

DECLARATION FOR NO ENCUMBRANCE

In reference to our project "**GREEN PARK**" situated at Plot No. A-73, A-74 & A-76, Vidhan Shabha Nagar-A, (Vill. Balrampura urf Khegado Ka bas), District - Jaipur, State -Rajasthan.

I, **GIRDHARI DUKIA** Plot No. A-73, A-74 & A-76, Vidhan Shabha Nagar-A, (Vill. Balrampura urf Khegado Ka bas), District - Jaipur, State -Rajasthan duly authorized by the promoter of the proposed project do hereby solemnly declare:

That we have availed a mortgage Loan against Property for an amount of Rs 6,50,00,000/- from AU Small Finance Bank Limited.

That other than the said loan, there is no Encumbrance or loan or any property mortgaged on the said project.

For S D HOMES

For S D HOMES

Girdhari
Partner

GIRDHARI DUKIA

(Authorized Signatory)

Girdhari



CIN No. L36911RJ1996PLC011381

Ref No. : SME_230123111205

Date : 22-02-2023

To,

M/s S D Homes

Plot No 23, Jeevan Vihar, Gajsinghpura, Gopalpura

Bypass Jaipur 302020

Subject: Sanction of loan facility of Rs.6,50,00,000 (Six Crores Fifty Lakhs Only)

Dear Sir/Madam,

With reference to above cited subject & your application for sanction of the loan and the subsequent discussions, we are pleased to communicate the sanction of an amount of **Rs.6,50,00,000/- (Rupees Six Crores Fifty Lakhs Only)** subject to the following terms and conditions mentioned below:

| S. No. | Particulars | Description |
|--------|----------------------------|--|
| 1. | Borrower Applicant / | M/s S D Homes, PAN: AEUFS0605R, a Partnership Firm having its registered Office at Plot No-23, Jeevan Vihar, Gajsinghpura, Gopalpura Bypass, Jaipur-302020. |
| 2. | Co-Borrower/Co-Applicant | Mr. Girdhari Dukia, S/o Balu Ram Dukia, Bhilal, Nagaur, Jijoth, Rajasthan, 341519, PAN-AWOPD3882H Mr. Dharmendra Kumar, S/o Pratap Mal, V P O Jeejoth, Tah Nawa, Nagaur, Rajasthan-341519, PAN: BKOPK6674B |
| 3. | Guarantor | NA |
| 4 | Mortgagor | M/s S D Homes, PAN: AEUFS0605R, a Partnership Firm having its registered Office, Plot No-23, Jeevan Vihar, Gajsinghpura, Gopalpura Bypass, Jaipur-302020. |
| 5 | Lender | AU Small Finance Bank Limited, having its registered office at 19-A, Dhuleshwar Garden, Ajmer Road, Jaipur - 302001 and Branch office at CP3-235, Industrial Area, Apparel Park, Jagatpura, Sitapura, Jaipur, Rajasthan-302022 |
| 6 | Facility / Loan and Amount | Dropline overdraft facility with Interest Payment Period of Rs.6,50,00,000/- (Rupees Six Crores Fifty Lakhs only) |
| 7 | Project | "Satyam Utsav I" situated at Plot No-A-73, A-74 & A-76, Vidhan Sabha Nagar - A, Gram- Balrampur Urf Khejdon Ka Vas, Jaipur, Rajasthan, admeasuring area 1369.98 Sq. Yds. |
| 8 | Purpose of the Facility | The total amount of the Facility shall be utilized for the following purposes: <ul style="list-style-type: none"> • Towards payment of vendors/creditors/contractors for expenses related to the Project; • To completion of balance construction of the Project; • To meet cost & expenses ancillary to the Facility. The Lender reserves the right to modify the inter-se usage of the Facility amount. |

AU Small Finance Bank Limited

19-A Dhuleshwar Garden, Ajmer Road, Jaipur-302001

Page 1 of 26

For S D HOMES

hiodhas
Partner

hiodhas

22/3/2023

For S D HOMES

hiodhas
Partner

CIN No. L36911RJ1996PLC011381



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| 9 | Details of the Sponsors | NA |
| 10 | Details of Existing Lender, if any (BT) | NA |
| 11 | Availability Period | <p>Mean the period commencing from the First Disbursement Date and ending after the expiry of 36 months within which the Borrowers may drawdown the entire Loan amount.</p> <p>The entire Facility should be availed of within the number of months, from the date of loan disbursement, as specified above in this clause. The Borrower's right to make draws shall expire at the end of the Availability Period ("Drawdown End Date"). The dropline limit shall be on debit freeze mode during balance tenor after expiry of Availability Period i.e., Interest Payment Period.</p> |
| 12 | MCLR/EBR | EBR |
| 13 | Margin | 9.85% |
| 14 | Interest Payment Period | Period of 36 months from the date of disbursement in which only interest amount is to be paid and no scheduled principal will be paid. However, principal repayment as per Clause 33 shall be paid. |
| 15 | Additional Interest, in case of default other than payment default | 1 % Per Month up to the date of default |
| 16 | Rate of Interest (Floating) | Bank Notified Repo Rate + 9.85 (Spread) % i.e., 16.35 % p.a. variable. Presently Repo Rate is 6.50 %. The applicable Repo rate shall be the rate prevailing on the day of disbursement/renewal. |
| 16A | Reset of Interest | <p>Consequent to change in Bank's notified Repo rate, Interest rate shall be reset on every 3rd month anniversary date from the date of first disbursement/set-up of limit (As applicable). The bank shall have the right to modify the reset frequency and reset date from time to time in accordance with the extant RBI guidelines.</p> <p>The bank reserves the rights to reset the spread at any time upon substantial change in borrowers credit assessment and /or on account of deterioration in credit risk profile. Any change in "spread" would be communicated by the bank through either Letter/e-mail/SMS/WhatsApp/Statement of accounts/ or any other suitable mode.</p> <p>The borrower shall be deemed to have notice of changes in the Repo rate when displayed on notice board of the branch or displayed on bank's website (www.aubank.in) and the borrower is liable to pay such revised rate of interest.</p> |
| 17 | Processing Fees (Upfront) | <ul style="list-style-type: none"> 1% of the Facility amount plus applicable taxes; and Reimbursement of actual charges/cost incurred by the Lender during credit assessment of the proposal |
| 18 | Key Men Insurance | NA |

