



No:2436/SBICTCL/DT/2016-17

Date: 22nd September 2016

To,

DSP Blackrock MIP Fund Citibank N.A. Custody Services FIFC-11th Flr, G Block Plot C-54 And C-55, Bkc Bandra-East, Mumbai 400051	DSP Blackrock Dual Advantage Fund Series 29-40m Citibank N A, Custody Services FIFC-11th Flr, G Block 'Plot C-54 And C-55,Bkc Bandra-East, Mumbai 400051
DSP Blackrock FTP Series 44-36m Citibank N.A. Custody Services FIFC- 11th Flr, G Block Plot C-54 And C-55, Bkc Bandra - East, Mumbai 400051	Bhel Employees Provident Fund Trust Jhansi 'P O Bhel 'Jhansi 284129
RHC Holding Employees Provident Fund Trust 54 Janpath 'Connaught Place 'New Delhi, Delhi 110001	SESA Mining Corporation Limited Employees Provident Fund Sesa Ghor 20 Edc Complex Patto 'Panajim, Goa 403001
SESA Resources Limited Employees Provident Fund Sesa Ghor 20 EDC Complex Patto 'Panajim, Goa 403001	The Trustees Salem Steel Provident Fund Salem Steel Plant Alagusamudram Salem 636013
Hindustan Aeronautics Limited Nasik Division Provident Fund 'P O Dist Nashik 422207	SKF Bearings India Ltd Provident Fund Scheme P O Box No 2202 Mahatma Gandhi Memorial Bldg Netaji Subhash Road Mumbai 400002
Bangiya Gramin Vikash Bank Bmc House, Chuapur P. O. Berhampore Dist. Murshidabad, W.B 742101	Board Of Trustees For Bokaro Steel Employees Provident Fund P.F. Account Old Adm. Bldg., Sail, Bokaro Steel Plant Bokaro Steel City Bokaro 827001
A P S R T C Employees Provident Fund Trust 'CAO Apstrc Employees Provident Fund Bus Bhavan (Administrative Building) Mushirabad, 'Hyderabad 500020	The T.I.I.C. Ltd. Employees Provident Fund No.692 'Anna Salai 'Nandanam Chennai 600035
India Coffee Board Workers Co Operative Society Ltd Employees Provident Fund Trust India Coffee Board Workers Co-Operat Xi/846/1 Aasarikunnu, Near Sakthan Bus Stand, Veliyannur, R S P O, P B No 184, Thrissur 680021	Welham Girls High School Employees Provident Fund Trust 19 Municipal Road 'Dehradun 'Uttanchal 248001
AGI Employees Provident Fund Trust C/O Hindustan Sanitaryware And 'Industries Ltd Glass Division 'Varadanagar P B No 1930 'Sanathnagar P O Hyderabad 500018	Bharat Earth Movers Ltd. Provident Fund Trust BEML Soudha 23/1 4th Main Road Sampangirama Nagar Bangalore 560027
Powergrid Self Contributory Superannuation Benefit Pension Fund Trust Saudamini, Plot No 2 Sector 29 Near IFFCO Chowk 'Gurgaon Haryana 122001	Engineers India Limited Employees Provident Fund 3rd Floor Engineer India Bhawan 1 Bhikaji Cama Place New Delhi 110066



Supreme Petrochem Ltd Employees Provident Fund Solitaire Corpoarte Park Building No 11, 5th Floor Chakala, Andheri East 'Mumbai 400093	Powergrid Employees Gratuity Fund Trust Saudamini, Plot No 2 Sector 29 Near IFFCO Chowk 'Gurgaon 122001
The Coromandel Engg Co Ltd Employees Provident Fund Parry House IV Floor No 43 Moore Street Chennai 600001	Bhel Employees Provident Fund Trust Bhopal Administrative Building Bhel Raisen Road Piplani Bhopal 462022
GMDC Ltd., Employees P. F. Trust Khanij Bhavan, 132 F T Ring Road Near University Ground 'Vastrapur Ahmedabad 380052	Kasturba Health Society Workers Provident Fund Scheme P O Sevagram 'Wardha 442102
Bharat Dynamics Ltd Provident Fund Trust Board Admin Building Kanchanbagh Hyderabad 500058	Manipal Institute Of Technology Employees Provident Fund Trust Manipal Institute Of Technology Manipal 'Udupi 576104
B K Birla Group Of Companies Provident Fund Institution Birla Building 9/1, R N Mukherjee Road, Kolkata 700001	

Dear Sir/Madam,

Sub : Hindustan Organic Chemicals Limited (the "HOCL") - revalidation/ extension of Guarantee.

We, SBICAP Trustee Company Ltd, are acting as Bond Trustee for 9.36% HOCL Bonds Series XXI 2017 aggregating to Rs.150 Crores ("Bonds").

Kindly note that as per the terms of the Issue, the guarantee issued by the Government of India was required to be revalidated/ extended 30th days prior the expiry i.e. on or before 1st September, 2016.

On 1st September, 2016, we did not receive the revalidated/ extended guarantee. Hence, it was treated as a default and the entire amount outstanding on the Bonds, including interest accrued, was accelerated and became due & payable on 1st October 2016. A letter regarding acceleration was forwarded by us.

