

रजिस्टर्ड ऑफिस/Regd. Office: इंजीनियर्स इंडिया हाऊस/Engineers India House
1, भीकाजी कामा प्लेस/Bhikaji Cama Place, नई दिल्ली/New Delhi – 110066
सीआईएन/CIN : L74899DL1965GOI004352

COMPANY SECRETARIAT
कम्पनी सचिवालय

सं.सचिव /No. Secy/906/9/10

20th July, 2017

The BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 023

The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Bandra Kurla Complex
Bandra (East), Mumbai-400051

विषय: भारतीय प्रतिभूति एवं विनियम बोर्ड (लिस्टिंग दायित्वों और प्रकटीकरण आवश्यकताओं) विनियम, 2015 के विनियम 30 के प्रावधानों के अंतर्गत सूचना

Sub: Intimation Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

प्रिय महोदय/महोदया,

Dear Sir/Madam,

भारतीय प्रतिभूति एवं विनियम बोर्ड (लिस्टिंग दायित्वों और प्रकटीकरण आवश्यकताओं) विनियम, 2015 के विनियम 30 के प्रावधानों के अनुसार, अनुलग्नक-1 के अनुसार प्रासंगिक जानकारी संलग्न है कृपया प्राप्त करें।

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the relevant information as per Annexure-1.

कृपया उपरोक्त आपकी जानकारी एवं रिकॉर्ड के लिए है।

The above is for your kind information & records please.

धन्यवाद/Thanking you,

भवदीय/Very truly yours,



राजन कपूर/Rajan Kapur

कंपनी सचिव/Company Secretary

Encl: As above / संलग्नक: यथोक्त

Annexure-1

S. No	Particulars	Remarks
a)	Name of party for which such guarantees or indemnity or surety was given	<p>RFCL* is a joint venture of EIL, NFL and FCIL for setting up a urea-ammonia project.</p> <p>As a part of project financing, lenders of RFCL have sought certain undertakings from EIL and NFL along with RFCL. The draft undertaking as approved by the Board in its meeting held on 19.7.2017 is attached herewith.</p> <p>The lenders of RFCL are a consortium of the following banks, led by SBI.</p> <ul style="list-style-type: none"> • State Bank of India • Oriental Bank of Commerce • Bank of India • Union Bank of India • Vijaya Bank • Dena Bank
b)	Whether the promoter/promoter group/group of companies have any interest in this transaction? If yes, nature of interest and details thereof and whether the same is done at "arms length"	<p>The undertaking being provided by NFL, EIL & RFCL to the lenders as per loan facility documents pertains to the following:-</p> <ul style="list-style-type: none"> • Arranging or Funding the equity not yet tied up • Equity contribution to the extent of 75:25 debt equity ratio in case of cost over run • Shareholding Obligations of maintaining 51% equity by PSUs and other related matters in accordance with the executed JV agreement • Debt to Equity ratio to be maintained at 75:25 at all times • Agreement for Procurement of Natural Gas to be in place 6 months prior to Commercial Operations Date • EIL, NFL and RFCL cannot be released from this Undertaking till such time that the loans are repaid irrespective of any lien or encumbrance on equity investments by EIL / NFL in RFCL <p>There is no interest of EIL other than equity.</p>
c)	Brief details of such guarantee or indemnity or becoming a surety viz brief details of agreement entered (if any) including significant terms and conditions, including amount of guarantee:	<p>The document of undertaking is attached herewith. It is not a guarantee or surety. The Sponsor Support undertaking contains a clause on indemnification to the extent of obligations under the Sponsor Support Undertaking, as also listed in point no. b) above.</p>
d)	Impact of such guarantees or indemnity or surety on listed entity	None