For S D HOMES
Shodhary
Partner

AU Small Finance Bank Limited

19-A Dhuleshwar Garden, Ajmer Road, Jaipur-302001

Page 2 of 26

For S D HOMES

Shodhary
Partner

Shodhary

27/05/2023



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| 19 | Door to door Tenor & DCCO | Total tenor of 60 months including 36 months of Interest Payment Period (hereinafter being referred as "IPP") starting from the date of 1st disbursement and post expiry of the said IPP, outstanding amount / total drawdown amount under the Facility to be repaid in 24 equated monthly Principal Instalments by way of Equated Monthly Reduction ("EMR") as per below mechanism and Interest to be paid as and when due. However, the Principal / Drawdown amount under the Facility shall also be reduced during the entire tenor of the Facility as per Escrow Account Mechanism hereinafter. The Date of Commencement of Commercial Operations (hereinafter being referred as "DCCO") shall be 31-Jan-2026. |
| 20 | EMR Payment Date/Dropline Date | EMR amount shall be deducted on last day of the month as per the applicable repayment mode for recovery. |
| 21 | Minimum Security Cover | Minimum security cover of 2 times of the principal outstanding amount including proposed disbursement, if any, (" Minimum Security Cover Ratio ") shall be maintained throughout the tenor of the Facility. |
| 22 | Minimum Receivable Cover | Minimum receivable cover of 2.50 times of the principal outstanding amount including proposed disbursement, if any, (" Minimum Receivable Cover Ratio ") shall be maintained throughout the tenor of the Facility. |
| 23 | Security | <p>a) First and Exclusive charge by way of mortgage over all the part & pieces of proposed Land along with all present and future superstructure/Development rights, title interest, and benefit in all and singular, the beneficial right, title and interest of the Borrower including proportionate share in the land & units unsold pertaining to the Project. (Details of sold/Unsold Units as per Annexure A)</p> <p>b) First and Exclusive charge by way of hypothecation of the entire receivables of the Project (both present and future) including moveable & current assets and all rights, interest, titles, benefits, TDRs (if any), Insurance Claims (if any) and any amount received under the Project of whatsoever nature it may be, belonging to the Borrower, in favour of the Lender.</p> <p>c) First and Exclusive Charge on the Escrow Account(s) of the Project, into which all receivables (from already sold and unsold area), proceeds from Project sale are deposited, including any interest accruing on the amounts so deposited and any accretions thereupon ("Escrow Account") in favour of the Lender.</p> <p>d) Demand Promissory Note of Rs. 6,50,00,000/-</p> <p>e) Any other security as may be decided by the Lender from time to time.</p> |
| 24 | Prepayment Interest /charges | Prepayment interest/charges of 3% on outstanding principal amount will be charged in the event the Borrower prepays the Facilities, partial or full, by availing finance from any other bank / financial institutions and no prepayment interest will be charged if Borrower repay the Facility amount from own sources or through collections received in the designated Escrow Account. |

For S D HOMES

dhodhaa
Partner

AU Small Finance Bank Limited

19-A Dhuleshwar Garden, Ajmer Road, Jaipur-302001

Page 3 of 26

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| 25 | Default Interest | If Interest and/or principal instalments due are defaulted / delayed, total interest @ 36% (Thirty Six percent) p.a., compounded monthly, for defaulted/delayed period on the interest/Instalments due (calculated from due date till date of payment) will become payable. |
| 26 | Disbursement Schedule | As per in Annexure B of sanction letter |
| 27 | Escrow Accounts Mechanism | NA |
| 28 | CCRA | NA |
| 29 | Project Finance | Yes |
| 30 | DCCO Date | 31-Jan-2026 |
| 31 | Last Date of Drawl of Loan Amount | Last date of expiry of 36 months starting from the date of 1st disbursement |
| 32 | RERA Accounts | NA |
| 33 | Minimum Selling Price | <p>In relation to any units which are unsold as on the date of execution of the Facility Documents, an all-inclusive minimum selling price shall be the higher of the prevailing circle rates prescribed by the relevant Government Authority applicable to such unsold units or Rs. 2500/- per sq. ft. on Saleable Area for Residential.</p> <p>Borrower will have to apply for unconditional NOC post completion of the project / availment of exemption certificate from RERA authority for which they will deposit Rs. 22 Lakhs for each unit</p> <p>The Borrower shall ensure to sell units in the Project at rate not less than the Minimum Selling Price. In event, any unit/flat is sold below MSP, the Borrower shall prepay the Facility as per aforesaid amount require for unconditional NOC.</p> |
| 34 | Insurance | <p>Contractor's All Risk Policy - pertaining to the project is required to be obtained with a firm approved by the Bank at Borrower's cost. The policies/cover notes should be endorsed in favour of the Bank and copy of the policy to be submitted with the Bank.</p> <p>In the event of non -compliance, the bank reserves the right to take the insurance cover as required by the Bank by debit to Borrower's account, however Bank is not under obligation to obtain the policy. Likewise, all the renewals of the policies should also be effected/done by the Borrower at all materials.</p> |
| 35 | Facility / Transaction Documentation | <p>The Borrower shall execute the following documents as per the satisfaction of the Lender:</p> <ul style="list-style-type: none"> • Loan Agreement. • Demand Promissory Note ("DPN") and Letter of Continuity of DPN. • 5 Repayment Post Dated Cheque ("RPDC")/ Standing Instruction in favour of the Lender from Borrower. • 2 Security Post Dated Cheque ("SPDC") of Facility amount from Borrower; • 1 Security Post Dated Cheque ("SPDC") of Facility amount from Co-Borrowers; and |

AU Small Finance Bank Limited

19-A Dhuleshwar Garden, Ajmer Road, Jaipur-302001

Page 4 of 26

For S D HOMES

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Partner

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21/03/2024



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| | | <ul style="list-style-type: none"> • Certified true copy of the extract of the Board Resolution/Authority Letter executed by the Borrower/Co-Borrower/Guarantor authorizing their Directors/Partners any other person on behalf of the Borrower/Co-Borrower/Guarantor for acceptance of the sanction terms and execution of the Facility Documents. |
| 36 | Pre-Disbursement Conditions | <p>The 1st Disbursement under the Facility shall be subject to the compliance of the below specified conditions:</p> <ul style="list-style-type: none"> • Undertaking from the Borrower that units in the projects shall be sold only after completion of the project/Availment of exemption certificate from RERA Authority; • Satisfactory Valuation / Technical Report by Empanelled Valuer of the Lender; • Clear Title Search/Legal Report by Empanelled Lawyer of the Lender; • CA Certified statement confirming Cost of Project incurred till date & Means of Finance of the Project brought in till date; • Satisfactory CIBIL report of Borrower and Co-Borrowers; • Management Certified Profit-Sharing Ratio and list of partners of the Borrower; • Management certified Annexure 1 to be documented under Multiple Banking Arrangement. • Management certified Cashflow Statement; Cost & Means of Finance of the Project; and Sold/Booked & Unsold Inventory of the Project; • Copy of Project approvals including Construction / Building Plans, Project NOCs, and Construction Permission Letter, if any. • Payment of upfront processing fees & all other applicable charges; • Signing of all the facility documents as suggested by empanelled lawyers, to the satisfaction of Lender; • Creation & Perfection of mortgage / charge on the Project and deposit of all title documents of the Project / Properties in original, along with chain documents, at the time of creation of the mortgage / charge in favor of the Lender; • Opening of Dropline Overdraft Account and Current Account; • Any other document as may be required by the Lender for facilitation of the 1st disbursement |
| 37 | Post Disbursement Conditions to be complied before any subsequent disbursement or within 30 days from 1st disbursement, whichever is earlier | <p>The Borrower shall comply with the following conditions:</p> <ul style="list-style-type: none"> • A clause in the Sale Agreement with the customer confirming that the Borrower has taken a loan on the Project from Lender; and • The Borrower shall install a signage at the Project site stating that "The Project is financed by "AU Small Finance Bank Limited" <p>Any disbursement beyond 1st Disbursement shall be made post compliance of all the conditions stated hereinabove and non-compliance any of the above conditions shall attract penal interest @ 1% per month or part thereof in addition to the Rate of Interest mentioned above, on the principal outstanding till all the above stated compliances are adhered to.</p> |

