

11. **Certificate on financial indebtedness**

SANJAY VHANBATTE AND CO

Chartered Accountants

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Opp: Kelavkar Hospital/IDBI Bank

CTS No. 245, C/1, E Ward Tarabai Park, Kolhapur 416003

M. No. 9822010247

Email: smvcok@gmail.com

To,

The Board of Directors,

Saraswati Saree Depot Limited

SR No. 144/1 Manade mala

Gandhinagar Road, Nigadewadi,

Kolhapur – 416005

Maharashtra, India

Unistone Capital Private Limited

305, A Wing, Dynasty Business Park,

Andheri Kurla Road, Andheri East,

Mumbai 400059,

Maharashtra, India.

(Unistone Capital Private Limited is hereinafter referred to as the **Book Running Lead Manager**)

Sub: Proposed initial public offering of its equity shares of ₹ 10 each (the “Equity Shares”) of Saraswati Saree Depot Limited (the “Company”) and such offering (the “Offer”)

Dear Sirs,



We, Sanjay Vhanbatte & Co., the statutory auditors of the Company, have audited the standalone financial statements of the Company for the financial years ended 31st March 2024, 31st March 2023 and 31st March 2022 prepared in accordance with the Companies Act, 2013 (**Companies Act**), as amended, and the Companies (Indian Accounting Standards) Rules, 2015 (**IND AS**) (**Audited Financial Statements**).

Subsequently, we have audited Restated Financial Statements prepared in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (**SEBI ICDR Regulations**) and the Guidance Note on Reports in Company Prospectuses (Revised 2019) (**Restated Financial Statements**).

We have been requested to verify details of financial indebtedness of the Company. Accordingly, we have examined the Restated Financial Statements, books of accounts, corporate filings as well as the documents pertaining to the financial indebtedness of the Company including sanction letters, loan agreements and bank statements and bank balance confirmations and other letters and correspondence between the lenders and the Company, as we deemed necessary, for the purpose of issuing this certificate.

Based on our examination, we hereby confirm that:

- a. The Company has not defaulted, at any point of time, in repayment of any loan/ facility or interest thereon from 1 April 2020 till the date of this certificate including any of the loans outstanding in its books as on 30/06/2024.
- b. The Company has not delayed or defaulted in repayment of interest due for the loans outstanding in its books as on 30/06/2024 including any delay in payment;



- c. There have been no instances of non-compliance with the financial covenants of the credit facility agreements entered into by the Company with banks or financial institutions;
- d. There have been no instances of rescheduling, restructuring in relation to the Company's borrowings/ loans / debentures and interest thereon, deposits and interest thereon and loan from any bank/ other financial institution or interest thereon;
- e. There have been no instances of conversion of loans availed by the Company into equity; and
- f. None of the banks or institutions from whom the Company has availed of debt facilities, appearing in the balance sheet and the notes thereto of the Company as on 31.03.2024, have rolled over, or accelerated payment of the facility in full or in part on account of default in the repayment in any instalment or interest due for any of the outstanding loans/ debt facilities granted to the Company.

Further, we confirm the following:

1. The summary of the borrowings sanctioned to the Company outstanding, as of 30/06/2024 is stated at **Annexure A**.
2. The principal terms of the borrowings and assets charged as security by the Company are stated at **Annexure B**.
3. The Company has not provided any guarantees for the repayment of any loans availed by other entities.

Except as provided in Annexures, there are no other loans or facilities availed by the Company or any guarantee extended by the Company.



We hereby consent to the extracts of this certificate being used in the Red Herring Prospectus and Prospectus to be filed with the Securities and Exchange Board of India (**SEBI**), the BSE Limited (**BSE**) and the National Stock Exchange of India Limited (**NSE** and together with the BSE, the **Stock Exchanges**), Registrar of Companies, Maharashtra at Pune (**RoC**) in connection with the Offer, and submission of this certificate as may be necessary, to any regulatory authority statutory, judicial or governmental authorities, and in any other material used in connection with the Offer and for disclosure on the website of the Company and the Book Running Lead Manager in connection with the Offer and/or for the records to be maintained by the Book Running Lead Manager in connection with the Offer and in accordance with applicable law.

We confirm that the information herein is true, fair, correct, complete, accurate, not misleading and does not contain any untrue statement of a material fact nor omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading. We hereby consent to this certificate being disclosed by the Book Running Lead Manager, if required (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authorities with prior intimation to us except as required in relation to the Offer or (ii) to be produced in connection with any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation related to any matter regarding issuance and listing of the Equity Shares of the Company.

We undertake to update you of any change in the above-mentioned disclosures which we are aware of until the Equity Shares allotted, pursuant to the Offer, are listed and commence trading on the Stock Exchanges. In the absence of any such communication from us, the above information should be considered as updated information until the Equity Shares commence trading on the Stock Exchanges, pursuant to the Offer.

This certificate may be relied on by the Issuer, Book Running Lead Manager, their affiliates and the legal counsel in relation to the Offer and to assist the Book Running Lead Manager in the context of due diligence procedures that the Book



Running Lead Manager has to conduct and the documents in relation of their investigation of the affairs of the Company in connection with the Offer.

All capitalized terms not defined herein bear the meaning ascribed to them in the Offer Documents.

SANJAY VHANBATTE AND CO

Chartered Accountants

FRN NO.112996W

CA. S. M. VHANBATTE

PROPREITOR

M.No.44808

Place: Kolhapur

Date: 05/08/2024

UDIN: 24044808BKEFZF9699



Cc:

Legal Counsel to the Offer

Alliance Law

801, 8th Floor, Raheja Centre

Free Press Journal Marg,

Nariman Point, Mumbai – 400021

Maharashtra, India.

Annexure A

I. Details of the financial indebtedness of the Company, as on 30/06/2024

A. Fund based and non-fund based borrowing of the Company

(in ₹ million)

Category of borrowing	Sanctioned amount	Amount outstanding as on June 30 th , 2024
Unsecured		
Saraswati Fabrics Private Limited (Inter Corporate Loan)	N.A.	378.39
Total unsecured borrowings	N.A.	378.39
Total borrowings	N.A.	378.39

B. Repayment details of each loan, as on 30/06/2024

N.A.

C. Unsecured loans which may be recalled by the lenders at any time:

Unsecured loans outstanding as on 30/06/2024- Rs.378.39 million.

The unsecured loans are repayable on demand.

D. Bridge loan(s):

N.A.



Annexure B

Principal terms of the borrowings availed by the Company:

N.A.

Details of security and guarantees (including personal and corporate guarantees) in relation to the credit facilities of the Company:

N.A.

Details of Category of borrowings of the Company:

Category of borrowing	Sanctioned / Loaned amount (in ₹)	Outstanding amount (in ₹) as on [•]
Working Capital Facility	NIL	NIL
Term Loans	NIL	NIL
Demand Loan/ Bank Guarantee	NIL	NIL
Total	NIL	NIL