* RFCL – Ramagundam Fertilizers & Chemicals Limited

EIL – Engineers India Limited

NFL – National Fertilizers Limited

FCIL – Fertilizer Corporation of India Limited

DATED _____, 2017

SPONSORS' SUPPORT UNDERTAKING

BY

NATIONAL FERTILIZERS LIMITED

and

**ENGINEERS INDIA LIMITED
as the Sponsors**

AND

**RAMAGUNDAM FERTILIZERS AND CHEMICALS LIMITED
as the Borrower**

IN FAVOUR OF

**STATE BANK OF INDIA
as the Facility Agent**



Cyril Amarchand Mangaldas
advisors & solicitors

Handwritten signature

SPONSORS' SUPPORT UNDERTAKING

This SPONSORS' SUPPORT UNDERTAKING (hereinafter referred to as the "Undertaking") is executed at _____ on this ____ day of _____, 2017 by:

1. **NATIONAL FERTILIZERS LIMITED**, a company incorporated under the Companies Act, 1956 with a corporate identification number L74899DL1974GOI007417 and having a registered office at SCOPE Complex, Core 3, 7, Institutional Area, Lodhi Road, New Delhi - 110003 (hereinafter referred to as the "Sponsor I" which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) of the **FIRST PART**;
2. **ENGINEERS INDIA LIMITED**, a company incorporated under the Companies Act, 1956, India with a corporate identification number L74899DL1965GOI004352 and having its registered office at EIL Bhawan, 1, Bhikaji Cama Place, New Delhi - 110066 (hereinafter referred to as the "Sponsor II" which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) of the **SECOND PART**;

(Sponsor I and Sponsor II are hereinafter collectively referred to as the "Sponsors");

3. **RAMAGUNDAM FERTILIZERS AND CHEMICALS LIMITED**, a company incorporated in India under the Companies Act, 2013, having a corporate identification number U24100DL2015PLC276753, with its registered office at Scope Complex, Core-III, 7, Institutional Area, Lodhi Road New Delhi 110003 and its corporate office at 4, Mohta Building, 4th Floor, Bhikaji Cama Place, New Delhi 110066 (hereinafter referred to as the "Borrower", which expression shall, unless repugnant to the context, be deemed to include its successors and permitted assigns) of the **THIRD PART**.

IN FAVOUR OF

4. **STATE BANK OF INDIA**, a statutory corporation constituted under the State Bank of India Act, 1955 (23 of 1955) having its corporate office at State Bank Bhavan, Madame Cama Road, Fort, Mumbai 400 021 acting through its Project Finance Strategic Business Unit at First and Second Floor, Voltas House, 23 J.N. Heredia Marg, Ballard Estate, Fort, Mumbai 400 001, in its capacity as the facility agent for the Rupee Lenders (hereinafter referred to as the "Facility Agent", which expression shall unless repugnant to the context or meaning thereof, be deemed to include its successors, substitute and permitted assigns) of the **FOURTH PART**.

Each of the parties mentioned above, are hereinafter collectively referred to as the "Parties" and individually as a "Party"

NFL as the Sponsor I	EIL as the Sponsor II	RFCL as the Borrower	State Bank of India as the Facility Agent
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WHEREAS

- (A) Pursuant to the rupee loan agreement dated September 26, 2016, as amended from time to time, executed, *inter alia*, between the Borrower, Rupee Lenders and the Facility Agent (the “**Facility Agreement**”), the Rupee Lenders have agreed to provide to the Borrower and the Borrower has agreed to avail from the Rupee Lenders, the facility in an aggregate amount not exceeding Rs. 3940,71,00,000/- (Rupees Three Thousand Nine Hundred and Forty Crores and Seventy One Lakhs only)(the “**Rupee Facility**”) with a letter of credit facility/ bank guarantee facility/export credit agency/foreign currency term loans/bonds, aggregating to 30% (thirty percent) of the Rupee Facility, as a sub-limit of the Rupee Facility (“**Facility**”) for the purposes of part financing the Estimated Project Cost, which facility can be availed by the Borrower in accordance with the terms and conditions of the Facility Agreement.
- (B) One of the conditions of the Facility Agreement is that the Sponsors shall provide certain undertakings as provided below.
- (C) The Facility Agent has now called upon each of the Sponsors to execute these presents and the Sponsors have agreed to do so in the manner hereinafter expressed.