For S D HOMES

AU Small Finance Bank Limited

hirdhar 19-A Dhuleshwar Garden, Ajmer Road, Jaipur-302001
Partner

Page 5 of 26

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| 38 | Other Conditions / Post Disbursement Conditions | <ul style="list-style-type: none"> • The Borrower / Co-Borrower shall seek prior written confirmation from the Lender prior of making any change in the constitution of the Borrower / Co-Borrower entity; • No Objection Confirmation ("NOC") of the Lender shall be obtained before raising any additional debt in the Borrower and/or additional debt relating to the Project from Financial Institution; • The Borrower shall apply for NOC from the Lender 7 days prior to registration of any unit/area in the Project; • Borrower shall send all requests pertaining to issuance of Unconditional/Conditional NOCs on REGNOC@aubank.in; • Post upfront disbursement, compliance related documents such as MBA (Annexure-1), UFCE Declaration, Booking MIS, COPMOF etc. should be sent by the borrower to REGDOCUMENTS@aubank.in; • Borrower shall send requests for subsequent disbursement on REGSUBSEQUENT@aubank.in; • Closure of all current accounts of the Borrower opened with any Bank as per The Reserve Bank of India Guidelines. • Management certified booking MIS in the format as may be provided by the Lender to be submitted on Quarterly basis to the Lender within 7 days from the end of the previous quarter. In event of booking MIS of the previous quarter is not received within stipulated time frame; the Lender reserves the right to withhold subsequent disbursement and NOC issuance; • The Borrower will submit to the Lender, provisional financial statement within 3 months and annual audited financial statement no later than 8 months from the end of each fiscal year; • The Borrower shall intimate the Lender upon occurrence of any material legal proceedings/inquiries/investigations by statutory authorities within 7 days of such occurrence; • The Lender reserves the right to appoint lender's independent legal counsel for validating legal chain of the property/properties; lender independent engineer for technical verification of the project and lender's independent auditor for validating books of accounts/financial statements of the Borrower; • End use certificate for the loan to be submitted with the Lender within 30 days of the disbursement or prior to any subsequent disbursement whichever is earlier; • End Use certificate for mobilization advance to be submitted within 30 days of disbursement else drawing power limit will be downsized permanently to the extent of unutilized amount; • Instalment schedule is normally equated monthly/Principal instalments subject to the terms & conditions of the repayment schedule as mentioned in Annexure C and Repayment instrument for EMR will be presented (as per registered repayment mode) on EMR Payment Date as specified |
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| | | <p>above. To overcome operational issues, holidays etc, it is advised to keep sufficient balance in bank accounts 2-3 days prior to due date of EMR, for clearance of instrument for repayment of EMR on due dates, to avoid penal Interest and other charges and avoid delinquency status</p> <ul style="list-style-type: none"> • The Lender reserves the right to appoint Project Management Consultants in event of default; • Opening of Savings Account of the Co-Borrowers with AU Small Finance Bank Limited; • Opening of Staff Salary Account with AU Small Finance Bank Limited; and • Opening of Current Account and RERA Accounts of all Non-Encumbered Projects with AU Small Finance Bank Limited |
| 39 | Event of Default | <p>Following shall constitute an event of default:</p> <ul style="list-style-type: none"> • Failure to service debt or any other amount under the facility agreement when due; • Failure to comply with any security covenant/financial covenant. • Any change in shareholding structure of the Borrower without written consent of the Lender; • Failure to comply with government regulations; • Default/rescheduling/restructuring of any credit facility by any other lender to the borrower/borrower group; • Compulsory acquisition, nationalization, or expropriation of a substantial part of the assets of the Borrower. • Cancellation of approval by any developing authority or material delay in receiving the approval which can substantially delay or discard the project; and • Any other event of default as may be specified in the Transaction Documents <p>In the above circumstances of default, the Lender shall be entitled to rights, including but not limited to:</p> <ul style="list-style-type: none"> • To recall the Facility; • To demand immediate payment of the default amount out of his own sources; • To nominate a director on the board of the Borrower. <p>Notwithstanding the anything stated above, the Borrower/Co-Borrowers/Guarantors unconditionally agrees, undertakes, and acknowledges that the Lender has an unconditional right to cancel the outstanding un-drawn commitments at any time during the currency of the Facility and that the Lender shall endeavour to provide prior intimation of the same to the Borrower.</p> |
| 40 | Shortfall Undertaking | <p>In the event, there are any cash flow shortfalls (<i>including any shortfall in sales receivables, any cost over-runs or any shortfall in interest and principal repayment</i>) regarding the expected cash flows consistent with the Business Plan, to the extent that a short fall exists, and 3 days prior to the expected date</p> |

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AU Small Finance Bank Limited

19-A Dhuleshwar Garden, Ajmer Road, Jaipur-302001

Page 7 of 26

For S D HOMES

Shivdhas
Partner

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| | | of the anticipated shortfall, the Borrower and / or Co-Borrower shall fund such shortfalls through its own contribution into the Escrow Accounts. |
| 41 | Costs | <ul style="list-style-type: none"> All costs associated with the sanction and disbursement, including cost of conducting due diligence (legal, background check, technical, construction, environmental, land survey, secretarial, financial, corporate, valuation, market study etc.), title verification, drafting and execution of documents, cost of rating, signage, etc. shall be borne by the Borrower. All costs related to Security creation shall also be borne by the Borrower. All monitoring cost, including cost towards periodic valuation, financial, legal and technical due diligence, Project monitoring etc., shall be borne by the Borrower. |
| 42 | Governing Law and Jurisdiction | <ul style="list-style-type: none"> Governing Law: Indian law; and Jurisdiction: Exclusive jurisdiction of courts and tribunal situated at Jaipur, India |
| 43 | Related Party Transaction | All related party transactions will be subject to approval by the Lender and to be made on arm's length basis and to be reported in the annual Operating Budget. |
| 44 | Other conditions for dropline overdraft facility | <p>In case of any conflict between these additional terms and conditions and the other terms of this Sanction Letter, these terms and conditions shall supersede the other terms of this Sanction letter,</p> <p>a) the Facility shall get dropdown with at least the scheduled amount for balance tenor computed basis the dropdown amount on the date of expiry of the Interest Payment Period as defined in Sanction Letter and balance tenure.</p> <p>b) No drawdown shall be allowed under the Loan after the expiry of the Availability Period unless the amount proposed to be borrowed when aggregated with the outstanding principal amount(s) borrowed by the Borrower under this Sanction Letter does not exceed the amount sanctioned under the Loan.</p> <p>c) The Loan shall be payable / repayable by the Borrower to the Lender on demand by the Lender together all interest, commission, costs, charges and expenses and all other moneys whatsoever due owing and payable by the Borrower to the Lender under the Loan, upon Event of Default as specified in Sanction Letter.</p> <p>d) The Lender shall be under no obligation to provide the Borrower with any notice, reminder, or other intimation to the Borrower regarding its obligation to pay the amount(s) payable under this Sanction Letter, and it shall be entirely the Borrower's responsibility to ensure prompt and regular payment of the amount(s) payable by the Borrower to the Lender as and when due and in the manner provided herein.</p> <p>e) The principal amounts to be allowed to be outstanding by the Lender from</p> |

