

INDIAN OVERSEAS BANK
J.N.ROAD BRANCH

Date : 28.05.2004

A/C. M/S. SHRI RAMRUPAI BALAJI STEELS LIMITED

Asset Classification : Standard

Income Recognition : Performing

Credit Rating : 'B' New Connection/ Project

Nature of Financing Arrangement : Multiple Banking Arrangement

We sanction the following limits on the terms & conditions stated there against.

Nature of Facility	Limit (Rs. in Crores)	Interest/Margin/Security etc
Rupee Term Loan To part finance the Captive Power Plant. Repayable in 32 quarterly instalments with 2 years moratorium.	40.00 (Rupees Forty Crores only) (Fresh)	Interest : BPLR+1.75% i.e. 12.75% p.a. presently Margin : 26% Security : First charge on the assets of the division with exclusive charge on land acquired on pari passu basis with other lenders for the project.
Rupee Term Loan To Part finance the Sponge Iron Project (Division). Repayable in 24 instalments (First 20* Rs.30lacs & Last 4 * Rs.50.00 Lacs.)	8.00 (Rupees Eight Crores only) (Existing)	Interest : BPLR+1.75% i.e. 12.75% p.a. presently Margin : 30 % Security : First charge on the assets of this division of the Company on pari passu basis with other lenders for this division.
Cash Credit – Hypthecation	5.25 (Rupees Five Crores Twenty five lacs) (Existing)	Interest : BPLR+2.00% i.e. 13.00% p.a. presently Margin : 25% on stocks & 50% on book debts up to 60 days. Security : First pari passu charge on current assets of the Sponge Iron Division with other lender.



16/11/05

Particulars of Credit Facilities with Terms and Conditions

Sl. No.	Nature of Facility	Limit (Rs) In crores	Margin	Interest/ Commission etc	Security
1.	Term Loan to part finance for Captive Power Plant repayable in 24 quarterly installments, with 1 year moratorium 1 st instalment will be due on 31.12.2006.	40.00 (Rs.Forty crores only) [existing] Revalidated	26%	Interest : BPLR - 1.25%	First charge on the assets of the CPP division with exclusive charge on land acquired, on pari passu basis with other lenders for the project.
2.	Term Loan/FCTL Sponge Iron (Divn) Repayable in 24 installments from Oct 04 (first 20 th Rs.30 lacs & last 4 th Rs.50.00 lacs)	7.10 (Rs.Seven crores ten lacs only) [Reviewed/ DP allowed to run off]	30%	Interest : 6 months LIBOR + 3.50%	First charge on the assets of this division of the company on pari passu basis with other lenders for this division.
3.	Cash Credit Hypothecation	17.60 (Rs.Seventeen crores sixty lacs only) [Enhanced from Rs.5.25 crores)	25% on stocks & 50% on book debts upto 60 days	Interest: BPLR - 2.00%	First pari passu charge on current assets of the Sponge Iron Division with other lender
4.	Letter of Guarantee Sub-limit for issuing guarantees favouring Coal India Limited for procuring raw materials	2.24 (Rs.Two crores twenty four lacs only) (Existing)	10%	Commission: As per circulars in force.	Besides counter indemnity of the company / borrower the limit should be covered by first pari passu charge on current assets.
5.	Letter of Credit (I/F) On DA terms upto 90 days for procuring raw material.	15.00 (Rs.Fifteen crores only) (Fresh)	10%	Commission : 50% of the applicable commission as per circulars.	Document of title to goods / hypothecation of merchandise & extension of first pari passu charge on current assets.





इण्डियन ओवरसीज़ बैंक Indian Overseas Bank

जे. एन. रोड शाखा/J. N. Road Branch
35/1, जे. एन. रोड/J. N. Road
कोलकाता/Kolkata-700 071

टेलिफोन Telephone : 2217-6454

तार Telegram

टेलिफैक्स Telefax : 2227-5052

स्थान Place : Kolkata

तारीख Date 28.01.2006

Shree Ram Rupai Balap Steel Ltd
S. Bentinck Street Kolkata

Dear Sir,

Re - Your Credit Limit to us
Amendment of Sanction

Further our previous sanction dated 16.11.2005
we hereby advise you the amendment/Concession
accorded by our Central office.

(a) Flexibility is hereby allowed to utilize the letter of credit limit
of Rs 15.00 Crores sanctioned as letter of Guarantee facility (for
procuring raw material) also.

(b) Permitted reduction in the Commission on letter of
Guarantee to the 50% of applicable charges.

(c) Permitted further reduction in the rate of interest
for term loan of Rs 40.00 Crores sanctioned for Captive
Power Plant from 9.75% to 9.25% i.e. BPLR-1.75%. This
is subject to other lenders to this division (CRP)
also stipulating same rate of interest for term loans
extended by them.

All other terms and conditions of sanction
shall remain unaltered.

Please acknowledge the receipt.

Yours faithfully

(M. L. Saha)
Senior Manager