केनरा बैंक Canara Bank

REF: LCB : CHN : SGMPL CR-39 : 528 2020-21 **DATE: 28/12/2020**

M/s. Shri Govindaraja Mills Private Limited
(formerly M/s. Shri. Govindaraja Textiles Pvt Ltd)
258 Thiruchuli Road ,
Aruppukottai 626 101.

Dear Sirs,

SUB	**:**	**M/s Shri Govindaraja Mills Pvt Ltd – Permission for resolution plan towards restructuring of the loan liability.**
REF	**:**	**Your letter Ref: SGMPL/CB/0606 dated 06.06.2020 requesting for resolution of stressed assets and subsequent clarifications submitted from your end.**

We are pleased to convey that our Competent Authority has permitted the approval of resolution plan submitted by you and adopted by the lenders towards restructuring of the loan liability of the Company on the following terms and conditions and other permissions as mentioned here below:

Cut Off Date	:	30.06.2019
Proposed Implementation Date	:	31.12.2020
Fresh Funding Sought	:	FITL of Rs 21.40 Cr for 6 months moratorium period
Total Debt to be restructured as on implementation date	:	Rs.673.38 Cr
Facilities post Restructuring (including FITL of Rs 21.40 crore for 6 months moratorium period) • Term Loans/FITL • Working Capital Limit • Optionally Convertible Debenture (OCD)	:	• Rs 329.64 Cr • Rs.100 Cr • Rs.265.15 Cr
Concessional ROI on TL/ FITL/ WCTL/BG-TL	:	9.00% p.a (to be linked with 1year MCLR of respective lenders plus adjustable spread)
Optionally Convertible Debenture (OCD) to be issued	:	5.5% Coupon & Redeemable during 2022-36. It would be secured Instrument
ICE Rating	:	• CRISIL Rating: RP4 Dated July 2020 • CARE Rating : RP4 Dated October 28, 2020
Sacrifice	:	Rs. 65.63 Crs. Right of Recompense to be available for sacrifice and waiver.

For Shri Govindaraja Mills (P) Ltd.

Managing Director

Ramkumar Varadarajan

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Date: 2021.07.22 12:17:19 +05'30'

CHENNAI 600 002

I. Permitted Fund Based Working Capital limits of Rs.100.00 Cr from the Consortium based on the DP estimated by end of FY 2021-22 as per ICE rated Resolution Plan & following sharing pattern for FB Limits:

(Rs.Cr)

Particulars	Existing FBWC Limits (FY 2017-18)	sanctioned FBWC Limit
Fund Based Limits	318.25	100.00
Total	318.25	100.00

Out of existing working capital and EPBG liability, Rs.100.00 crore is to be retained as working capital limit based on estimated Drawing Power (DP) by end of next financial year i.e. FY2022. WC limit of Rs 100 crore (our share – Rs 49.10 cr) is initially sanctioned as clean OD, to be covered with DP by 31.03.2022. Clean OD shall be converted into normal OCC/ODBD after 31.03.2022 based on WC assessment for FY 2022-23.

II. Permitted Restructuring of outstanding Term Loans of Rs. 20.14 Cr (Canara Bank Exposure) into Rs. 12.49 Cr Term Loan with longer tenure and Optionally Convertible Debenture (OCD) amounting to Rs 7.65Cr, and

Restructuring of outstanding Term Loans of Rs. 17.90 Cr (Erstwhile Syndicate Bank Exposure) in to Rs. 11.10 Cr Term Loan with longer tenure and Optionally Convertible Debenture (OCD) amounting to Rs 6.80 Cr :

(Rs.in Cr)

Particulars	**Existing**	**Proposed**
Term Loan Outstanding (Canara Bank)	20.14	12.49
Term Loan Outstanding (e-Syndicate Bank)	17.90	11.10
Total	**38.04**	**23.59**@
	Applicable	**Proposed**
ROI	1 year MCLR (Dec 2020 - presently 7.35%) + 7.00% + 0.85% p.a. (Liquidity Premium) i.e. 15.20% p.a. based on ECAI Rating of "D"	9.00% p.a w.e.f. cut-off date, linked with one year MCLR with adjustable spread.
Accrual and Payment of Interest	• Interest (@9.00%) from cut-off date to moratorium end date (30.06.2021) to be financed as FITL.	

@ Remaining Rs. 14.45 Cr to be converted to OCD

Detailed Term Sheet:

Sl No.	**Particulars**	**sanctioned Terms**
1.	Facility	Term Loan
2.	Nature of Facility	Out of the estimated outstanding principal amount towards term loan facility of Rs 112.36 Cr within the consortium, Rs. 69.66 Cr to be restructured in to Term Loan Facility with longer tenor. Remaining amount of Rs. 42.70 to be converted into OCD facility.

For Shri Govindaraja Mills (P) Ltd.

Managing Director

CHENNAI 600 002

Ramkumar Varadarajan

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Sl No.	Particulars	sanctioned Terms
3.	Amount	Rs.12.49 Cr (Our Share) and Rs 11.10 Cr (e-Syndicate Bank Share) out of Rs. 69.66 Cr for the consortium.
4.	Share of Member Banks in Restructured Term Loan and OCD	(Rs.Cr)
5.	Rate of Interest	9.00% p.a.(fixed), w.e.f. cut-off date linked with 1 year MCLR with adjustment in spread.
6.	Applicable Rate of Interest	1 year MCLR (Dec 2020 -presently 7.35%) + 7.00% + 0.85% p.a. (Liquidity Premium) i.e. 15.20% p.a. based on ECAI Rating of "D"
7.	Accrual and Payment of Interest	• Accrued interest till implementation date i.e. 31.12.2020 to be converted into FITL-1.. • FITL-2 to be created for servicing of Interest from implementation date till moratorium end date ie. 30.06.2021.
8.	Reset Terms, if any	No reset is being stipulated as viability has been established for entire loan life @9.00 %
9.	Security	Existing Security to continue
10.	Door to Door Tenor	11 years i.e. from 30.06.2021 (Moratorium End Date) till 31.03.2032
11.	Moratorium Period	6 months (from 01.01.2021 to 30.06.2021)

Item 4 (Rs.Cr):

	Term loan	
	TL	OCD
Canara Bank	**12.49**	**7.65**
CUB	2.13	1.31
Indian Bank	10.99	6.74
BOM	11.92	7.31
PNB (e-OBC)	12.03	7.37
e-Syndicate bank	**11.10**	**6.80**
KVB-MDU	9.01	5.52
SBI	0.00	0.00
LVB	0.00	0.00
Total	**69.66**	**42.70**

For Shri Govindaraja Mills (P) Ltd.