CINNo. L36911RJ1996PLC011381



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| | | <p>time to time under the Loan shall not exceed the maximum principal amount as mentioned above as Facility amount but the Lender shall have an absolute discretion to determine how much amount out of the Loan it will advance and / or allow to be outstanding from time to time under the Loan and the Lender shall be at liberty to terminate the Facility and refuse to allow further drawings thereon at any time without any previous notice to the Borrower.</p> <p>The interest payable on the outstanding amount shall be as per clause 16, 16A above.</p> |
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Special Condition:

1. Borrower will submit notarized affidavit from the Partners/Directors whose names appeared in any defaulters list stating that they are not connected with those defaulter companies / firms either as partners / directors or guarantors. The Borrower will enquire with the bankers of the defaulting companies and obtain written confirmation that the constituents referred to them are not their defaulters. The Lender will verify with ROC and also verify their DIN numbers and ensure that the names in the above list are different and in no way linked to the partners of the Borrower and that it is only name similarity.
2. The Borrower shall undertake that they will abide by the regulatory guidelines to deploy funds sanctioned/dispensed by the Lender to them, only in the permissible areas and in conformity with the guidelines laid down by the regulatory authority/development authority.
3. The Borrower shall undertake that the Facility shall be utilized for the specific purpose for which the same has been sanctioned.
4. The Borrower shall undertake that the Facility shall not be utilized for making investments both of current and long-term nature, in any company / entity by way of shares, debentures, etc. and shall not be utilized for granting unsecured loans / inter-corporate deposits to/in any company and for granting all types of loans and advances to subsidiaries, group companies/entities.

Other Terms & Conditions: -

1. The Borrower confirms and shall ensure at all times that the buildings and structures comprised in the Project for which the Loan/Facility is extended by the Lender, fully adhere to the National Disaster Management Authority (NDMA) guidelines on 'Ensuring Disaster Resilient Construction of Buildings and Infrastructure' and/or National Building Code of India and/or any other guidelines/regulations issued by any statutory authority including NDMA and amended from time to time
2. If there is any Interest Tax levied by the Government of India or any other Authority under the Interest Tax Act 1974 or under any other Law, the Borrower shall reimburse to the Lender any such Tax imposed or levied by the Government of India or any other Authority on Interest and / or other Payments required to be paid by the Borrower to the Lender.
3. The Lender shall be entitled to revoke the sanction of the Facility, inter-alia in any of the following circumstances:-
 - a) If there is any material change in the purpose/s for which the Facility has been sanctioned;
 - b) In the sole judgment of the Lender any material fact has been concealed and/or become subsequently known;
 - c) Any statement made by or on behalf of the Borrower is incorrect, incomplete or misleading;
 - d) There is default under or a breach of the terms and conditions of the Facility by the Borrower / Co-

AU Small Finance Bank Limited

19-A Dhuleshwar Garden, Ajmer Road, Jaipur-302001

Page 9 of 26

For S D HOMES

Shardha
Partner

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Borrower (s);

- e) The legal / technical report on the property or any other verification report on the Borrower / Co-Borrower (s) is not to the satisfaction of the Lender in its sole & absolute discretion;
 - f) Any Information as may be required by the Lender from time to time pertaining to the Property is not furnished in the form prescribed / approved by the Lender;
 - g) Any material fact concerning the Borrower's profits, etc., or ability to repay, or any other relevant aspect of it is withheld, suppressed, or concealed or not made known to us; and
 - h) If the Lender in its sole & absolute discretion considers that the Facility should be revoked for whatever reason it may so deem fit and proper.
4. The Lender will have rights to scrutinize and audit the expenses, which are incurred in the project.

Standard Covenant forming part of Terms and Conditions:

1. The Lender will have the right to examine at all times, the Borrower's books of accounts and to have the project site inspected from time to time by officer(s) of and/or qualified auditors or concurrent auditors and/or technical experts and/or management consultants or other persons of the choice of the Lender. Cost of such inspections will be borne by the Borrower.
2. During the currency of the Facility, the Borrower will not, without the prior permission in writing –
 - a) Effect any changes in the capital structure or share holding pattern;
 - b) Formulate any scheme of amalgamation or re-construction or restructuring of any kind;
 - c) Invest by any way of share capital in, or lend or advance funds to, or place deposits with any other concern (*normal trade credit or security deposits in the normal course of business or advance to employees, can, however, be extended*);
 - d) Undertake guarantee obligations on behalf of any other Company or Person;
 - e) Withdraw the monies brought in by shareholders/directors;
 - f) Undertake any major change in their management set up;
 - g) Create any further charge, Lien or encumbrance over the assets and properties of the Borrower charged to the Lender in favour of any other company, financial institution, Banks, Company or any other Person; and
 - h) Sell, assign mortgage or otherwise dispose-off any of the assets mortgaged/charged to the Lender.
3. The Lender reserves the right to alter/cancel/modify any terms and conditions of the Facility as it may deem fit absolutely at its discretion without notice and without assigning any reason thereof.
4. The Borrower should undertake that they should not induct a person who is a director on the Board of a company which has been identified as a wilful defaulter and that in case, such person is found to be on the structure of the Borrower, the Borrower would take expeditious and effective steps for removal of the person from its structure.
5. The Lender reserves the right to rearrange the repayment schedule and to call upon the Borrower to accelerate the payments if the Borrower's financial position so warrants as per the opinion of the Lender.
6. Any Default, Fraud, Legal incompetence during the currency of the Facility, Non-Compliance of agreed terms and conditions, non-submission of required documents, over dues, any other irregularities by the Borrower will enable the Lender to recall the Facility.
7. The Lender reserves the right to stop further disbursements in event of default or misrepresentation.
8. The Borrower will keep the Lender informed of the happening of any event likely to have substantial effect on their profit or business, with explanations and the remedial steps proposed to be taken.

AU Small Finance Bank Limited

19-A Dhuleshwar Garden, Ajmer Road, Jaipur-302001

Page 10 of 26

For S D HOMES

Shodhan
Partner

Shodhan



CIN No. L36911RJ1996PLC011381

9. The Borrower shall keep the Lender advised of any circumstances adversely affecting the financial position of their subsidiaries/group companies or companies in which it has invested, including any action taken creditor against the said companies legally or otherwise.
10. The Annexures shall form part and parcel of the sanction letter.
11. The borrower unconditionally agrees, acknowledges, and undertakes that the bank has an unconditional right to cancel the facilities, whether in part or in full, at any time during the currency of the facilities, without any prior intimation of such cancellation of the borrower

The validity of the said sanction is for Fifteen (15) days from the date of the sanction letter.

We here by request you to kindly sign the attached duplicate copy of sanction letter as your acceptance of the terms and conditions of the above Facility and return it to us. We look forward to your acceptance of this sheet to expedite the conclusion of this transaction and the disbursement hereunder.

We, however, reserve the right to revoke in part or in full or withdraw /stop financial assistance or to amend any of the terms of sanction including ROI at any stage without any notice or giving any reasons for any purpose whatsoever, at our absolute discretion.

Further, this sanction does not vest in anyone; the right to claim any damage against AUSFB for any reasons whatsoever.

