429/-(Non-EMI) to be started 3 months after DCCO(Date of commencement of commercial operations). DCCO of the proposed project is 01-01-2024 and monthly instalment is proposed to be started from 30-04-2024. Door to door tenure of term loan is 84 months which includes moratorium period of 14 months.

	No. of Instalments	Amount	Frequency		Whether EMI
			Initial Moratorium	Date of commencement	
Proposed	70	2,21,429/-	14 months	30.04.2024	Non-EMI #

Interest to be serviced separately as and when applied during moratorium period as well as repayment tenure of term loan.

2. Cash Credit Limit (Rs.25.00 Lakhs): The cash credit limit is repayable on demand as per the terms of sanction. Interest to be serviced as and when applied.

D. PURPOSE:

- 1) **Term Loan:** Company has requested for Term Loan of Rs.155.00 lakhs for construction of unit and purchase of machineries & equipment for business.
- 2) **Cash Credit Limit:** To meet working capital requirement for purchase of stock, payment of creditors and to meet daily operational expenses.

E. GUARANTOR:

S. No.	Name
1	Mr. Harishchandra Sitaram Desai
2	Mr. Mithilesh Harishchandra Desai
3	Mrs. Vaijaanti B. Kuweskar
4	Mrs. Pallavi Dattaram Panhalekar
5	Mr. Dinesh Chandrakant Majalkar
6	Mr. Shubhamkar Shrikant Chavan

F. OTHER TERMS & CONDITIONS:

1. Borrower shall strictly comply with the bank's policy on responsible financing. In the event of failure to comply with the said policy or any action/activities of borrower is in violation of the same, the Bank shall be at liberty to re-call the credit facilities/refuse to grant credit faculties.
2. Bank shall have the right to sell, transfer, assign or securities the loan/ advances sanctioned and disbursed to you.
3. In consideration of Bank of India (Bank) having granted/agreed to grant credit facilities/limits of Rs.1,80,00,000/- (Rupees One Crore Eighty Lakhs only) interalia on the terms and conditions contained in your Letter of Sanction and the loan and security documents, I/We agree that notwithstanding anything contained in any loan/security documents and/or any writing to the contrary, the Bank shall not be

obliged to grant or continue the credit facilities except that it shall in its absolute discretion consider fit and Bank shall always be at liberty and at its sole discretion to cancel all or any part of the said credit limits, without prior notice or assigning any reason whatsoever in the event of a) the said credit limits are not utilised by me/us and/or b) deterioration of the loan account or diminution in the value or title of the securities and/or c) non-compliance of the terms and conditions of sanction. I/We shall not be entitled to claim any compensation, damages or otherwise from the Bank on exercising the said right."

4. Processing charges of Rs.49,500- + GST will be levied. Documentation charges of Rs.10,000/-, inspection charges @ Rs.2000/- + GST per inspection are payable, Mortgage charges of Rs.10000/-, CERSAI charges and CMR charges of Rs.360/- will be charged. Out of pocket expenses incurred towards title verification and valuation of property/assets, inspections/ techno-economic appraisal of the project/unit will be recovered separately.
5. Company has to execute security documents adequately stamped as per extant guidelines before disbursement.
6. Company has to submit satisfactory status report from banker's of supplier, if cost of the item being purchased/supplied is Rs.10.00 Lac and above before disbursement for these items.
7. Company has to submit CA certified net worth certificate of guarantors having net worth of Rs.50.00 lakhs and above before disbursement.
8. Company has to increase the authorized share capital of the company from Rs.25.00 lakhs to Rs.50.00 lakhs before disbursement of loan.
9. Company has to ensure EQM of the immovable properties proposed as primary securities as per extant guidelines before disbursement.
10. Company has to maintain stipulated margin at each stage of disbursement of term loan as per sanctioned terms.
11. The disbursement of term loan shall be made in a phased manner based on request of the firm, requirement of the project & progress of the work.
12. Company to submit stamped undertaking that the funds will be utilized for the undertaken purpose for which the limit is sanctioned.
13. Company has to submit declaration for DCCO at the time of documentation.
14. Borrower to route all the business transaction through CC account only.
15. Borrower to submit all original receipts and tax invoices at branch.
16. Borrower to submit duly discharged TDR of Rs.1.00 lakhs in the name of Mr. Harishchandra Sitaram Desai proposed as collateral security
17. Company to ensure noting of charge with Talathi/Revenue authority and fresh 7/12 extract duly noted our charge to be submitted at branch.
18. CERSAI charge on stock, book debts, machineries & immovable properties to be done with CERSAI portal.
19. Company to ensure ROC charge on MCA to be registered within 30 days of documents execution
20. Company to ensure that in case of escalation of project cost, cost overrun shall be met by borrowers own contribution.
21. Borrower to ensure that Paid-up capital of the company to be increased from Rs.25.00 lakhs to Rs.50.00 lakhs before 31.03.2024.
22. Borrower to submit periodic statements i.e. stock statement, MSOD, QIS, Audited balance sheet at branch. Drawing power calculation on CC limit to be done after deducting stipulated margin.
23. Borrower to ensure interest and instalments in the loan accounts to be serviced as & when applied.