NOW THIS UNDERTAKING WITNESSETH AS FOLLOWS:

1. Capitalised Terms

Unless otherwise defined, all capitalized terms used herein shall have the same meaning given to them under the Facility Agreement. The principles of construction set forth in Section 1.2 of the Facility Agreement shall apply *mutatis mutandis* to this Undertaking.

2. Undertaking by the Sponsors

Each of the Sponsors hereby, on a joint and several basis, irrevocably and unconditionally, undertake and agree with the Facility Agent as follows:

(i) *Required Equity*

Each of the Sponsors shall individually fund 26% (twenty six percent) of equity (“**Required Equity**”) required for the Project (by way to subscription of equity share capital) of the Borrower. The Sponsors agree to arrange or fund the equity beyond the Required Equity for the purpose of tying up the entire equity requirement of the Project (“**Remaining Equity**”) after obtaining all necessary and requisite approvals including approvals for equity contribution from respective Board, shareholders and the Government.

NFL as the Sponsor I	EIL as the Sponsor II	RFCL as the Borrower	State Bank of India as the Facility Agent
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(ii) *Cost Overrun*

The Sponsors shall, on occurrence of Cost Overrun, provide funds without any recourse to the Borrower and its assets, the Project and the Rupee Lenders by way of subscription of equity share capital of the Borrower, as per the Debt to Equity Ratio to meet the Cost Overrun including increase in cost due to any foreign exchange fluctuation (the “**Cost Overrun Support**”) after obtaining all necessary and requisite approvals including approvals for equity contribution from respective Board, shareholders and the Government.

(iii) *Shareholding Obligations*

- (A) Until the Final Settlement Date, they shall at all times together with their subsidiaries and Affiliates hold and maintain a minimum of 51% of the equity share capital;
- (B) Until the Final Settlement Date, they shall at all times hold its shareholding in the Borrower free of any encumbrances and/ or Security Interest (except any Permitted Security Interest);
- (C) They shall retain Management Control of the Borrower, which includes the ability to appoint majority of Directors on the Board of the Borrower and to direct the management or policy decisions of the Borrower, till the Final Settlement Date.

(iv) *Debt to Equity Ratio*

It shall from time to time, contribute and/or cause to be contributed, the Required Contribution as and when required such that the Debt to Equity ratio is maintained at 75:25, in proportion to its Shareholding in the Borrower as existing at that point in time

(v) *Procurement of Natural Gas*

It shall make necessary arrangements for procurement of natural gas as per base case production plan and execution of Natural Gas Transportation Agreement and Natural Gas Supply Agreement by RFCL with suitable suppliers or submit evidence of gas supply under the gas pooling mechanism atleast 6 (six) months prior to the Scheduled Commercial Operations Date.

(vi) *No Release*

They shall remain liable for their obligations under this Undertaking to the extent provided in of Section 2(i) to Section 2(vi), irrespective of whether they have, pursuant to the enforcement of any Security Document, ceased to own (directly or indirectly) any equity shares or preference shares of the

NFL as the Sponsor I	EIL as the Sponsor II	RFCL as the Borrower	State Bank of India as the Facility Agent
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Borrower or whether any encumbrance has been created, subsists or has been enforced over any of its equity shares or preference shares or otherwise.

3. Necessary Actions

- (A) They shall take all necessary steps, provide full co-operation and obtain all requisite / necessary / statutory / corporate or other approvals for the performance by the Borrower and itself of all applicable terms of the Financing Documents and to enable the Rupee Lenders of its rights thereunder;
- (B) Without prejudice to the generality of the foregoing, in case of any conversion pursuant to the Facility Agreement, they shall take all necessary steps and obtain all requisite / necessary / statutory / other approvals for such allotment of equity shares or a part of it in terms of the Financing Documents. They further undertake to take all steps necessary to ensure that the Borrower passes all requisite corporate resolutions including but not limited to the shareholders resolutions required under the Companies Act, 2013 and do all such acts and deeds and execute and procure the execution of all such deeds and documents as may required at any time during which any part of the Rupee Facility is outstanding.