Thanking you,

Yours Faithfully,

Authorised Signatory
AU Small Finance Bank Limited

Approved and accepted by

AU Small Finance Bank Limited

19-A Dhuleshwar Garden, Ajmer Road, Jaipur-302001

Page 11 of 26

For S D HOMES

Shodhan
Partner

Shodhan

रमेश कुमार

CIN No. L36911RJ1996PLC011381



| | |
|--|---|
| <p>For and on behalf M/s S D Homes (Borrower / Applicant)</p> <p>For S D HOMES</p> <p><i>Girdhari</i> Partner</p> <p>Name: _____</p> <p>Designation: _____</p> <p>Date: <u>22-02-23</u></p> | <p>Mr. Girdhari Dukia (Co-Borrower / Co-Applicant)</p> <p><i>Girdhari</i></p> <p>Date: <u>22-02-23</u></p> |
| <p>Mr. Dharmendra Kumar (Co-Borrower / Co-Applicant)</p> <p><i>Dharmendra Kumar</i></p> <p>Date: <u>22-02-23</u></p> | |

CIN No. L36911RJ1996PLC011381



Annexure A

List of Sold Registered / Booked / Unsold Units of the Project

| S No. | Floor | Unit No. | TYPE | Carpet Area (In Sq. ft.) | Saleable Area (In Sq. Ft.) | Status (Sold/Unsold) | Rate (Per Sq. Ft.) | Estimated Sale Value (Rs. In Crs.) |
|-------|--------|----------|-------|--------------------------|----------------------------|----------------------|--------------------|------------------------------------|
| 1 | GROUND | 101 | 3 BHK | 997 | 1693 | Unsold | 2,500 | 0.42 |
| 2 | GROUND | 102 | 3 BHK | 891 | 1408 | Unsold | 2,500 | 0.35 |
| 3 | GROUND | 103 | 3 BHK | 985 | 1698 | Unsold | 2,500 | 0.42 |
| 4 | GROUND | 104 | 3 BHK | 837 | 1297 | Unsold | 2,500 | 0.32 |
| 5 | GROUND | 105 | 3 BHK | 833 | 1445 | Unsold | 2,500 | 0.36 |
| 6 | GROUND | 106 | 3 BHK | 748 | 1204 | Unsold | 2,500 | 0.30 |
| 7 | GROUND | 107 | 3 BHK | 832 | 1443 | Unsold | 2,500 | 0.36 |
| 8 | GROUND | 108 | 3 BHK | 881 | 1364 | Unsold | 2,500 | 0.34 |
| 9 | FIRST | 201 | 3 BHK | 997 | 1693 | Unsold | 2,500 | 0.42 |
| 10 | FIRST | 202 | 3 BHK | 891 | 1408 | Unsold | 2,500 | 0.35 |
| 11 | FIRST | 203 | 3 BHK | 985 | 1698 | Unsold | 2,500 | 0.42 |
| 12 | FIRST | 204 | 3 BHK | 837 | 1297 | Unsold | 2,500 | 0.32 |
| 13 | FIRST | 205 | 3 BHK | 833 | 1445 | Unsold | 2,500 | 0.36 |
| 14 | FIRST | 206 | 3 BHK | 748 | 1204 | Unsold | 2,500 | 0.30 |
| 15 | FIRST | 207 | 3 BHK | 832 | 1443 | Unsold | 2,500 | 0.36 |
| 16 | FIRST | 208 | 3 BHK | 881 | 1364 | Unsold | 2,500 | 0.34 |
| 17 | SECOND | 301 | 3 BHK | 997 | 1693 | Unsold | 2,500 | 0.42 |
| 18 | SECOND | 302 | 3 BHK | 891 | 1408 | Unsold | 2,500 | 0.35 |
| 19 | SECOND | 303 | 3 BHK | 985 | 1698 | Unsold | 2,500 | 0.42 |
| 20 | SECOND | 304 | 3 BHK | 837 | 1297 | Unsold | 2,500 | 0.32 |
| 21 | SECOND | 305 | 3 BHK | 833 | 1445 | Unsold | 2,500 | 0.36 |
| 22 | SECOND | 306 | 3 BHK | 748 | 1204 | Unsold | 2,500 | 0.30 |
| 23 | SECOND | 307 | 3 BHK | 832 | 1443 | Unsold | 2,500 | 0.36 |
| 24 | SECOND | 308 | 3 BHK | 881 | 1364 | Unsold | 2,500 | 0.34 |
| 25 | THIRD | 401 | 3 BHK | 997 | 1693 | Unsold | 2,500 | 0.42 |
| 26 | THIRD | 402 | 3 BHK | 891 | 1408 | Unsold | 2,500 | 0.35 |
| 27 | THIRD | 403 | 3 BHK | 985 | 1698 | Unsold | 2,500 | 0.42 |
| 28 | THIRD | 404 | 3 BHK | 837 | 1297 | Unsold | 2,500 | 0.32 |
| 29 | THIRD | 405 | 3 BHK | 833 | 1445 | Unsold | 2,500 | 0.36 |
| 30 | THIRD | 406 | 3 BHK | 748 | 1204 | Unsold | 2,500 | 0.30 |
| 31 | THIRD | 407 | 3 BHK | 832 | 1443 | Unsold | 2,500 | 0.36 |
| 32 | THIRD | 408 | 3 BHK | 881 | 1364 | Unsold | 2,500 | 0.34 |
| 33 | FOURTH | 501 | 3 BHK | 997 | 1693 | Unsold | 2,500 | 0.42 |
| 34 | FOURTH | 502 | 3 BHK | 891 | 1408 | Unsold | 2,500 | 0.35 |
| 35 | FOURTH | 503 | 3 BHK | 985 | 1698 | Unsold | 2,500 | 0.42 |
| 36 | FOURTH | 504 | 3 BHK | 837 | 1297 | Unsold | 2,500 | 0.32 |

AU Small Finance Bank Limited

19-A Dhuleshwar Garden, Ajmer Road, Jaipur-302001

Page 13 of 26

For S D HOMES

Shardham
Partner

Shardham

Shardham



CIN No. L36911RJ1996PLC011381

| S No. | Floor | Unit No. | TYPE | Carpet Area (In Sq. ft.) | Saleable Area | Status (Sold/Unsold) | Rate | Estimated Sale Value (Rs. In Crs.) |
|-------|--------|----------|-------|--------------------------|---------------|----------------------|---------------|------------------------------------|
| | | | | | (In Sq. Ft.) | | (Per Sq. Ft.) | |
| 37 | FOURTH | 505 | 3 BHK | 833 | 1445 | Unsold | 2,500 | 0.36 |
| 38 | FOURTH | 506 | 3 BHK | 748 | 1204 | Unsold | 2,500 | 0.30 |
| 39 | FOURTH | 507 | 3 BHK | 832 | 1443 | Unsold | 2,500 | 0.36 |
| 40 | FOURTH | 508 | 3 BHK | 881 | 1364 | Unsold | 2,500 | 0.34 |
| 41 | FIFTH | 601 | 3 BHK | 997 | 1693 | Unsold | 2,500 | 0.42 |
| 42 | FIFTH | 602 | 3 BHK | 891 | 1408 | Unsold | 2,500 | 0.35 |
| 43 | FIFTH | 603 | 3 BHK | 985 | 1698 | Unsold | 2,500 | 0.42 |
| 44 | FIFTH | 604 | 3 BHK | 837 | 1297 | Unsold | 2,500 | 0.32 |
| 45 | FIFTH | 605 | 3 BHK | 833 | 1445 | Unsold | 2,500 | 0.36 |
| 46 | FIFTH | 606 | 3 BHK | 748 | 1204 | Unsold | 2,500 | 0.30 |
| 47 | FIFTH | 607 | 3 BHK | 832 | 1443 | Unsold | 2,500 | 0.36 |
| 48 | FIFTH | 608 | 3 BHK | 881 | 1364 | Unsold | 2,500 | 0.34 |
| Total | | | | 42,024.00 | 69,311.70 | | | 17.33 |