Conditions for release of CC limit only:

- (i) CC limit of Rs.25.00 lakhs to be released only after completion of the proposed project followed by satisfactory inspection report by branch official and obtention of CGPAN under hybrid CGTMSE cover.
- (ii) Company has to submit stamped undertaking stating all the machineries received and installed by suppliers are fully functional and as per his requirement.
- (iii) Upon commissioning of unit borrower to submit completion certificate of unit from panel valuer for proposed construction and Plant and machinery.
- (iv) Company has to ensure submission of necessary permissions/licenses related to NOC from Directorate of Maharashtra Fire Service, increase the electricity load capacity, NOC from Maharashtra Pollution Control Board and FSSAI License.
- (v) Company has to submit of GST registration before release of CC limit.
- (vi) Cash Credit limit of Rs.25.00 lakhs to be released from the date commencement of commercial operation (DCCO).

ANNEXURE – II

OTHER TERMS, CONDITIONS & COVENANTS ETC. APPLICABLE TO THE SANCTIONED FACILITIES:

1. Without prejudice to the demand nature of the advance(s), these credit facilities will remain in force for a period of one year and is/are subject to annual review. Next review will fall due on or **before 06-01-2024.**
2. All the sanctioned credit limits are to be utilised within a period of 6 months from the date of sanction (i.e. **before 07.07.2024**) failing which these facilities will lapse and any revalidation of the same will be considered at the sole discretion of the Bank.
3. The Company/firm to execute necessary security documents/renewal documents for sanctioned/enhanced limit(s) duly supported by Board resolution and create and register stipulated charges with the authorities specified for the purpose within stipulated time limit before release of sanctioned/enhanced limits.
4. Stock/book debt statements are to be submitted at a frequency stipulated by the Bank (monthly) in bank's prescribed formats. Valuation of stocks to be done at cost/invoice/market price, whichever is lower. Non-submission of stock/book debts statements by 10th (or the date stipulated in sanction) of the succeeding month will attract penal interest @1% p.a. If these statements are not submitted for a continuous period of 3 months, Bank may initiate further action as deemed necessary by the Bank.
5. The drawing power in the accounts would be arrived at after deducting the unpaid creditors, outstanding balance, if any, in the accepted DA L/C account. In the case of book debts no drawings would be allowed against book debts on sister concerns, unless specifically agreed to by the bank, and also those, which are more than 90 days old. Drawings would be allowed based on the QIS returns subject to the availability of drawing powers as mentioned above.

