

To,

The Board of Directors,  
Davangere Sugar Company Ltd  
No.73/1, Shamanur Road,  
DAVANGERE – 577 004

**Re: CERTIFICATE FOR UNSECURED LOANS BORROWED FROM THE MANAGING DIRECTOR\\**

We, M/s D G M S & Co., Chartered Accountants, (FRN: 0112187W), are the present Statutory Auditors of Davangere Sugar Company Ltd, a public listed company, incorporated\\ under the Companies Act, 1956, having its registered office at No.73/1, Shamanur Road, Davangere-577 004 (“**Company**”) and have received a request from the Company to certify on the loans availed by the Company from time to time from Mr. Shamanur Shivashankarappa Ganesh (“**Managing Director**”) of the Company.

We understand that the Company has borrowed unsecured loan(s) from the Managing Director for an amount aggregating to Rs.8,812.01 Lakhs which was taken from time to time since 2016-2017 in compliance of Companies Act, 2013 and the Company have executed the loan agreement dated 01<sup>st</sup> February, 2017 with the Managing Director to record the terms of granting the loan to the Company from time to time.

Accordingly, we have verified the following records from the FY 2016-17 to FY 2024-25 and up to 25<sup>th</sup> July 2025 (“**Documents**”):

01. Ledger Account of Unsecured Loans
02. Relevant Bank Account Statements of the Company
03. Relevant Bank Account Statements of the Managing Director
04. Declaration under Rule 2(1)(c)(viii) of the Companies (Acceptance of Deposits) Rules, 2014 given by the Managing Director in writing.

The loan Borrowed by the company is within the total Borrowing limits of Rs.500 crores of the company as per special resolution passed in the EGM dated 26<sup>th</sup> March 2015 as per Section 180 (1)(a) of the companies act 2013

Based on the Documents reviewed by us, we confirm that the amounts shown in the Unsecured Loan Ledger Account is verified with the relevant Bank Account Statements of the Company and all receipts of the unsecured loans are reflected in the Bank Account of the Company. Similarly, the relevant Bank Account Statement of the Managing Director is verified with the Bank Account statement of the Company and all remittances from the Bank Account of the Managing Director are reflected in the Bank Account Statement of the Company.

On verification the above documents, we certify that, an unsecured loan is duly received by the Company and as on the date of this Certificate Rs. 8,812.01 Lakhs amount is outstanding as on to 25<sup>th</sup> July, 2025.

**Office Address:** Office No. 10, Vihang Vihar, Opp. Gautam Park, Panchpakhadi, Thane (West) – 400 602, Maharashtra, India.

**Cell:** +91 9320268900

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**Email:** hirenmaru@yahoo.co.uk

Further, we certify that, on verification of the Bank Statements of the Company, the funds have been utilized for the purpose of the business of the Company. Funds have not been utilized for any purpose other than the business of the Company.

The certificate is issued on request of the company as a part of document for their proposed rights issue.

This certificate may be relied upon by the legal advisor appointed in relation to the Offer and we hereby consent to the submission of this certificate as may be necessary to the Stock Exchanges and any other regulatory authority in accordance with applicable law or quote in any document as may be deemed fit by the Company.

For and on behalf of M/s. D G M S & Co.

Chartered Accountants

Firm Registration Number: 0112187W

Name: Hiren J Maru

Partner

ICAI Membership Number: 115279

Date: 25<sup>th</sup> July 2025

Place: Mumbai

UDIN: 25115279BMIQCZ9122



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