For S D HOMES

Shodhary
Partner

Shodhary

AU Small Finance Bank Limited

19-A Dhuleshwar Garden, Ajmer Road, Jaipur-302001

Page 14 of 26

CIN No. L36911RJ1996PLC011381



Annexure B
Disbursement Schedule

| Particulars | No. of Activities | Amount Per Activity | Disbursement Amount |
|---|-------------------|---------------------|---------------------|
| | | (Rs. In Lakhs) | (Rs. In Lakhs) |
| Upfront towards Vendor/Creditors Payment | 0 | 30 | 30 |
| Upfront towards mobilization advance | 0 | 34 | 34 |
| Post Slab casting of Stilt Floor | 1 | 66 | 66 |
| Post Slab casting of Ground Floor to 5th Floor | 6 | 55 | 330 |
| Completion of Brick Work of Ground to 5th floor | 6 | 8 | 48 |
| Completion of Internal Plaster of Ground to 5th floor | 6 | 8 | 48 |
| Completion of External plaster of 4 sides | 4 | 14 | 56 |
| Completion of Flooring of Ground to 5th floor | 6 | 6 | 36 |
| For payment/reimbursement of lift/Transformer | 1 | 2 | 2 |

For S D HOMES

Chlodhari
Partner

Chlodhari

21/12/2014



Annexure C
Repayment Schedule

| Month | Principal o\s at Beginning | Interest Payment PM | Principal Payment | Maximum Payment PM | Principal O\s at End |
|-------|----------------------------|---------------------|-------------------|--------------------|----------------------|
| 37 | 6,50,00,000 | 8,85,625 | 27,08,333 | 35,93,958 | 6,22,91,667 |
| 38 | 6,22,91,667 | 8,48,724 | 27,08,333 | 35,57,057 | 5,95,83,333 |
| 39 | 5,95,83,333 | 8,11,823 | 27,08,333 | 35,20,156 | 5,68,75,000 |
| 40 | 5,68,75,000 | 7,74,922 | 27,08,333 | 34,83,255 | 5,41,66,667 |
| 41 | 5,41,66,667 | 7,38,021 | 27,08,333 | 34,46,354 | 5,14,58,333 |
| 42 | 5,14,58,333 | 7,01,120 | 27,08,333 | 34,09,453 | 4,87,50,000 |
| 43 | 4,87,50,000 | 6,64,219 | 27,08,333 | 33,72,552 | 4,60,41,667 |
| 44 | 4,60,41,667 | 6,27,318 | 27,08,333 | 33,35,651 | 4,33,33,333 |
| 45 | 4,33,33,333 | 5,90,417 | 27,08,333 | 32,98,750 | 4,06,25,000 |
| 46 | 4,06,25,000 | 5,53,516 | 27,08,333 | 32,61,849 | 3,79,16,667 |
| 47 | 3,79,16,667 | 5,16,615 | 27,08,333 | 32,24,948 | 3,52,08,333 |
| 48 | 3,52,08,333 | 4,79,714 | 27,08,333 | 31,88,047 | 3,25,00,000 |
| 49 | 3,25,00,000 | 4,42,813 | 27,08,333 | 31,51,146 | 2,97,91,667 |
| 50 | 2,97,91,667 | 4,05,911 | 27,08,333 | 31,14,245 | 2,70,83,333 |
| 51 | 2,70,83,333 | 3,69,010 | 27,08,333 | 30,77,344 | 2,43,75,000 |
| 52 | 2,43,75,000 | 3,32,109 | 27,08,333 | 30,40,443 | 2,16,66,667 |
| 53 | 2,16,66,667 | 2,95,208 | 27,08,333 | 30,03,542 | 1,89,58,333 |
| 54 | 1,89,58,333 | 2,58,307 | 27,08,333 | 29,66,641 | 1,62,50,000 |
| 55 | 1,62,50,000 | 2,21,406 | 27,08,333 | 29,29,740 | 1,35,41,667 |
| 56 | 1,35,41,667 | 1,84,505 | 27,08,333 | 28,92,839 | 1,08,33,333 |
| 57 | 1,08,33,333 | 1,47,604 | 27,08,333 | 28,55,938 | 81,25,000 |
| 58 | 81,25,000 | 1,10,703 | 27,08,333 | 28,19,036 | 54,16,667 |
| 59 | 54,16,667 | 73,802 | 27,08,333 | 27,82,135 | 27,08,333 |
| 60 | 27,08,333 | 36,901 | 27,08,333 | 27,45,234 | - |

1. The schedule of repayment (EMR) is based on sanctioned facility of the loan, repayment through EMR shall be based on outstanding principal post completion of interest payment period and interest thereon will undergo change consequently.
2. The amount of monthly interest considered in repayment plan is based on current applicable rate of interest, which will undergo change consequent to reset of the benchmark rate or increase in the spread (if any) in account as per terms of the sanction.

AU Small Finance Bank Limited

19-A Dhuleshwar Garden, Ajmer Road, Jaipur-302001

Page 16 of 26

For S D HOMES

Shodhary
Partner

Shodhary

एसडी होम



Annexure- D

(Example of SMA, NPA Classification and NPA Classification and NPA Upgradation)

1. IRAC Circular Refer Para No. 2.1.2 (i) - interest and/ or instalment of principal remains overdue for a period of more than 90 days in respect of a term loan.

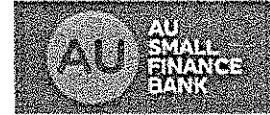
Example Description - SMA and NPA Classification of Term Loan Cases based on overdue date.

Example Detail: If due date of a loan account is March 31, 2021, and complete dues are not received before the lending institution runs the day-end process on 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 SMA-2 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. This is further elaborated as below mentioned table:

| Date | DPD | Classification |
|-------------------------|-----|----------------|
| 31-Mar-21 (Due Date) | 1 | SMA-0 |
| 30-Apr-21 | 31 | SMA-1 |
| 30-May-21 | 61 | SMA-2 |
| 29-Jun-21 | 91 | NPA |

IRAC Circular Refer Para No. 4.2.5 - If arrears of interest and principal are paid by the borrower in the case of loan accounts classified as NPAs, the account should no longer be treated as nonperforming and may be classified as 'standard' accounts.

Example Description - Upgradation of NPA Account: loan accounts classified as NPAs may be upgraded as 'standard' asset only if entire arrears of interest and principal are paid by the borrower.



| Date | Due Amount | DPD | Classification |
|----------------------|------------|-----|----------------|
| 31-Mar-21 (Due Date) | 10000 | 1 | SMA-0 |
| 30-Apr-21 | 10000 | 31 | SMA-1 |
| 30-May-21 | | 61 | SMA-2 |
| 31-May-21 | 10000 | | |
| 29-Jun-21 | | 91 | NPA |
| 30-Jun-21 | 10000 | | |
| 01-Jul-21 | | | Upgradation* |

*Upgradation of Account to standard category can be done after total pending due of Rs. 40000 is received from borrower by the Bank.