6. Bank will obtain status report as applicable on drawees before purchase/discount of the bills and such reports will be updated annually; availability of a satisfactory status report shall be a pre-requisite for such purchase/ discount of bills.
7. The firm/company to display bank's hypothecation plate/board at its Unit/ business premises indicating that stocks/assets are hypothecated to the Bank.
8. All the assets charged/to be charged to the Bank to be kept fully insured at all times against all risks (FRSD, Burglary, comprehensive risks etc.) and original Insurance cover note /policy in the name of the Bank a/c borrower firm/Company with Bank's Hypothecation clause to be lodged with the Bank.
9. The company to submit all bills/receipts etc. as applicable to project expenditure. A certificate from Bank's approved C.A/Architect/valuer towards expenses incurred on project/progress in implementation of project. Any escalation in the project cost to be met by the promoters/company/firm from their own sources.
10. The Company/firm to submit copy of statutory permissions/clearances like 'NOC' from Pollution Control Board and ensure for timely renewal of same from time to time.
11. Inspection will be done on quarterly basis (in rotation by consortium member banks) or as and when required by the bank. The Bank has the right of deputing its officials/person(s) (like qualified auditors or management consultants or technical experts) duly authorized by the Bank to inspect the unit, assets, books of accounts/records etc. from time to time. Also the Bank may appoint, at its sole discretion, stock/concurrent auditors, valuer's, consultants for specific jobs relating to company's/firm's activities, the cost of which will be borne by the company/firm.
12. Penal interest of 2% p.a. will be levied on the overdue amount for the period account remains overdrawn due to irregularities such as – non payment of interest immediately on application, non payment of installments within one month of their falling due, reduction in drawing power/limit, excess borrowings due to over limit, devolvement of L/C, invocation of Guarantee etc. If the account continues to be overdrawn for a period of 90 days, the bank may consider initiation of other action also as deemed fit by the bank.
13. Any default in complying with terms of sanction within the stipulated time will attract penal interest of 1% p.a. from the date of expiry of such time.
14. Processing charges of Rs.49,500- + GST will be levied annually. Documentation charges of Rs.10,000/-, inspection charges @ Rs.2000/- + GST per inspection are payable, Mortgage charges of Rs.10000/- and CMR charges of Rs.360/- will be charged. Out of pocket expenses incurred towards title verification and valuation of property/assets, inspections/ techno-economic appraisal of the project/unit will be recovered separately.
15. In case of default either in the payment of interest, the repayment of the principal amounts as and when due and payable or reimbursement of all costs, charges and the expenses when demanded, you shall pay additional interest at the rate of 2% above the interest rate for the facilities on the overdue interest, costs, charges or expenses and/or from the respective due dates for payment and/or repayment.
16. CMA data to be submitted at least one month before the due date of review. Any delay without specific approval from the bank will attract penal rate @1% p.a. In

case CMA data is not submitted for a continuous period of three months, the bank may take further action as deemed fit by the Bank.

17. The company/firm to ensure submission of statement of Assets & Liabilities in Bank's format CBD – 23 (duly certified by a C.A.) along with copies of Income Tax and Wealth Tax returns/ assessment orders of all the partners and guarantors every year.
18. The company's/firm's entire banking business (including merchant banking, Dividend and interest payments) should be routed through us/ members of the consortium proportionate to the sharing of the working capital facilities.
19. Firm/Company to declare/undertake to us:
 - ✓ To supply to us, audited financial statements of the firm/company within 6 months from closure of financial year. Any delay in submitting these audited financial statements without our specific approval will attract penal interest @1%p.a. In case these statements are not received by us for a continuous period of 3 months, the bank may take further action as deemed fit by the bank.
 - ✓ To provide to us promptly (along with comments/explanation) about all material and adverse changes in your project/business, ownership, management liquidity financial position etc
 - ✓ To provide to us promptly information (along with comments/explanation) about all material and adverse changes in your project/business, ownership, management, liquidity, financial position etc.
 - ✓ That any liabilities or obligations under the facilities shall not, at any time, rank postponed in point and security to any other obligation or liabilities to other lending institutions or banks or creditors, unless expressly agreed or permitted by bank.
 - ✓ Not to create or permit to subsist any mortgage, charge (whether floating or specific), pledge, lien or other security interest on any of your undertakings, properties or assets, without our prior consent in writing.
20. A stamped undertaking to be submitted in favour of the Bank to the following effect that during the currency of bank's credit facilities, the company/firm shall not, without our permission in writing:
 - ✓ Effect any adverse changes in company's/firm's capital structure.
 - ✓ Implement any scheme of expansion or diversification or capital expenditure except normal replacements indicated in funds flow statement submitted to and approved by the Bank;
 - ✓ Enter into any borrowing or non-borrowing arrangements either secured or unsecured with any other bank, financial institution, company, and firm or otherwise or accept deposits in excess of the limits laid down by Reserve Bank of India.
 - ✓ Sell or dispose off or create security or encumbrances on the assets charged to the bank in favour of any other bank, financial institution, company, firm, individual.
 - ✓ Repay monies brought in by the promoters, partners, directors, share holders, their relatives and friends in the business of the company/firm by way of deposits/loans/share application money etc.
21. Declare the relationship, if any, of the directors of the company with the directors of the bank and senior officers of the bank.