Managing Director

Ramkumar Varadarajan

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Date: 2021.07.22
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Sl No.	Particulars	sanctioned Terms
12.	Repayment Schedule	Term Loan is to be repaid over a period of 11 years after completion of interest and principal moratorium period which is till 30.06.2021 and is to be repaid in 44 quarterly structured installments with first installment starting on 30.06.2021 and last installment being on 31.03.2032 as under:

(Rs.Cr)

Financial Year	Repayment %	For Consortium	Our share	e-Syn share
2021-22	1.0%	0.70	0.12	0.11
2022-23	9.8%	6.79	1.22	1.08
2023-24	9.8%	6.79	1.22	1.08
2024-25	12.0%	8.36	1.50	1.33
2025-26	9.5%	6.62	1.19	1.05
2026-27	9.5%	6.62	1.19	1.05
2027-28	11.0%	7.66	1.37	1.22
2028-29	12.0%	8.36	1.50	1.33
2029-30	10.5%	7.31	1.31	1.18
2030-31	8.5%	5.92	1.06	0.94
2031-32	6.5%	4.53	0.81	0.732
Total	**100%**	**69.66**	**12.49**	**11.10**

III. Permitted WCTL facility amounting to Rs. 32.97 Cr by carving out of Outstanding working capital facilities of Rs. 63.41 Cr (Canara Bank Exposure) and conversion of remaining amount of Rs. 30.44 Cr into Optionally Convertible Debenture (OCD);

Detailed Term Sheet:

Sl No.	Particulars	Sanctioned Terms
1.	Facility	Working Capital Term Loan (WCTL)
2.	Nature of Facility	Out of the estimated outstanding principal amount towards working capital facilities of Rs 228.03 Cr within the consortium, Rs. 118.57 Cr to be restructured into Working Capital Term Loan Facility. Remaining amount of Rs. 109.45 Cr to be converted into OCD facility.
3.	Amount	Rs. 32.97 Cr (Our Share) out of Rs. 118.57 Cr for the consortium.
4.	Share of Member Banks in Restructured WCTL and OCD	(Rs.Cr)

	Working Capital	
	WCTL	OCD
Canara Bank	**32.97**	**30.44**
Indian Bank	49.99	46.14
SBI	19.79	18.27

For Shri Govindaraja Mills (P) Ltd.

Managing Director

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<table>
<tr><th>Sl No.</th><th>Particulars</th><th>Sanctioned Terms</th></tr>
<tr><td></td><td></td><td>
<table>
<tr><td>LVB</td><td>15.82</td><td>14.61</td></tr>
<tr><td>Total</td><td>118.57</td><td>109.45</td></tr>
</table>
</td></tr>
<tr><td>5.</td><td>Rate of Interest</td><td>9.00% p.a.(fixed), w.e.f. cut-off date linked with 1 year MCLR with adjustment in spread.</td></tr>
<tr><td>6.</td><td>Applicable Rate of Interest</td><td>1 year MCLR (Dec 2020 -presently 7.35%) + 7.00% + 0.85% p.a. (Liquidity Premium) i.e. 15.20% p.a. based on ECAI Rating of "D"</td></tr>
<tr><td>7.</td><td>Accrual and Payment of Interest</td><td>• Accrued interest till implementation date i.e. 31.12.2020 to be converted into FITL-1.
• FITL-2 to be created for servicing of Interest from implementation date till moratorium end date ie. 30.06.2021.</td></tr>
<tr><td>8.</td><td>Reset Terms, if any</td><td>No reset is being stipulated as viability has been established for entire loan life @9.00 %</td></tr>
<tr><td>9.</td><td>Security</td><td>Existing Security to continue</td></tr>
<tr><td>10.</td><td>Door to Door Tenor</td><td>11 years i.e. from 30.06.2021 (Moratorium End Date) till 31.03.2032</td></tr>
<tr><td>11.</td><td>Moratorium Period</td><td>6 months (from 01.01.2021 to 30.06.2021)</td></tr>
<tr><td>12.</td><td>Repayment Schedule</td><td>WCTL is to be repaid over a period of 11 years after completion of interest and principal moratorium period which is till 30.06.2021 and is to be repaid in 44 quarterly structured installments with first installment starting on 30.06.2021 and last installment being on 31.03.2032 as under:
(Rs.Cr)
<table>
<tr><th>Financial Year</th><th>Repayment %</th><th>Repayment</th><th>Our share</th></tr>
<tr><td>2021-22</td><td>1.0%</td><td>1.19</td><td>0.33</td></tr>
<tr><td>2022-23</td><td>9.8%</td><td>11.56</td><td>3.21</td></tr>
<tr><td>2023-24</td><td>9.8%</td><td>11.56</td><td>3.21</td></tr>
<tr><td>2024-25</td><td>12.0%</td><td>14.23</td><td>3.96</td></tr>
<tr><td>2025-26</td><td>9.5%</td><td>11.26</td><td>3.13</td></tr>
<tr><td>2026-27</td><td>9.5%</td><td>11.26</td><td>3.13</td></tr>
<tr><td>2027-28</td><td>11.0%</td><td>13.04</td><td>3.63</td></tr>
<tr><td>2028-29</td><td>12.0%</td><td>14.23</td><td>3.96</td></tr>
<tr><td>2029-30</td><td>10.5%</td><td>12.45</td><td>3.46</td></tr>
<tr><td>2030-31</td><td>8.5%</td><td>10.08</td><td>2.80</td></tr>
<tr><td>2031-32</td><td>6.5%</td><td>7.71</td><td>2.14</td></tr>
<tr><td>Total</td><td>100%</td><td>118.57</td><td>32.97</td></tr>
</table>
</td></tr>
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For Shri Govindaraja Mills (P) Ltd.

