

Ref: 4062/STCL/DT/2022-23

Date: 02.09.2022

To

NATIONAL COMMODITIES MANAGEMENT SERVICES LIMITED ("Company")

Address: Sixth (6th) Floor, Tower - B of "SAS" Tower
Support Area, Medicity
Sector 38
Gurgaon - 122001, India

Phone: 0124 - 4338200
Fax: 0124 - 4338290

Attention: Sanjay Kumar Gupta, MD&CEO/NCML (siraj.chaudhry@ncml.com)
Anuj Kumar Vasdev, Group CFO/NCML (anuj.v@ncml.com)

Dear Sir / Madam,

1. We refer to the compliance certificate dated 4 August 2022 received by us and set out hereto as Annexure I ("**Compliance Certificate**") in relation to the Debenture Trust Deed dated 27 December 2019 and amendments thereto ("**Debenture Trust Deed**") entered into between the Company (formerly known as National Collateral Management Services Limited) and SBICAP Trustee Company Limited ("**Trustee**"). Capitalised terms used herein but not defined shall have the meaning ascribed to such terms under the Debenture Trust Deed.
2. Whereas all the debentures issued under the Debenture Trust Deed were issued to Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. ("**FMO**").
3. Whereas the Compliance Certificate evidences breaches of (i) Debt to EBITDA; (ii) Gross (LT Debt + ST Debt) / EBITDA; and (iii) Interest Coverage Ratio (together the "**Relevant Financial Covenants**") for the testing period ending on 30 June 2022 (the "**Relevant Testing Date**").
4. Acting on the instructions of FMO as sole Debenture Holder, we, in our capacity as Trustee, provide our one-time consent to the Company for the waiver sought in the Compliance Certificate and the breaches set out in paragraph 3 above, on the terms and conditions set out below:

Waiver: Breach of the Relevant Financial Covenants for the Relevant Testing Date.**Conditions for waiver:**

- a. within 7 (seven) days from the date of demand, payment to FMO of a waiver fee of USD 5,000 for the waiver set forth in this letter; and
- b. within 7 (seven) days from the date of demand, payment to FMO of any legal costs incurred in connection with the preparation of this letter.

5. The waiver provided under this letter will become effective on the date that this letter is countersigned for acknowledgement and acceptance by the Company.
6. Please note that the consent and waiver granted herein are limited to, and effective only in the instance and for the purpose for which they are given and shall not be deemed to extend to any other matter. Without prejudice to the generality of the foregoing, the Company shall keep us duly appraised of, and shall take our prior consent, before approving of any deviations or amendments to any other financial covenants stipulated in the Transaction Documents.
7. No failure to exercise, nor any delay in exercising, on our part, any right or remedy under the Debenture Trust Deed (except for a written express waiver or consent given in accordance with the Debenture Trust Deed, as the case may be) or anything else that we or any Debenture Holder has or may have agreed or done or may in future agree to do or (including any receipt and/or acceptance of any sum payable under or in connection with the Debenture Trust Deed) does, will or is intended as a permanent or temporary waiver of any Event of Default, or any other event or circumstance, any of our obligations and/or any of our rights and remedies or those of the Debenture Holders (in each case, whether present or future). All such rights and remedies being hereby reserved.
8. In accordance with the Debenture Trust Deed, this letter is designated as a Transaction Document under the Debenture Trust Deed. Please accept and acknowledge the terms and conditions of this letter in its entirety by having this letter signed by your duly authorised signatory in the space provided below and return the duly signed letter to us.
9. This letter shall be governed by and construed and enforced in accordance with the laws of India. All disputes arising in connection herewith shall be resolved in accordance with the provisions of Clause 20 (*Governing Law and Jurisdiction*) of the Debenture Trust Deed, and such provisions are incorporated herein by reference and shall apply *mutatis mutandis*.

Please indicate your acceptance and agreement by signing this waiver letter where indicated below and returning the executed copy to us.

Yours sincerely,



Name: Jatin Bhat

Designation: Group Head- DT & Compliance

Phone: 022-43025503

Email: jatin.bhat@sbicaptrustee.com

Copy to:

Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V.

Address: Anna van Saksenlaan 71

2593 HW The Hague

The Netherlands

Fax: +31 70 324 6187

Attention: Presan Pahladsingh

**AGREED AND ACCEPTED ON BEHALF OF NATIONAL COMMODITIES MANAGEMENT
SERVICES LIMITED**

Name:

Designation of authorised signatory:

Date:

Place:

SCHEDULE 14: COMPLIANCE CERTIFICATE

To: SBICAP Trustee Company Limited
 From: National Commodities Management Services Limited (Formerly Known as National Collateral Management Services Limited)
 Dated: 04.08.2022

Dear Sirs:

Re: National Collateral Management Services Limited ("Company") – INR 3200 million, debenture trust deed dated 27 Dec 2019 and amended dated 27 Feb 2020 ("Debenture Trust Deed").

- We refer to the Debenture Trust Deed. This is a Compliance Certificate. Terms used in the Debenture Trust Deed shall have the same meaning in this Compliance Certificate.
- We confirm that: Covenants calculation as on 30 June 2022, for last 12 months numbers which are prepared according to audited financial statements: (Without one off Non-Cash Impairment)

	Covenants	12 Months ended June 30, 2022	Approved Covenants
(i)	Solvency ratio	50.37%	≥ 40.0%
(ii)	Current ratio	1.89	≥ 1.1
(iii)	Debt to EBITDA	9.74	≤ 3.5
(iv)	Gross (LT Debt + ST Debt) / EBITDA	10.41	≤ 7.0
(v)	Interest Coverage Ratio	0.59	≥ 1.6
(vi)	Security cover ratio	> 130%	≥ 130%

- We confirm that financial covenants (i) (ii) and (vi) do meet the requirements of the financial covenants levels as determined in Schedule 3 of the Debenture Trust Deed.
- We confirm that financial covenants (iii) (iv) and (v) do not meet the requirements of the financial covenants levels as determined in Schedule 3 of the Debenture Trust Deed.
- We confirm that the Company meets the security cover and asset cover ratio in accordance with the terms agreed and certificate issued by the Company dated 04 August 2022.
- We kindly request for a formal waiver for the financial covenants which do not meet the required level.
- We confirm that there has been no Material Adverse Effect on the Company except the business currently impacted this year by Covid-19.

Signed:



Group CFO
 Anuj Kumar Vasdev

NATIONAL COMMODITIES MANAGEMENT SERVICES LIMITED **(Formerly known as National Collateral Management Services Limited)**

Corporate Office: Unit no. 601, 6th Floor, Tower-B, SAS Tower, Support Area, Medicity, Sector – 38, Gurugram, Haryana - 122001, India
 Tel.: (+91-124) 4338200, Fax: (+91-124) 4338290

Registered Office: D-164, TTC Industrial Area, Nerul MIDC, Navi Mumbai - 400706, Maharashtra, India

Website: www.ncml.com, CIN: U74140MH2004PLC148859