22. The company/firm to take prior approval from bank for opening any account with any other bank/other branch of our bank.
23. The company/firm to submit a stamped declaration cum undertaking to the effect that:
- ✓ The company/firm or its directors/partners/promoters/guarantors/associate concerns of the company/firm are not on ECGC Caution list/specific approval list, RBI's defaulters/caution list, COFEPOSA defaulters list or our bank's defaulters list, and that no director of the company is disqualified u/s 274 of the Companies Act.
 - ✓ No legal case of any nature has been filed against the company/its associates affecting the financial position substantially, and in case of any suit is/will be filed against the Company, the bank shall be kept informed;
24. The credit facilities shall be utilized only for the purposes for which same are granted and said facilities shall not be 'diverted' or 'siphoned off' or used for any other purposes.
25. In case of default in the repayment of loans/advances/above said facilities or in the repayment of interest thereon or any of the installment of Loan as per stipulated terms, or in the event of diversion or siphoning off or utilizing the said facilities for any other purpose other than for which it is granted, the Bank and/or the Reserve Bank of India (RBI) will have an unqualified right to disclose or publish the name of the company/firm or its directors/partners as defaulters in such manner and through such medium as the Bank or RBI or such other agency authorized by them, in their absolute discretion may think fit.
26. Please note that the cheques drawn by firm/Company will not be honored by bank if in its view the payment is going towards a purpose for which the facilities are not sanctioned. Further, please note that Bank will not allow cash withdrawals beyond Rs.5000/- per cheque/per day.
27. Bank assumes no obligation whatsoever to meet your further (Fund Based or Non Fund Based) requirements on account of growth in business or otherwise without proper revision and sanction of credit limits decided at the sole discretion of the bank. Further, if sanction terms are not complied with by you or if your account is classified as Non-performing Asset (NPA), then bank may not allow further withdrawals in the account.

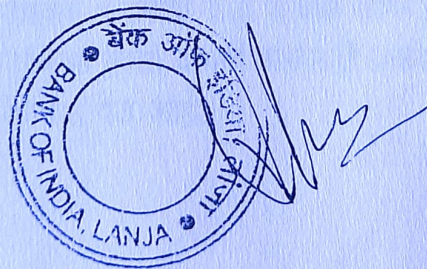
a) Notwithstanding what is stated herein above, we shall at any time and from time to time, be entitled to notify you and charge interest/commission/charges at such notified rates and this letter shall be construed as if such revised rates were mentioned herein.

b) You shall pay to or reimburse all costs, charges, expenses (including charges between the attorney or counsel and bank and those of our internal legal adviser/officer and other experts, consultants or professionals), disbursements, taxes, fees, stamp duties etc. whatsoever, incidental or to arising out of the facilities, their negotiation, the preparation, execution, registration and stamping of the documents relating thereto, the preservation or protection of our rights and interests of the enforcement or realization of any security or any demand or any attempted recovery of the amounts due from you.