2. IRAC Circular Refer Para No. 2.1.2 (ii) - the account remains 'out of order' as indicated at paragraph 2.2 below, in respect of an Overdraft/Cash Credit (OD/CC)
Para No. 2.2 (Part 1) - An account should be treated as 'out of order' if the outstanding balance remains continuously more than the sanctioned limit/drawing power for 90 days.

Example Description - SMA and NPA Classification on Revolving Facility like Cash Credit / Overdue cases based on Out of Order (Part 1).

Example: If outstanding balance is more than sanctioned limit/drawing power of a revolving facility like cash credit / overdraft account is March 31, 2021, and amount 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 excess of sanctioned limit/drawing power, 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 more than sanctioned limit/drawing power. Accordingly, the date of SMA-1 classification for that account shall be April 30, 2021. Similarly, if the account continues to remain in excess of sanctioned limit/drawing power, it shall get tagged as SMA-2 upon running day-end process on May 30, 2021, and if continues to remain in excess of sanctioned limit/drawing power further, it shall get classified as NPA upon running day-end process on June 29, 2021. This is further elaborated as below mentioned table:

AU Small Finance Bank Limited

For S D HOMES 19-A Dhuleshwar Garden, Ajmer Road, Jaipur-302001

Page 18 of 26

Hirodhary
Partner

Hirodhary

20/07/2021



| Date | DPD | Classification |
|--|-----|----------------|
| 31-Mar-21 (Outstanding Balance is Excess of Sanction Limit / Drawing Power*) | 1 | |
| 30-Apr-21 | 31 | SMA-1 |
| 30-May-21 | 61 | SMA-2 |
| 29-Jun-21 | 91 | NPA |

*Outstanding Balance can be treated in Excess of Sanctioned Limit / Drawing Power if any Revolving facility (i.e. Overdraft / Cash Credit) Limit provide by bank is Rs. 1 Lacs and Utilization of customer is more than Rs. 1 Lacs

IRAC Circular Refer Para No. 4.2.5 - If arrears of interest and principal are paid by the borrower in the case of loan accounts classified as NPAs, the account should no longer be treated as nonperforming and may be classified as 'standard' accounts.

Example Description - Upgradation of NPA Account: loan accounts classified as NPAs may be upgraded as 'standard' asset only if entire arrears of interest and principal are paid by the borrower and all the excess amount of limit sanctioned to borrower is also paid. * Outstanding Balance can be treated in Excess of Sanctioned Limit / Drawing Power if any Revolving facility (i.e. Overdraft / Cash Credit) Limit provide by bank is Rs. 1 Lacs and Utilization of customer is more than Rs. 1 Lacs (say Rs. 1,10,000)

| Date | DPD | Classification |
|--|-----|----------------|
| 31-Mar-21 (Outstanding Balance is Excess of Sanction Limit / Drawing Power*) | 1 | |
| 30-Apr-21 | 31 | SMA-1 |
| 30-May-21 | 61 | SMA-2 |
| 29-Jun-21 | 91 | NPA |
| 30-Jun-21 | | Upgrade** |



CIN No. L36911RJ1996PLC011381

**Upgradation of Account to standard is Possible after excess amount of limit is received from borrower of Rs.10,000 and entire arrears of interest and principal are paid by the borrower

3. IRAC Circular Refer Para No. 2.1.2 (ii) - the account remains 'out of order', in respect of an Overdraft/Cash Credit (OD/CC)

Circular refer Para No. 6 (ii) - An account should be treated as 'out of order', the outstanding balance in the CC/OD account is less than the sanctioned limit/drawing power but there are no credits continuously for 90 days, or the outstanding balance in the CC/OD account is less than the sanctioned limit/drawing power but credits are not enough to cover the interest debited during the previous 90 days period.

Example Description - NPA Classification on Revolving Facility like Cash Credit / Overdue cases based on Out of Order.

Example: If Prior 90 Days Interest charged/debited in revolving facility like cash credit / overdraft account is more than credit received on account then it shall get classified as NPA upon running day-end process as on Date. The same is explain as below mentioned table:

| Date | Transaction Detail | Amount | Classification |
|-----------|---|--------|----------------|
| 01-Jan-21 | Customer Use the Limit of Cash Credit / Overdraft Account | 100000 | |
| 31-Jan-21 | Debit Interest | 1500 | |
| 15-Feb-21 | Customer paid the amount | 2000 | |
| 28-Feb-21 | Debit Interest | 1500 | |
| 31-Mar-21 | Debit Interest | 1700 | NPA** |

* NPA is classified due to Interest Charged in last 90 Days is Rs. 4700 (i.e., 1500 + 1500 + 1700) and Credit are received only is Rs. 2000. which is less than the interest charged.

IRAC Circular Refer Para No. 4.2.5 - If arrears of interest and principal are paid by the borrower in the case of loan accounts classified as NPAs, the account should no longer be treated as nonperforming and may be classified as 'standard' accounts.

Handwritten signature/initials



Example Description - Upgradation of NPA Account: loan accounts classified as NPAs may be upgraded as 'standard' asset only if entire arrears of interest and principal are paid by the borrower and last 90 Days' interest should be less than credit received during the same period.

| Date | Transaction Detail | Amount | Classification |
|-----------|---|--------|----------------|
| 01-Jan-21 | Customer Use the Limit of Cash Credit / Overdraft Account | 100000 | |
| 31-Jan-21 | Debit Interest | 1500 | |
| 15-Feb-21 | Customer paid the amount | 2000 | |
| 28-Feb-21 | Debit Interest | 1500 | |
| 31-Mar-21 | Debit Interest | 1700 | NPA* |
| 30-Apr-21 | Debit Interest | 1750 | |
| 10-May-21 | | | Upgrade** |

* NPA is classified due to Interest Charged in last 90 Days is Rs. 4700 (i.e., 1500 + 1500 + 1700) and Credit are received only is Rs. 2000. which is less than the interest charged

**Upgradation of Account to standard can be done after Last 90 Days Interest charged are less than credit received, and all interest arrears is recovered i.e., Interest Charges is Rs. 6450 (i.e., 1500+1500+1700+1750) and Credit is Rs. 2000. However, borrower need to pay Rs. 4450 (i.e., 6450 - 2000)

4. IRAC Circular Reference Para No. 4.2.4 (a & b) - Accounts with temporary deficiencies Para No. 4.2.4 (a) - Banks should ensure that drawings in the working capital accounts are covered by the adequacy of current assets, since current assets are first appropriated in times of distress. Drawing power is required to be arrived at based on the stock statement which is current. However, considering the difficulties of large borrowers, stock statements relied upon by the banks for determining drawing power should not be older than three months. The outstanding in the account based on drawing power calculated from stock statements older than three months, would be deemed as irregular.

AU Small Finance Bank Limited

19-A Dhuleshwar Garden, Ajmer Road, Jaipur-302001

Page 21 of 26

For S D HOMES

Chidharaj

Partner

Chidharaj

Chidharaj



Para No. 4.2.4 (b) - A working capital borrowable account will become NPA if such irregular drawings are permitted in the account for a continuous period of 90 days even though the unit may be working, or the borrower's financial position is satisfactory.