Managing Director

Ramkumar Varadarajan

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Date: 2021.07.22
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CANARA BANK LARGE CORP. CHENNAI 600 002

IV. Permitted BGTL facility amounting to Rs. 60.42 Cr by carving out of Outstanding Bank Guarantee of Rs. 116.19 Cr (Rs 31.79 Cr being retained as working capital limit out of Rs. 147.98 Cr Bank Guarantee Exposure) and conversion of remaining amount of Rs. 55.77 Cr into Optionally Convertible Debenture (OCD):

Detailed Term Sheet:

<table>
<tr><th>SN</th><th>Particulars</th><th>Sanctioned Terms</th></tr>
<tr><td>1.</td><td>Facility</td><td>Bank Guarantee Term Loan (BGTL)</td></tr>
<tr><td>2.</td><td>Nature of Facility</td><td>Out of the outstanding EPBG Liability of Rs 147.98 Cr, Rs. 31.79 to be retained as working capital facility. Rs. 60.42Cr to be restructured in to Bank Guarantee Term Loan Facility. Remaining amount of Rs. 55.77 Cr to be converted into OCD facility.</td></tr>
<tr><td>3.</td><td>Amount</td><td>Rs. 60.42 Cr</td></tr>
<tr><td>4.</td><td>Share of Member Banks in Restructured Bank Guarantee Term Loan and OCD</td><td>(Rs.Cr)
<table>
<tr><th></th><th colspan="2">Term loan</th></tr>
<tr><th></th><th>TL</th><th>OCD</th></tr>
<tr><td>**Canara Bank**</td><td>**60.42**</td><td>**55.77**</td></tr>
<tr><td>**Total**</td><td>**60.42**</td><td>**55.77**</td></tr>
</table></td></tr>
<tr><td>5.</td><td>Rate of Interest</td><td>9.00% p.a.(fixed), w.e.f. cut-off date (30.06.2019) linked with 1 year MCLR with adjustment in spread.</td></tr>
<tr><td>6.</td><td>Applicable Rate of Interest</td><td>1 year MCLR (Dec 2020 -presently 7.35%) + 7.00% + 0.85% p.a. (Liquidity Premium) i.e. 15.20% p.a. based on ECAI Rating of "D"</td></tr>
<tr><td>7.</td><td>Accrual and Payment of Interest</td><td>• Accrued interest till implementation date i.e. 31.12.2020 to be converted into FITL-1.
• FITL-2 to be created for servicing of Interest from implementation date till moratorium end date ie. 30.06.2021.</td></tr>
<tr><td>8.</td><td>Reset Terms, if any</td><td>No reset is being stipulated as viability has been established for entire loan life @9.00 % p.a</td></tr>
<tr><td>9.</td><td>Security</td><td>Existing Security to continue</td></tr>
<tr><td>10.</td><td>Door to Door Tenor</td><td>11 years i.e. from 30.06.2021 (Moratorium End Date) till 31.03.2032</td></tr>
<tr><td>11.</td><td>Moratorium Period</td><td>6 months (from 01.01.2021 to 30.06.2021)</td></tr>
<tr><td>12.</td><td>Repayment Schedule</td><td>WCTL is proposed to be repaid over a period of 11 years after completion of interest and principal moratorium period which is till 30.06.2021 and is to be repaid in 44 quarterly structured installments with first installment starting on 30.06.2021 and last installment being on 31.03.2032 as under:
(Rs.Cr)
<table>
<tr><th>Financial Year</th><th>Repayment %</th><th>Repayment (Rs. Cr)</th></tr>
<tr><td>2021-22</td><td>1.0%</td><td>0.60</td></tr>
<tr><td>2022-23</td><td>9.8%</td><td>5.89</td></tr>
<tr><td>2023-24</td><td>9.8%</td><td>5.89</td></tr>
</table></td></tr>
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For Shri Govindaraja Mills (P) Ltd.

Managing Director

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SN	Particulars	Sanctioned Terms		
		2024-25	12.0%	7.25
		2025-26	9.5%	5.74
		2026-27	9.5%	5.74
		2027-28	11.0%	6.65
		2028-29	12.0%	7.25
		2029-30	10.5%	6.34
		2030-31	8.5%	5.14
		2031-32	6.5%	3.93
		Total	**100%**	**60.42**

V. Permitted Funded Interest Term Loan (FITL) Portion, out of unpaid interest till the proposed end date of moratorium (30.06.2021). Out of the total estimated unpaid interest liability till 30.06.2021 of Rs. 138.22Cr, Rs. 80.99 Cr to be converted into FITL remaining Rs. 57.23 Cr to be converted into OCD.