4. Repayments

- (A) In the event of any funds being brought in by the Sponsors by way of subscription to preference/equity share capital of the Borrower, they shall not demand or withdraw such funds or any part thereof nor shall the Borrower repay/redeem such funds or any part thereof so long as any moneys remain due by the Borrower to the Rupee Lenders under the Financing Documents without the prior written approval of the Facility Agent;
- (B) The Sponsors agree and acknowledge that in the event they infuse any amounts by way of Subordinated Debt in accordance with the terms of the Financing Documents, such amounts shall rank subordinated to the Rupee Facility and such Subordinated Debt shall not be repaid to the Sponsors till the Final Settlement Date. They acknowledge that the terms of availing any Subordinated Debt shall stipulate that interest, if any, on such Subordinated Debt shall not be paid for any Fiscal Year in which the Borrower has not been able to comply with the Restricted Payment Conditions.

NFL as the Sponsor I	EIL as the Sponsor II	RFCL as the Borrower	State Bank of India as the Facility Agent
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5. Undertaking by Sponsor I

Sponsor I agrees and undertakes that it shall, atleast 6 (six) months prior to the Scheduled Commercial Operations Date execute the Marketing Agreement with the Borrower.

6. Representations and Warranties of the Sponsors and Borrower

- (i) Each of the Sponsors hereby represents and warrants to the Facility Agent that:
 - (a) this Undertaking constitutes legal, valid and binding obligations of the Sponsors and is enforceable in accordance with its terms;
 - (b) it has the full power, authority and legal right to enter into and engage in the transactions contemplated by this Undertaking and have taken or obtained all necessary corporate and other action to authorize the due execution, delivery and performance of this Undertaking and has duly executed and delivered this Undertaking;
 - (c) the Shares held by it are legally and beneficially owned by it and have been validly issued and are free of any encumbrance or any proxy, power of attorney, voting trust agreement, interest, option, right to acquire, right of pre-emption or right of first refusal or offer in favour of any Person or any agreement to create any of the above other than as permitted under the Financing Documents;
 - (d) all information provided in writing or documents furnished to the Secured Parties or any representatives of the Secured Parties by the Sponsors in connection with the transactions contemplated by this Undertaking are true, complete and accurate in all respects as of the date provided (or such other date as is specifically referred);
 - (e) except approval, to arrange or fund equity as per section 2(i) "Required Equity" and approval to fund Cost Overrun through equity as per section 2(ii) "Cost Overrun", all requisite approvals required to be taken in connection with the execution of this Undertaking and the performance of the obligations hereunder have been obtained;
 - (f) no event or circumstance exists (including any default under any agreement, undertaking or contract) which adversely affects its ability to perform its obligations under this Undertaking; and
 - (g) the execution, delivery and performance of their obligations under this Undertaking and all instruments required hereunder by the Sponsors do not contravene, violate or constitute a default of or require any consent under the provisions of any other agreement or instrument to which they are

NFL as the Sponsor I	EIL as the Sponsor II	RFCL as the Borrower	State Bank of India as the Facility Agent
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bound, including any order, judgment, decree or injunction of any court of law.

- (ii) The Borrower hereby represents and warrants to the Facility Agent that:
- (a) this Undertaking constitutes legal, valid and binding obligations of the Sponsors and is enforceable in accordance with its terms;
 - (b) it has the full power, authority and legal right to enter into and engage in the transactions contemplated by this Undertaking and have taken or obtained all necessary corporate and other action to authorize the due execution, delivery and performance of this Undertaking and has duly executed and delivered this Undertaking;
 - (c) no event or circumstance exists (including any default under any agreement, undertaking or contract) which results in a Material Adverse Effect, which can affect its ability to perform its obligations under this Undertaking; and
 - (d) the execution, delivery and performance of their obligations (if any) under this Undertaking and all instruments required hereunder do not contravene, violate or constitute a default of or require any consent under the provisions of any other agreement or instrument to which it is bound, including any order, judgment, decree or injunction of any court of law.