Example Description - NPA Classification on Cash Credit account based on Stock Statement is not Updated **Example:** If Stock statement is received of a cash credit account as on March 31, 2021, and further updated stock statement is not received. It shall get classified as NPA upon running day-end process on September 27, 2021. The same is explained in below mention table:

| Date | Classification |
|--------------------------------------|----------------|
| 31-Mar-21 (Stock Statement Received) | |
| 27-Sep-21 | NPA |

IRAC Circular Refer Para No. 4.2.5 - If arrears of interest and principal are paid by the borrower in the case of loan accounts classified as NPAs, the account should no longer be treated as nonperforming and may be classified as 'standard' accounts.

Example Description - Upgradation of NPA Account: loan accounts classified as NPAs may be upgraded as 'standard' asset only if entire arrears of interest and principal are paid by the borrower and received updated stock statement (i.e., Stock Statement Date should be between last 179 days)

| Date | Classification |
|--------------------------------------|----------------|
| 31-Mar-21 (Stock Statement Received) | |
| 27-Sep-21 | NPA |
| 25-Oct-21 | Upgrade* |

*Upgradation of Account to standard is Possible after receiving updated stock statement (The Date of Stock Statement between 29-4-2021 to 25-10-2021) and entire arrears of interest and principal are paid by the borrower.



5. IRAC Circular Reference Para No. 4.2.4 (c) - Accounts with temporary deficiencies Para No. 4.2.4 (c) - Regular and ad hoc credit limits need to be reviewed/ regularized not later than three months from the due date/date of ad hoc sanction. In case of constraints such as non-availability of financial statements and other data from the borrowers, the branch should furnish evidence to show that renewal/ review of credit limits is already on and would be completed soon. In any case, delay beyond six months is not considered desirable as a general discipline. Hence, an account where the regular/ ad hoc credit limits have not been reviewed/ renewed within 180 days from the due date/ date of ad hoc sanction will be treated as NPA.

Example Description - NPA Classification on Revolving facility based on renewal is not to be reviewed.

Example: If Renewal is due of a revolving facility account as on March 31, 2021, and further renewal of account is not done. It shall get classified as NPA upon running day-end process on September 27, 2021. It is further explained in below mention table:

| Date | Classification |
|------------------------------|----------------|
| 31-Mar-21 (Renewal Due Date) | |
| 27-Sep-21 | NPA |

IRAC Circular Refer Para No. 4.2.5 - If arrears of interest and principal are paid by the borrower in the case of loan accounts classified as NPAs, the account should no longer be treated as nonperforming and may be classified as 'standard' accounts.

Example Description - Upgradation of NPA Account: loan accounts classified as NPAs may be upgraded as 'standard' asset only if entire arrears of interest and principal are paid by the borrower and updated renewal done (i.e., Renewal Date should be between last 179 days)

| Date | Classification |
|------------------------------|----------------|
| 31-Mar-21 (Renewal Due Date) | |
| 27-Sep-21 | NPA |
| 25-Oct-21 | Upgrade* |



*Upgradation of Accounts to standard can be done post renewal (The Date of Renewal between 29-4-2021 to 25-10-2021) and after entire arrears of interest and principal are paid.

6. IRAC Circular Reference Para No. 4.2.19.2 - A credit card account will be treated as non-performing asset if the minimum amount due, as mentioned in the statement, is not paid fully within 90 days from the payment due date mentioned in the statement.

Example Description - NPA Classification on credit card.

Example Detail: If there is Minimum Amount due (MAD) of a credit card account as on March 31, 2021, and MAD 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 SMA-2 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. It is further elaborated in below mention table:

| Date | Reporting Date MAD Amount | DPD | Classification |
|--------------------------|---------------------------|-----|----------------|
| 31-Mar-21 (MAD Due Date) | | 1 | |
| 30-Apr-21 | 2000 | 31 | SMA-1 |
| 30-May-21 | 3000 | 61 | SMA-2 |
| 29-Jun-21 | 4000 | 91 | NPA |

IRAC Circular Refer Para No. 4.2.5 - If arrears of interest and principal are paid by the borrower in the case of loan accounts classified as NPAs, the account should no longer be treated as nonperforming and may be classified as 'standard' accounts.

Example Description - Upgradation of NPA Account: loan accounts classified as NPAs may be upgraded as 'standard' asset only if entire arrears (MAD amount) of interest and principal are paid by the borrower.



| Date | Reporting Date | MAD Amount | DPD | Classification |
|--------------------------|----------------|------------|-----|----------------|
| 31-Mar-21 (MAD Due Date) | | | 1 | |
| 30-Apr-21 | | 2000 | 31 | SMA-1 |
| 30-May-21 | | 3000 | 61 | SMA-2 |
| 29-Jun-21 | | 4000 | 91 | NPA |
| 30-Jun-21 | | 4000 | | Upgradation* |

*Upgradation of Account to standard is Possible after total pending MAD due of Rs. 4000 is received from borrower.

7. IRAC Circular Reference Para No. 4.2.7 (c) - Asset Classification to be borrower-wise and not facility-wise
 Para No. 4.2.7.1 - It is difficult to envisage a situation when only one facility to a borrower/one investment in any of the securities issued by the borrower becomes a problem credit/investment and not others. Therefore, all the facilities granted by a bank to a borrower and investment in all the securities issued by the borrower will have to be treated as NPA/NPI and not the particular facility/investment or part thereof which has become irregular.

Example Description - NPA Classification on based on borrower wise and not facility wise.

Example: If any Facility of customer is classified as NPA upon running day-end process as on date, all the facility of the customer needs to be classified NPA upon same day. It is further explained as below mentioned table:

| Customer ID | Facility Name | Date | NPA Reason |
|-------------|-------------------------|-----------|--|
| A | Term Loan 1 | 29-Jun-21 | NPA Classified as per above Example |
| A | Term Loan 2 | 29-Jun-21 | NPA Classified Due to Customer A Term Loan 1 is classified NPA |
| A | Cash Credit / Overdraft | 29-Jun-21 | |

IRAC Circular Refer Para No. 4.2.5 - If arrears of interest and principal are paid by the borrower in the case of loan accounts classified as NPAs, the account should no longer be treated as nonperforming and may be classified as 'standard' accounts.

AU Small Finance Bank Limited

19-A Dhuleshwar Garden, Ajmer Road, Jaipur-302001

Page 25 of 26

For S D HOMES

Shodhary
Partner

Shodhary

21/07/21



CIN No. L36911RJ1996PLC011381

Example Description -Upgradation of NPA Account: loan accounts classified as NPAs may be upgraded if arrears of interest and principal are repaid in all the facilities of the borrower.

| Customer ID | Facility Name | Date | NPA Reason |
|-------------|-------------------------|-----------|-------------------------------------|
| A | Term Loan 1 | 29-Jun-21 | NPA Classified as per above Example |
| A | Term Loan 2 | 29-Jun-21 | |
| A | Cash Credit / Overdraft | 29-Jun-21 | |
| A | Term Loan 1 | 15-Jul-21 | Upgrade* |
| A | Term Loan 2 | 15-Jul-21 | |
| A | Cash Credit / Overdraft | 15-Jul-21 | |

*Upgradation of Borrower's accounts to standard can be done if arrears of interest and principal are repaid in all the facilities of the borrower