<table>
<tr><th>SN</th><th>Particulars</th><th>Sanctioned Terms</th></tr>
<tr><td>1.</td><td>Cut-Off date</td><td>30.06.2019</td></tr>
<tr><td>2.</td><td>Facility</td><td>Funded Interest Term Loan (FITL)
To be created as FITL-1 (Rs 59.59 crore) and FITL-2 (Rs 21.40 crore)</td></tr>
<tr><td>3.</td><td>Nature of Facility</td><td>Out of the estimated interest outstanding amount of Rs.138.22 Cr for the consortium, Rs. 80.99 Cr to be restructured into FITL Facility. Remaining amount of Rs. 57.23 Cr to be converted into OCD facility.</td></tr>
<tr><td>4.</td><td>Amount</td><td>Rs.36.32 Cr (Our Share: FITL-1 – Rs 26.76 cr; FITL-2 – Rs 9.56 crore) and Rs.2.51 Cr (e-Syndicate Bank Share: FITL-1 – Rs 1.82 cr; FITL-2 – Rs 0.69 crore) out of Rs. 80.99 Cr for the consortium.</td></tr>
<tr><td>5.</td><td>Share of Member Banks in FITL</td><td>Rs Cr
<table>
<tr><th></th><th>FITL</th><th>OCD</th></tr>
<tr><td>Canara Bank</td><td>36.32</td><td>25.82</td></tr>
<tr><td>CUB</td><td>0.46</td><td>0.32</td></tr>
<tr><td>Indian Bank</td><td>19.78</td><td>13.70</td></tr>
<tr><td>BOM</td><td>2.68</td><td>1.89</td></tr>
<tr><td>OBC</td><td>2.79</td><td>1.98</td></tr>
<tr><td>e-Syndicate Bank</td><td>2.51</td><td>1.77</td></tr>
<tr><td>KVB-MDU</td><td>2.40</td><td>1.77</td></tr>
<tr><td>SBI</td><td>7.37</td><td>5.22</td></tr>
<tr><td>LVB</td><td>6.67</td><td>4.77</td></tr>
<tr><td>Total</td><td>80.99</td><td>57.23</td></tr>
</table></td></tr>
<tr><td>6.</td><td>Rate of Interest</td><td>9.00% p.a.(fixed), w.e.f. cut-off date linked with 1 year MCLR with adjustment in spread</td></tr>
<tr><td>7.</td><td>Applicable Rate of Interest</td><td>1 year MCLR (Dec 2020 -presently 7.35%) + 7.00% + 0.85% p.a. (Liquidity Premium) i.e. 15.20% p.a. based on ECAI Rating of "D"</td></tr>
<tr><td>8.</td><td>Accrual and</td><td>• Accrued interest till implementation date i.e. 31.12.2020 to be</td></tr>
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For Shri Govindaraja Mills (P) Ltd.

Managing Director

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SN	Particulars	Sanctioned Terms
	Payment of Interest	converted into FITL-1. • FITL-2 to be created for servicing of Interest from implementation date till moratorium end date ie. 30.06.2021. Interest on FITL-2 part to be serviced from cash flow/promoters contribution during moratorium period.
9.	Reset Terms, if any	No reset is being stipulated as viability has been established for entire loan life @9.00 %p.a
10.	Security	Existing Security to continue
11.	Door to Door Tenor	11 years i.e. from 30.06.2021 (Moratorium End Date) till 31.03.2032
12.	Moratorium Period	6 months (from 01.01.2021 to 30.06.2021). Interest on FITL-2 part to be serviced during the moratorium period.
13.	Repayment Schedule	FITL is to be repaid over a period of 11 years after completion of interest and principal moratorium period which is till 30.06.2021 and is to be repaid in 44 quarterly structured installments with first installment starting on 30.06.2021 and last installment being on 31.03.2032 as under:

(Rs.Cr)

Financial Year	Repayment %	Repayment	Our share	E-Syb share
2021-22	1.0%	0.81	0.36	0.03
2022-23	9.8%	7.90	3.54	0.24
2023-24	9.8%	7.90	3.54	0.24
2024-25	12.0%	9.72	4.36	0.30
2025-26	9.5%	7.69	3.45	0.24
2026-27	9.5%	7.69	3.45	0.24
2027-28	11.0%	8.91	4.00	0.28
2028-29	12.0%	9.72	4.36	0.30
2029-30	10.5%	8.50	3.81	0.26
2030-31	8.5%	6.68	3.09	0.21
2031-32	6.5%	5.26	2.36	0.16
Total	**100%**	**80.99**	**36.32**	**2.51**

V. Convertion of our share of unsustainable debt of Rs.119.68 Cr (Rs. 8.57 Cr e Syndicate Bank) out of Rs. 265.15 Cr for Consortium in to secured Optionally Convertible Debentures (OCD) and also to permit our Integrated Treasury Wing, HO to subscribe to the OCDs created on account of the proposed Restructuring Plan and to permit to undertake subsequent transactions as per proposed restructuring plan :

SN	Particulars	Sanctioned Terms
1.	Cut-Off Date	30.06.2019
2.	Type of Instrument	Secured OCDs for Unsustainable Debt

For Shri Govindaraja Mills (P) Ltd.

Managing Director

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<table>
<tr><th>SN</th><th>Particulars</th><th>Sanctioned Terms</th></tr>
<tr><td></td><td></td><td></td></tr>
<tr><td>3.</td><td>Source of Fund</td><td>Conversion of unsustainable debt into OCD</td></tr>
<tr><td>4.</td><td>Subscription and further related transaction</td><td>Treasury Wing, Mumbai</td></tr>
<tr><td>5.</td><td>Nature of Facility</td><td>Un-sustainable debt of Rs. 265.15 Cr is proposed to be converted into 5.50%p.a coupon secured OCDs. Bifurcation as under :
(Rs.Cr)
<table>
<tr><th>Facility</th><th>Amount converted to OCD</th></tr>
<tr><td>Existing Term Loan</td><td>42.70</td></tr>
<tr><td>WCTL</td><td>109.45</td></tr>
<tr><td>BGTL</td><td>55.77</td></tr>
<tr><td>FITL</td><td>57.23</td></tr>
<tr><td>Total</td><td>265.15</td></tr>
</table></td></tr>
<tr><td>6.</td><td>Amount</td><td>Rs.119.68 Cr our share and Rs. 8.57 Cr (e-Syndicate Bank) out of Rs. 265.15 Cr for Consortium</td></tr>
<tr><td>7.</td><td>Share of Member Banks in 5.50% p.a. coupon secured OCDs</td><td>(Rs.Cr)
<table>
<tr><th>Bank</th><th>OCD Amount</th></tr>
<tr><td>Canara bank</td><td>119.68</td></tr>
<tr><td>CUB</td><td>1.63</td></tr>
<tr><td>Indian Bank</td><td>66.58</td></tr>
<tr><td>BOM</td><td>9.19</td></tr>
<tr><td>PNB (e-OBC)</td><td>9.35</td></tr>
<tr><td>e-Syndicate bank</td><td>8.57</td></tr>
<tr><td>KVB-MDU</td><td>7.29</td></tr>
<tr><td>SBI-APK</td><td>23.49</td></tr>
<tr><td>LVB</td><td>19.38</td></tr>
<tr><td>Total</td><td>265.15</td></tr>
</table></td></tr>
<tr><td>8.</td><td>Coupon</td><td>5.50% p.a.</td></tr>
<tr><td>9.</td><td>Face Value</td><td>Rs.100/-</td></tr>
</table>

For Shri Govindaraja Mills (P) Ltd.