7. Release and Termination

Promptly upon occurrence of the Final Settlement Date, this Undertaking shall forthwith stand terminated and the Sponsors shall stand absolutely released and discharged, including as regards the undertakings given by them in Clause 2 (*Undertaking by the Sponsors*), Clause 3 (*Undertaking by Sponsor I*) hereinabove and of the representations in Clause 4 (*Representations and Warranties*) hereinabove, and from other obligations, if any, under the Financing Documents.

8. No Restriction on other Rights of Sponsors

To the extent not specifically prohibited by this Agreement or the terms of any other Financing Documents, nothing in this Undertaking shall restrict the exercise of any right of the Sponsors under any Project Documents to which they are a party.

9. Governing Law and Jurisdiction

- (a) This Undertaking shall be governed by and construed in accordance with the laws of India and the Borrower and each of the Sponsors agrees that the courts and tribunals at Delhi shall have exclusive jurisdiction to settle any suit, action or proceedings (together referred to as "**Proceedings**") which may arise out of or in connection with this Undertaking;

NFL as the Sponsor I	EIL as the Sponsor II	RFCL as the Borrower	State Bank of India as the Facility Agent
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- (b) Nothing contained in Clause 9 (a) above, shall, subject to Applicable Law, limit any right of the Rupee Lenders to take proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not and the each of the Borrower and Sponsors irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal, and each of the Borrower and the Sponsors irrevocably waives any objection it may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum.

10. Indemnity

The Sponsors agree to indemnify the Rupee Lenders for and against all losses, expenses, claims and liabilities incurred or suffered by them in relation to breach of, or failure to, perform by the Sponsors of any of their obligations under this Undertaking. Sponsors further undertake to indemnify the Lender against any loss or damage that may incurred on account of non-procurement of approvals as mentioned in Clause. 2.(i) and 2(ii).

11. Discharge

The Sponsors shall stand discharged from their obligation(s) with respect to above as soon as any particular obligation is fulfilled to the Lenders.

12. Acknowledgement

- (a) Each of the Sponsors acknowledges that it has read and understood the terms and conditions of Facility Agreement.
- (b) Each of the Sponsors confirm and acknowledge that, relying on the undertakings provided in this Undertaking, the Rupee Lenders have agreed to make disbursements to the Borrower in terms of the Facility Agreement and a breach hereof shall entitle the Rupee Lenders to call it an Event of Default as defined in Facility Agreement.

13. Effectiveness

The terms and conditions of this undertaking shall be binding and effective on the parties hereto upon execution of this Undertaking by all the Parties.

NFL as the Sponsor I	EIL as the Sponsor II	RFCL as the Borrower	State Bank of India as the Facility Agent
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IN WITNESS WHEREOF, the Sponsors and the Borrower have executed this Undertaking as a Undertaking as of the date first above written.

THE COMMON SEAL of NATIONAL FERTILIZERS LIMITED, as Sponsor I has pursuant to the resolutions of its board of directors passed on [●] hereunto been affixed in the presence of Mr. _____,

_____ , who has signed these presents in token thereof.

THE COMMON SEAL of ENGINEERS INDIA LIMITED, as the Sponsor II has pursuant to the resolutions of its board of directors passed on [●] hereunto been affixed in the presence of Mr. _____,

_____ , who has signed these presents in token thereof.

THE COMMON SEAL of RAMAGUNDAM FERTILIZERS AND CHEMICALS LIMITED in its capacity as Borrower, has pursuant to the Resolution of its Board of Directors passed in that behalf on [●] hereunto been affixed in the presence _____ of

_____ , who has signed these presents in token thereof.

ACCEPTED AND ACKNOWLEDGED by the within named State Bank of India, in its capacity as the Facility Agent acting by:

Name: _____

Designation: _____

