



कमर अली
कार्यकारी निदेशक (वित्त)

Qamar Ali
Executive Director (Finance)

No. HUDCO/FR/BSF/2018-19
3rd April, 2018

All Scheduled Banks

Sub: Offer for fresh Cash credit/Overdraft/Short Term Loan/Working Capital demand loan facility for the financial year 2018-19.

Dear Sir,

In order to meet various financial obligations, HUDCO is availing credit facilities from Banks and Financial Institutions to meet the working capital requirement. The amount being availed depends on the fund requirement for the day and the requirement can be in tranches or in one whole lot. HUDCO's operational requirement also depends on the prudent treasury management so as to have lower interest cost, availed on that day.

Given hereunder are the points to be considered by your bank before quoting:

- **Amount** - As per the exposure norms of the Bank.
- **Repayment of Interest** – The interest shall be payable on the daily balance in Clean Overdraft account and shall be charged to the account on the last day of the month.
- **Purpose / end utilization of loan proceeds** – Working Capital requirements and meeting short term liquidity and operational requirements.
- **Rate of Interest** – Base Rate /MCLR/any other benchmark
- **Security** - The facility will be a clean facility on unsecured basis (**against Negative Lien on assets**) without creation of charge of any nature, whatsoever, with any authority (RoC, etc.). However, HUDCO shall have right to deal with its assets both movable/immovable in ordinary course of its business. Further, HUDCO would reserve the right to dispose of certain unutilized properties forming part of the Gross block of Fixed Assets without any prior approval from the concerned lenders. In this regard, it may please be noted that disposal off the properties referred above does not affect the business or operation of HUDCO considering the fact that the amount of such properties is negligible in comparison to the total value of HUDCO's assets and as such it will not be prejudicial to the interest of the Banks & FIs who shall have negative lien on HUDCO's assets as security for the loans given to HUDCO.
- **Drawal** - The offered facilities shall be drawn fully / partly as per actual requirements. In case of overdraft facilities, HUDCO shall regulate drawings from

हाउसिंग एंड अर्बन डेवलपमेंट कॉर्पोरेशन लिमिटेड
(भारत सरकार का उपक्रम)

आई. एस. ओ. 9001:2008 प्रमाणित कम्पनी
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Housing and Urban Development Corporation Limited
(A Government of India Enterprise)

AN ISO 9001: 2008 CERTIFIED COMPANY

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the said account in such manner that the amounts due from time to time on the said account shall be kept within the available/sanctioned limit. The said account is not to be considered as closed by reason of the said account being brought to credit at any time or from time to time or of its being drawn upon to the full extent and afterwards brought to credit.

- **Prepayment** – In case of Working Capital demand loan, HUDCO would reserve the right to prepay the facility by assigning 1-day prior notice to the Bank without payment of any pre-payment penalty. Further, in the event of prepayment prior to actual maturity date, the facility should be available to HUDCO on revolving basis with one day cooling period on subsequent avilment.

It may please be noted that ***the funds which would be required for the working capital would be intimated to your bank on or before 12.00 noon and it may be ensured that the funds reaches HUDCO's account (wherever intimated) on or before 04.00 P.M. On late receipt of funds, i.e. beyond RTGS hours and if, the funds remains un-utilized on account of any glitches, HUDCO would not reimburse the interest for that day as the fund would remain un-utilized.***

With regards,

Yours sincerely,



(Qamar Ali)