Managing Director

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SN	Particulars	Sanctioned Terms
10.	Accrual and Payment of Interest	Coupon rate on OCDs is sanctioned at 5.50%p.a. However, the company will pay coupon of 0.50% p.a during first 5 years, next 5 years coupon will be paid at 2.00% p.a, and for balance period coupon will be paid at 5.50% p.a. Coupon upto 10th year will be accumulated and paid after completion of 15th year as redemption premium (i.e. after FY 2036). Company would pay interest regularly on unpaid coupon liability at 5.50%
11.	Reset Terms, if any	NA
12.	Security	Existing Security Available, to Continue

13.	Redemption Schedule	The OCDs are permitted to be redeemed over a period of 15 years FY 2022 onwards till FY 2036. The redemption of OCDs is subject to availability of cash.Redemption Schedule is as under : (Rs.Cr)

Financial Year	% Redemption	Redemption Amount	Our share	E-Syn share
FY 2021-22	1.00%	2.65	1.20	0.09
FY 2022-23	3.75%	9.94	4.49	0.32
FY 2023-24	3.00%	7.95	3.59	0.26
FY 2024-25	3.25%	8.62	3.89	0.28
FY 2025-26	4.25%	11.27	5.09	0.36
FY 2026-27	4.00%	10.61	4.79	0.34
FY 2027-28	4.25%	11.27	5.09	0.36
FY 2028-29	4.50%	11.93	5.39	0.39
FY 2029-30	6.75%	17.90	8.08	0.58
FY 2030-31	8.25%	21.87	9.87	0.71
FY 2031-32	9.00%	23.86	10.77	0.77
FY 2032-33	12.00%	31.82	14.36	1.03
FY 2033-34	12.00%	31.82	14.36	1.03
FY 2034-35	12.00%	31.82	14.36	1.03
FY 2035-36	12.00%	31.82	14.36	1.03
Total	**100%**	**265.15**	**119.68**	**8.57**

14.	Other conditions:	**Lenders-Possible Covenants** • The OCDs shall be issued for tenor of 10 years with re-issue option on 10th year for another 5 years • The OCDs of INR 265.15 Cr. will have Pari-passu charge on securities available to lenders. • In case of Surplus Cash Flows over that estimated, the

For Shri Govindaraja Mills (P) Ltd.

Managing Director

Ramkumar Varadarajan

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		same would be utilised for early repayment of OCDs. • In case the company is in a position to raise any long term resources and intends to utilise the same for repayment of OCD, the same is allowed for prepayment without any prepayment penalty/premium • Promoters shall not alter the Equity Share Capital Structure till the entire debts are paid off • Promoters shall not dispose/dilute their holdings in the company without the prior consent of the lenders • OCD's shall not be converted into Equity Share Capital as long as the servicing of the same is in line with the Terms and conditions specified as per the Resolution Plan. Lenders reserve a right to convert the OCD's into Equity Shares in case of 3 continuous defaults in the payment of Interests/ Redemption and the conversion into Equity Shares shall take place at a price to be determined at the time of default. **General Terms and Conditions:** • The cash flows arising beyond the projected levels shall be utilized for early redemption of OCDs in the manned specified below: ○ First towards payment of IRR accrued on OCDs ○ Then towards redemption of principal portion on OCDs

VI. ESCROW / TRA account is permitted to be maintained with us to facilitate and manage the cash flow.

VII. Charges as per Resolution plan (IM):

Particulars / Account	Existing ROI / Commission / Charges	Sanctioned ROI / Commission / Charges	ROI as per Risk Rating – ECAI Rating of "D"/Applicable Charges	Lead Bank Rate / highest rate in the consortium (with name of Bank)
Processing charges		Applicable Charges	0.10% of the amount restructured i.e. Rs. 0.69479 Cr	NA
Documentation charges	Applicable charges		Rs.1.00 lakh	NA
EMT Charges	Applicable Charges		Rs.100 per lakh min Rs.10,000/- and max Rs.35,000/- plus Rs.1000 per mortgage beyond 6 mortgages	NA
Lead Bank Fee	Applicable Charges to be collected at the time of joint	Applicable Charges	0.20% subject to minimum of Rs.12.50 Lakhs and maximum of Rs.50 Lakhs	NA

For Shri Govindaraja Mills (P) Ltd.