28. We shall be entitled to debit the amounts of all costs, charges and expenses to your account and such amounts shall stand secured by all securities given to or created in our favor in connection with the facilities. You indemnify and keep us fully and completely indemnified from time to time against the liabilities including all costs, charges and expenses stipulated herein whether debited to your account or not.
29. Any failure to exercise or delay in exercising any of our rights hereunder or under any other documents will not act as a waiver of that or any other right nor shall any single or partial exercise preclude any future exercise of that right.
30. So long as any monies are due to us from you under any of the facilities, we shall have a lien/charge for such amounts on all your credit balances, deposits, securities or other assets with, any of the branches of Bank of India or of its subsidiaries any where in the world and upon the happening of any of the events of default referred herein, we shall be entitled to exercise a right of set off between the amounts due and payable to us and the said credit balances, deposits, securities and other assets.
31. You shall not, except after prior written permission from us, make any alterations in your constitution, controlling ownership or any documents relating to its constitution or any other material change in your management or in the nature of your business or operations during the period of the subsistence of facilities.
32. The bank reserves the right to discontinue any/all the credit facilities granted without giving you any prior notice in case of non-compliance and/or breach of any of the terms and conditions based on which the facilities have been sanctioned to you and/or if any information/particulars/ documents furnished by you are found to be incorrect.
33. The Bank carries out the credit rating exercise every year when the facilities are reviewed. However, it reserves the right to carry out the credit rating exercise of the facilities at frequencies considered necessary and the rate of interest chargeable to the facilities would depend upon the rating obtained by the borrowing firm/ Company.
34. The Bank reserves the right to add, amend, alter, cancel and modify any of the terms and conditions stipulated herein above with or without any prior reference to you. Further, the bank's general rules governing advances shall also apply. The company/firm to abide by such terms and conditions as the bank may stipulate from time to time.
35. The release of credit facilities is also subject to vetting of security document by the bank's approved advocate and bank's internal procedure of Credit Process Audit. The charges of vetting of documents by the Bank's advocate are payable by the firm.
36. The Drawing power in the accounts would be arrived at after deducting the unpaid creditors. In the case of book debts no drawing would be allowed against book debts of sister concern unless specifically agreed to by the bank and also those which are more than 90 days old. Drawings would be allowed based on the QIS returns subject to the availability of drawing powers as mentioned above.
37. Commitment charges: A minimum commitment charge of 1% will be levied on unutilized portion of working capital subject to tolerance level of 15% of such limit firm to intimate in advance about the level of utilization of the limit through QIS

returns If overall utilization of fund based limits during the year is less than 60% of the sanctioned limit then commitment charges of 2% p.a. will be recovered and limits will be pruned down at the time of review.

38. The firm s entire banking business (including merchant Banking, Dividend warrant and interest payments) should be routed through us.
39. The firm to take prior approval from bank for opening any account with any other bank/other branch of bank
40. Notwithstanding anything contained in any loan/security documents and/or any writing to the contrary, the Bank shall not be obliged to grant or continue the credit facilities except that it shall in its absolute discretion consider fit and Bank shall always be at liberty and at its sole discretion to cancel all or any part of the said credit limits, without prior notice or assigning any reason whatsoever in the event of a) the said credit limits are not utilised by you and/or b) deterioration of the loan account or diminution in the value or title of the securities and/or c) non-compliance of the terms and conditions of sanction. Borrower shall not be entitled to claim any compensation, damages or otherwise from the Bank on exercising the said right."
41. Borrower shall strictly comply with Bank's Policy on Responsible Financing. In the event of failure to comply with the said Policy or any action/ activities of Borrower is in violation of the same, the Bank shall be at liberty to re-call the credit facilities/ refuse to grant credit facilities.
42. Bank shall have the right to sell, transfer, assign or securities the loan/ advances sanctioned and disbursed to you
43. Bank has full discretion to change/ modify/ reset Rate of Interest from time to time as per discretion of Bank or direction of RBI/ IBA/ Govt. of India.



For Bank of India
बैंक ऑफ इंडिया
Senior Branch Manager
Lanja Branch

Derai