However, today i.e. 22nd September 2016, HOCL has received the extension/ revalidation letter issued by the Government of India extending the sovereign guarantee from 1st October 2016 to 31st December 2016 i.e. for three months (Copy enclosed), which is forwarded to us.

In view of the above, we request you to convey your confirmation whether the acceleration can be cancelled and following original payment schedule, whereby only the coupon would be due on the 1st October 2016.

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As per the clause 2. B of Addendum to Guarantee Agreement dated 20th August, 2014 executed on 4th September, 2014 " If the Guarantee from Government of India is extended/ revalidated such that the term of the revalidated/ extended Guarantee is still less than the term of the Bonds, the same payment/ guarantee invocation mechanism as per Annexure I would be followed prior to the expiry date of the revalidated/ extended Guarantee."

Kindly treat this as "Most Urgent"

Yours faithfully,
For **SBICAP Trustee Company Limited**



Ajit Joshi
Company Secretary



CC:

1. Joint Secretary (Chemicals)
Department of Chemicals and Petrochemicals,
Ministry of Chemicals and Fertilizers,
Government of India,
Shastri Bhavan, Dr.Rajendra Prasad Road,
New Delhi - 110001
2. **Ms. Susheela S Kulkarni (Company Secretary)**
Hindustan Organic Chemicals Limited
At & Post Rasayani,
Dist. Raigad, Pin - 410207
3. **Mr. Vibhor Mittal**
ICRA Limited
1802, 18th Floor,
Tower 3, Indiabulls Financial Centre,
Senapati Bapat Marg,
Elphinstone, Mumbai – 400013

URGENT

**No.P.51012/04/2013-Ch.III
Government of India
Ministry of Chemicals & Fertilizers
Department of Chemicals & Petrochemicals**

Shastri Bhawan, New Delhi
Dated 22 September, 2016

To,

Shri S. B. Bhide,
Director (Tech.) and CMD (Addl. Charge),
Hindustan Organic Chemicals Ltd.,
Rasayani, Raigad,
Maharashtra

Subject: Extension of Govt. of India guarantee for Rs.150 crore bonds raised by HOCL - regarding

Sir,

Please refer to SBICAP Trustee Company Ltd.'s letter No.1146/SBICTCL/DT/2016-17 dated 27th June, 2016, on the above mentioned subject and this Department's letter of even number dated 8th September, 2015.

2. In the above context, it is informed that Department of Economic Affairs, Ministry of Finance vide letter No.12(10)-B(SD)/2010 dated 15th September, 2016, has conveyed the extension of Government of India guarantee for the Rs.150 crore bonds raised by HOCL for three months w.e.f. 1.10.2016 to 31.12.2016, pending the Cabinet decision on HOCL.

3. You are requested to take further necessary action in the matter.

Yours faithfully,

Ram
22/9/16.

(Ram Prabhakar)

Under Secretary to the Govt. of India
TEL: 011 - 23388635

Copy to:

Shri Ajit Joshi,
Company Secretary,
SBICAP Trustee Company Ltd.
Appejay House, 6th Floor,
3 Dinshaw Wachha Road,
Churchgate, Mumbai - 400 020

Annexure I

Structure Payment Mechanism for Guarantee Validity/ Extension

The Guarantee is initially valid for a period of one year from the date of issue, subject to revalidation of extension of guarantee in subsequent years as per OM No. F.12 (10)-B (SD)/2000 dated 23.07.2014 and OM No. F.12 (10)-B (SD)/2000 dated 19.08.2014. However, it is expected to be revalidated/ extended before the expiry date. In the event that the period of Guarantee is less than the redemption schedule of the Bonds, and the guarantee has not been revalidated/ extended minimum 60 days prior to its expiry date, the following steps would be initiated (T being the expiry date of the Guarantee from GoI):

Trigger Date	Action Point
T-60	The Trustee would inform GoI in writing that the guarantee needs to be revalidated/ extended within the next 30 days, failing which the entire amount of Bonds would stand accelerated.
T-30	If the Guarantee from GoI has still not been revalidated/ extended, the Trustee would call it Default in revalidation/ extension of Guarantee and accelerate the payment of Bonds. The entire amount outstanding on the Bonds (including interest accrued) would become due and payable on the guarantee expiry date, i.e. Accelerated Payment Date i.e. on T.
T-10	HOCL would fund the Designated Account to the extent of obligations falling due on the instrument (entire accelerated amount due on the Bonds)
T-8	If the Designated Account is not funded as above, the Trustee would forthwith invoke the GoI guarantee by sending a notice of invocation to GoI
T-1	Last day by which GoI would need to deposit the requisite funds (entire accelerated amount due on the Bonds) in the Designated Account in case the guarantee is invoked
T	Due date of payment of the entire accelerated amounts to NCD holders/ Guarantee expiry date

If the Guarantee from GoI is extended/ revalidated such that the term of the revalidated/ extended Guarantee is still less than the term of the Bonds, the same payment/ guarantee invocation mechanism (as mentioned above) would be followed prior to the expiry date of the revalidated/ extended Guarantee.