Managing Director

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Particulars / Account	**Existing ROI / Commission / Charges**	**Sanctioned ROI / Commission / Charges**	**ROI as per Risk Rating – ECAI Rating of "D"/Applicable Charges**	**Lead Bank Rate / highest rate in the consortium (with name of Bank)**
	documentation		for Total assessed FB+NFB WC limits from the consortium as a whole	
Inspection Charges	Applicable Charges	Applicable Charges	Rs.2500/- per quarter + OPE (for Exposure above Rs.10 Cr)	NA
Commitment Charges	Applicable Charges	Applicable Charges	1% p.a. on the unutilized/un availed sanctioned WC limit	NA
Fee for opening/operating TRA accounts	NA	As applicable i.e. Rs.5 Lakh p.a. for Limits beyond Rs.10 Cr.		NA

VIII. Concessions permitted as per Restructuring Plan:

a) ROI on all sustainable debt (Term loan, WCTL, Rolling WC Facility, FITL) @ 9.00% p.a linked with one year MCLR of respective lenders plus adjustable spread.

b) Appointment of Lenders' Legal Counsel (for proposed restructuring Joint Documentation) and to appoint any other professionals (if required for any specialized work e.g. Receivables audit for realizability of debtors as suggested by PAG, HO, Bangalore) as decided by the Consortium. Expenses in this regard is to be borne by the company.

c) Debt Service Reserve Account (DSRA) for Rs. 26 Cr equivalent to two quarter debt repayment obligations (Int+WCTL/FITL/ BGTL) out of promoters' upfront contribution (Rs. 13 Cr to be contributed to DSRA by March 2021 and Remaining 13 Cr in Sep. 2021) is to be created.

d) Waiver of any penal interest/ charges levied from cut-off date till actual implementation date.

e) Our share of Sacrifice of Rs 31.56 crore (Canara – 29.29; e-Syndicate – 2.27) out of total Sacrifice of Rs. 65.63 Cr on account of creation of unsustainable debt, funding of devolved liabilities and interest overdues & reduction in Rate of Interest etc. is with the details and conditions as under:

- i. The mentioned sacrifice is estimate and may change later on depending upon various factors hence to be recalculated finally as per prevailing guidelines, at the time of trigger for repayment of the same.
- ii. The present calculation has been done taking existing applicable ROI and actual(to be charged) @9.00% p.a. on term loans and 5.50% on OCD portion.
- iii. Lenders will have Right of Recompense(RoR) for sacrifices/waiver being made as a result of Restructuring.
- iv. Exit from restructuring will be given after repayment of Recompense Amount.
- v. Lender wise/facility wise distribution of estimated sacrifice is as under: (INR Cr)

For Shri Govindaraja Mills (P) Ltd.

Managing Director

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Bank name	Total Sacrifice
Canara bank	29.29
CUB	0.43
Indian Bank	16.42
BOM	2.44
OBC	2.48
Syndicate bank	2.27
KVB-MDU	1.91
KVP-APK	-
KVB-APK	-
SBI-APK	5.70
LVB	4.68
Total	**65.63**

f) Permitted variation of up to (+/-) 5% in key figures of sustainable/ unsustainable part of debts at the time of implementation of resolution Plan.

IX. Infusion of funds from promoters to the tune of Rs.88 crore, with Rs.43 crore to be infused before Dec 2020 (out of the same, Rs.13 crore to be used towards creating DSRA covering 3-month interest and principal before March 31, 2021) and Rs.45 crore to be infused before March 31, 2022 (including another Rs.13 crore of DSRA to be created on or before September 30, 2021). The entire unsecured loans proposed March 31, 2022 would be interest free and shall be subordinated to bank borrowings.

X. Financial Covenants:

Particulars	Time Line Permitted
Built up of current assets to cover WC liability of Rs 100 crore	31.03.2022
Company to infuse additional unsecured loan of Rs. 43.00 crore (Tranche 1) before implementation date i.e. 31.12.2020 (including Rs 13 crore towards DSRA)	31.12.2020
Out of total Rs 43 crore, Rs 13.00 crore to be used towards creating DSRA covering 3 month interest and principal	31.03.2021
Additional infusion of Rs 45.00 crore (Tranche II) before 31.03.2022 (including another Rs. 13 crore of DSRA to be created on or before 30.09.2021)	31.03.2022
Out of total Rs 45 crore, Rs 13.00 crore to be used towards creating additional DSRA covering 3 month interest and principal	30.09.2021

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For Shri Govindaraja Mills (P) Ltd
Managing Director

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OCD's shall not be converted into Equity Share Capital as long as the servicing of the same is in line with the Terms and conditions specified as per the Resolution Plan. Lenders reserve a right to convert the OCD's into Equity Shares in case of 3 continuous defaults in the payment of Interests/ Redemption and the conversion into Equity Shares shall take place at a price to be determined at the time of default.	No fixed timeline
The OCDs shall be issued for tenor of 10 years with re-issue option on 10th year for another 5 years. suitable undertaking to be obtained from promoters to mobilize the funds from their own sources in case the roll over option is not permitted.	10th year

Any breach to the above covenants shall be treated as default.

Sanctioned Sharing Pattern:: Post Implementation of plan:

	Term loan		**WCTL**		**Guarantee**		**FITL**		**Working capital**	**Total**
	TL	OCD	TL	OCD	TL	OCD	TL	OCD		
Canara Bank	12.49	7.65	32.97	30.44	60.42	55.77	36.32	25.82	49.10	310.98
CUB	2.13	1.31	0.00	0.00	-	-	0.46	0.32	0.00	4.23
Indian Bank	10.99	6.74	49.99	46.14	-	-	19.78	13.70	28.94	176.28
BOM	11.92	7.31	0.00	0.00	-	-	2.68	1.89	0.00	23.79
OBC	12.03	7.37	0.00	0.00	-	-	2.79	1.98	0.00	24.17
Syndicate bank	11.10	6.80	0.00	0.00	-	-	2.51	1.77	0.00	22.17
KVB-MDU	9.01	5.52	0.00	0.00	-	-	2.40	1.77	0.00	18.70
KVP-APK	0.00	0.00	0.00	0.00	-	-	0.00	0.00	0.00	0.00
KVB-APK	0.00	0.00	0.00	0.00	-	-	0.00	0.00	0.00	0.00
SBI-APK	0.00	0.00	19.79	18.27	-	-	7.37	5.22	11.36	62.00
LVB	0.00	0.00	15.82	14.61	-	-	6.67	4.77	10.60	52.47
Total	**69.66**	**42.70**	**118.57**	**109.45**	**60.42**	**55.77**	**80.99**	**57.23**	**100.00**	**694.79**

For Shri Govindaraja Mills (P) Ltd.

Managing Director

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Ramkumar Varadarajan

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XI Details of Securities:

1. WORKING CAPITAL LIMITS **(Rs. in Crore)**

Description	Value	Nature of charge held
Prime		
Entire Stocks & Book Debts of the Company	27.12 (SS as at 31.10.2020) Our share is Rs.3.30Crores	Paripassu I charge with other Working Capital lenders under Consortium.
Collateral		
Land and Building belonging to Shri Jeyavarthan Spinning Mills Ltd, which is since merged with the subject Company.	3.54 (VR dated 11.02.2019)	Paripassu I charge with other Working Capital lenders under Consortium. (The same was earlier held by Indian Bank, Aruppukottai for their term loan on exclusive charge basis and the same was stipulated as collateral on PP II charge basis for Consortium WC limit. On closure of the same, the charge was released and the same is under PP I charge for the WC limits.
The Fixed Assets of the company which are held on I charge basis for the Term loan I & Term loan II and EPBG with our Branch as explained below.		Paripassu II Charge with other Working Capital lenders under Consortium.

2. TERM LOAN II OF Rs.240.00 CRORE (OUR SHARE : RS.60.00 CRORE)

(Rs in Crore)

Description	Value	Nature of charge held
Prime		
i) Equitable Mortgage of 40 acres of land and Building there on at Pedda Rangapuram Village, Pulivendula Mandal, Kadapa Dist Andhra Pradesh in the name of the Company.	134.48# (VR dt.11.02.19)	Paripassu I charge with other Term Lenders and PP II charge for Consortium WC limits.
ii) Plant and Machinery at Pulivendula.	188.05# (VR dt.23.01.19)	
iii) Land measuring 3 acres & 71 cents situated in survey Nos: 347/4 & 348/1 at Virudhunagar District, Aruppukottai Taluk in the name of Mrs.T.R.V.PAVARNA	6.49 (VR dtd 11.02.19)	

For Shri Govindaraja Mills (P) Ltd.

Managing Director

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3. EXPORT PERFORMANCE BANK GUARANTEE (Rs.148.98 CRORE)

Description	Value	Nature of charge
Prime		
1. Equitable Mortgage of 29.48 acres of Land & Building thereon at Kulasekaranallur Village, Ramasamy Nagar, Aruppukottai – 626159, Virudhunagar District, Tamil Nadu in the name of the Company.	45.50 (VR dt.11.02.19)	Pari-Passu I charge for term loans and EPBG & PP II charge for Consortium WC limits.
2. Equitable Mortgage of 40 acres of land and Building there on at Pedda Rangapuram Village, Pulivendula Mandal, Kadapa Dist Andhra Pradesh in the name of the Company.	134.48# (VR dt.11.02.19)	
3. Plant and Machinery at above units at Aruppukottai and Pulivendula.	236.21 (VR dt.23.01.19)	
The Fixed Assets (belonging to erstwhile Shri Govindaraja Mills Ltd., and merged with the subject company) as explained below:- Equitable Mortgage of land (including properties owned by Shri.T R Varadarajan & Shri.T R V Ramkumar which are leased to the Company) along with Building at Aruppukottai (belonging to erstwhile Shri Govindaraja Mills Ltd., which is merged with the subject company). Plant & Machinery at the above units (belonging to erstwhile Shri Govindaraja Mills Ltd) [Excluding Machineries exclusively charged to SBI for their term loan] Plant & Machinery (belonging to erstwhile Sathu Spinning Mills Ltd) Land & Building at Thanakarkulam village along with four wind Mills (belonging to erstwhile Shri Govindaraja Mills Ltd., which is merged with the subject company). (Said Wind Mills were offered as collateral for the Term loan availed from AXIS Bank. The Company has informed that the AXIS Bank loan is repaid in full).	163.20 (VR 11.02.19 and 23.01.19)	Pari-Passu I charge for EPBG along with other term lenders. PP II Charge for Consortium WC limits

The value of the following Properties belonging to Mr.T.R. Vardarajan and Mr.T.R.V. Ramkumar & leased to the Company, which are taken as security for the limits are also included above:-

For Shri Govindaraja Mills (P) Ltd.

Managing Director

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Name of the owner of the leased property	Details of the Property	Survey No	Extant
T R Varadarajan	Kulasekaranuller Village, Aruppukottai SRO, Virudhunagar Dt	119/1	3.28
		119/3	0.67
		119/6	0.70
		118/6	0.81
		118/9	0.10
		118/10	0.33
		118/5	1.37
T R V Ramkumar	Kulasekaranuller Village, Aruppukottai SRO, Virudhunagar Dt	119/4	0.03
		119/7	0.66
		119/9	0.19
		119/10	0.98
		61/1	3.65
		61/2	0.04.5 HC
		61/3	0.00.5 HC
		61/5	0.10.0 HC

Security comfort:

(Rs in crore)

Limits	Consortium Amount		Canara + e-Synd Amount		Security	Amount	
	Existing	Proposed	Existing	Proposed		Existing	Proposed
FB – WC limits	359.19	100.00	95.23	49.10	Prime - Stock/BD	27.12	27.12
Term Loans	136.25	69.66	45.18	23.58	Prime - EMT	349.67	349.67
WCTL		118.57	-	32.97	Collateral – EMT	3.54	3.54
EPBG	177.95	60.42	177.95	60.42			
FITL		80.99	-	38.83	P & M	236.21	236.21
OCDs		265.15	-	128.24			
Total	**673.38**	**694.79**	**318.36**	**333.14**	**Total**	**616.54**	**616.54**
Total Security Comfort for consortium exposure						91.56%	88.74%

a) Personal Guarantees :

Name	Networth	As at	Source and date
T R Varadarajan	267.40	31.03.2019	CA certificate dt.31.07.2020
T R V Ramkumar	72.86	31.03.2019	CA certificate dt.31.07.2020
Mrs. R. Chempakadevi	76.33	31.03.2019	CA certificate dt.31.07.2020
Mrs. R. Suhasini	32.40	31.03.2019	CA certificate dt.31.07.2020
Mrs. Pavarna	39.68	31.03.2019	CA certificate dt.31.07.2020
Total	488.67		

b) Corporate Guarantee: Nil

For Shri Govindaraja Mills (P) Ltd.

Managing Director

Ramkumar Varadarajan

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Sanction terms sought:

To permit the following sanction terms:

S. No.	Particulars	Existing	Proposed
1	**Stock statements / Book Debt / MSOD**		
	i) Simplified / Detailed format	Detailed	Detailed
	ii) As per lead bank / our formats	Our format	Our format
2	**Periodicity**	Monthly	Monthly
3	**Due date for submission of**		
	Stock statement	Before 20th of succeeding month	Before 20th of succeeding month
	Book debt statement		
4	**Periodicity of Inspection**		
	i) Local	Quarterly	Quarterly
	ii) Outstation	Quarterly	Quarterly
5	Period of Book debts	120 days	120 days

Special Terms And Conditions

a) Company to obtain and renew all the approvals and clearances expired/required for all the divisions before implementation of the package.

b) Company has proposed to convert sundry creditors into long term liability. Any interest payable on such long term credit is to be borne by the promoters from their own sources.

c) Unsecured loan already borrowed from promoters/others and that proposed to be raised are to be subordinated during the pendency of loan/ liability from secured lenders such as banks and the same should be interest free.

d) An undertaking to the effect that in case of delay in realization of subsidy or sale of plant machinery of plant I, promoters will bring in additional fund to meet the shortfall is to be submitted.

e) In case of any additional cash flows (Yearly DSCR above 1.10) is realized by the Company in the course of the business, a cash sweep mechanism is to be in place for faster liquidation of debts. Following will be the order of the prepayment to the extent of cash flows available:

- Principal portion of OCDs
- Early payment of accumulated coupon
- Payment for Right of Recompense to the secured lenders

f) Continuation of all the existing primary and collateral security as per the existing terms and conditions.

For Shri Govindaraja Mills (P) Ltd.

Managing Director

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g) Lenders will have the right to recompense the reliefs / sacrifices / waivers extended by respective Lenders as a part of restructuring as per the extant guidelines.

h) Infusion of funds from promoters to the tune of Rs.88 crore, with Rs.43 crore to be infused before December 31, 2020 (out of the same, Rs.13 crore to be used towards creating DSRA covering 3-month interest and principal on or before March 31, 2021) and Rs.45 crore to be infused before March 31, 2022 (including another Rs.13 crore of DSRA to be created on or before September 30, 2021). The entire unsecured loans proposed to be at Rs.357.9 crore as on March 31, 2022 is interest free and shall be subordinated to bank borrowings. Promoter to submit an undertaking letter in this regard.

i) DSRA covering equivalent to 3 month interest and installment is to be created by 31.03.2021 and for another 3 month interest and installment is to be created by 30.09.2021 by the company from their own sources.

j) Promoters to submit an undertaking to fund any cash shortfall in debt servicing during the tenor of facilities.

k). The outstanding OCDs are proposed to be issued for a period of 10 years with a roll over option on 10th year for another 5 years by considering the projected level of revenue/profitability. In this regard, opinion of legal expert is to be obtained and the same to be discussed in the lenders meeting. Promoters to submit an undertaking to mobilize the funds from their own sources in case the roll over option is not permitted.

l) Company has furnished the certificate from the O&M contractor M/s. RS Windtech Engineers P Ltd dated 14.02.2020 of wind mill stating that the wind mill can operate for another 20 years. Certification from the Panel chartered engineer certifying the life of wind mill as claimed by the O&M operator before implementation of resolution plan is to be submitted.

Other conditions:

a) As per CRISIL rating, it is assumed that SGMPL will get creditor support from one of its key customers - the Kedia group to the extent of Rs.400 million and additional funding support of Rs.300 million from the Kedia Group at 12% rate of interest. Company to negotiate pricing of additional funding considering the fact reduced ROI proposed for lenders under restructuring package. Promoters to submit an undertaking that additional funds will be brought to meet the requirement, in case, there is any shortfall in arrangement regarding support from Kedia group.

b) Lenders shall have right of acceleration of repayment of TLs/redemption of OCDs in case actual EBIDTA is above the projected level.

c) All the transactions should be routed through TRA account maintained with our Bank.

d) Promoters to submit an undertaking that unsecured borrowings are to be subordinated during the tenor of loan/ liability from secured lenders such as banks and the same shall be interest free.

For Shri Govindaraja Mills (P) Ltd.

Managing Director

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e) ASM is to be appointed and account to be closely monitored by obtaining quarterly ASM reports.

f) As per RBI circular dated 07.06.2019, lenders may upgrade the classification of assets only when all the outstanding loans/facilities in the account demonstrate "satisfactory performance" during the period from the date of implementation of Resolution Plan (RP) upto the date by which at least 10% of the sum outstanding debt as per the RP and interest capitalization sanctioned as part of the restructuring, if any, is repaid. As per the proposed restructuring package, 10% of the outstanding principal debt is envisaged to be repaid by Quarter ending Dec 2023. In order to qualify for upgradation, in addition to satisfactory performance, the credit facilities is to be rated as investment grade (BBB- or better) at the time of upgradation by two CRAs accredited by Reserve Bank of India. Hence, Investment grade rating as mentioned above is also to be obtained to qualify for upgradation.

Please return the duplicate copy of the letter duly signed by the authorized signatory of the Company (authorized to sign the loan documents) signifying the acceptance of the terms and conditions set out herein and arrange for early completion of documentation.

Looking forward to have a long and mutually beneficial association,

Yours faithfully,

कृते केनरा बैंक
For CANARA BANK

CHIEF MANAGER

मुख्य प्रबंधक / Chief Manager
लार्ज कार्पोरेट शाखा / Large Corporate Br.
चेन्नई / Chennai-600 002.

For Shri Govindaraja Mills (P) Ltd.

Managing Director

Ramkumar Varadarajan

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