मध्यप्रदेश राजपत्र
(असाधारण)
प्रधिकार से प्रकाशित

क्रमांक 594] भोपाल, बुधवार, दिनांक 25 नवम्बर, 2009—अग्रहायण 4, शक 1931

बित्त विभाग
मंत्रालय, बलसंघ भवन, भोपाल

मध्यप्रदेश सरकार प्रत्यावृत्ति नियम, 2009 (संशोधित)
भोपाल, दिनांक 20 नवम्बर, 2009

क्र. 1222-09-डी.एम.सी.-ब-7-चार—सरकार द्वारा प्रत्यावृत्ति देने को तीति को नियमित करने के लिये राज्य सरकार, एतद्वारा, निम्नलिखित नियम बनाती है, अथाहः --

नियम

1. (एक) संशोधन नाम, प्रारंभ तथा लागू होना—ये नियम मध्यप्रदेश राज्य सरकार प्रत्यावृत्ति नियम, 2009 (संशोधित) कहलातीये।

(दो) ये तत्काल प्रकट होगी।

(तीन) ये उन समस्त मामलों में, जहाँ राज्य सरकार, उधारों तथा उन पर व्याज के प्रतिसंदर्भ के लिये भारत के संविधान के अनुसार 293 के अधीन प्रत्यावृत्ति देती है, लागू होगी।

2. उधार के लिये आवेदन-पत्र—(एक) उधार लेने वाली संस्था प्रत्यावृत्ति देने के लिये अपने प्रशासनीय विभाग को आवेदन करेगी।

(दो) आवेदन-पत्र में निम्नलिखित विषयों अन्तर्गत होंगे, अथाहः —

(क) उधार लेने वाली संस्था का नाम;
(ख) उधार देने वाली संस्था का नाम;
(ग) उधार लेने के लिये प्रस्तावित रकम जिसके लिये प्रत्यावृत्ति चाही गई है;
(४) म्याज की दर;
(५) लेक रिहाय जिसकी कि उसका द्वारा पूर्ति की जाना प्रस्तावित है;
(६) प्रस्तावना की कालावधि तथा अनुसूची;
(७) क्या प्रायमूलति की आवश्यकता के मूल रूप से मुहूर्त के लिए है या मुहूर्त तथा म्याज दोनों के मुहूर्त के लिए;
(८) उस संस्था के, जिसके कि उसका नियत आदेश किया जाना प्रस्तावित है और अन्य संस्था या सरकार के उद्देश्य जो कि उसका नियत आदेश संस्था के नाम पहले से ही बनता है तथा उसके प्रति संस्था की अनुसूची;
(९) विवादास्त उधार के शर्तावधि तथा प्रस्तावित उधार का किस प्रकार प्रस्तावित किया जाना है;
(१) उधार देने वाली संस्था की वित्तीय प्रस्तावित जैसे कि निकले ३ वर्षों के उद्देश्य प्रमाणित लेखों, लाभ तथा हानि के खातों, तुलन-पत्र में प्रस्तावित की गई है;
(२) प्रश्नाधीन उधार को ठीक करने वाले आदेशी तीन वर्षों के लिए प्रस्तावित ऋण संस्था के लिए अनुपात वार्षिक शुद्ध आय-(अवस्थान/कमिक अवस्थान)/(मूल प्रतिशत-म्याज मुहूर्त);

(चतुर्थ) आदेश-पत्र में दो गई विविधताओं के आधार पर या अन्य, प्रशासकीय विवाद उधार देने वाली संस्था के अंतिम तत्त्व ।
या अन्य अधिकार की परिभाषा से अंतर समाधान करना कि क्या उधार को प्रायमूलति ही जाना चाहिए या नहीं और ऐसे समाधान के परिणाम, यह मामले को वित्त प्रशिक्षण को नामांकन तथा सहमति के लिए अनुसूची सहित अर्पित करेगा।

(चतुर्थ) प्रशासकीय विवाद जो मामले को प्रस्ताव पर वित्त प्रशिक्षण इसको परीक्षण करेगा और यदि उसका यह समाधान हो जाये कि उधार देने वाली संस्था वित्तीय रूप से अच्छी है तथा प्रायमूलति देने में कोई जोखिम अन्तरित नहीं है तो वह प्रस्ताव से सहमत हो सकेगा।

(पांच) वित्तीय सहमति के प्रस्ताव प्रशासकीय विवाद प्रति-परिषद आदेश प्राप्त करेगा। प्रति-परिषद आदेश अनुसार शासकीय प्रायमूलति के लिए व्यक्ति आदेश जारी करने के लिए प्रशासकीय विवाद, प्रति-परिषद आदेश तथा तुलना अभिलेख वित्त प्रशिक्षण को प्रेषित। वित्त प्रशिक्षण, निर्धारित प्रथम में प्रायमूलति व्यक्ति आदेश (जिसकी प्रति महालेखाकार, मध्यप्रदेश को पुष्टि की हो) जारी कर, अभिलेख प्रशासकीय विवाद को वापस करेगा।

3. प्रायमूलति दीड एवं आदेश में सम्मिलित की जाने वाली विविधताओं—वित्त प्रशिक्षण एवं उधार देने वाली संस्था के मध्य प्रायमूलति दीड प्रस्तावित की जाने गई। यह दीड रेखाग्रहण परिपत्र-2 पर प्रस्तावित प्रायमूलति अनुसूची होगी। उधारित प्रतिशत २ में निर्धारित शासकीय स्वीकृति आदेश में प्रायमूलति की जाने वाली रकम, प्रायमूलति को कालावधि, व्याज की दर, व्याज का मुहूर्त भी प्रायमूलति किया गया है, तथा प्रायमूलति फीस को दर स्थाप्त रूप से निर्धारित होगी। यह आदेश रेखाग्रहण परिपत्र-२ पर प्रस्तावित प्रायमूलति अनुसूची होगा।

4. प्रायमूलति फीस—प्रायमूलति फीस समय-समय पर सरकार द्वारा विविधत की गई दरों एवं रीति के अनुसार तथा विविध समयपाठ की भोजन उधार देने वाली संस्था से प्राप्ति की जावे। प्रायमूलति फीस की राशि उधार देने वाली संस्था संस्था द्वारा शासकीय खते में वित्तीय संस्था द्वारा प्रायमूलति फीस के अधिक काल की जावे। यह राशि जमा करने को जानकारी संस्था संस्था द्वारा प्रशासकीय विवाद के मध्य से निर्धारित रूप से वित्त प्रशिक्षण को पेंशन जावे।

5. करार का निर्धारण—(एक) सरकार के वित्तीय हित की रक्षा के लिए उन संस्थ के जिनमें सरकार द्वारा उधार प्रायमूलति किये गये हैं, प्रशासकीय विवाद को मूल ऋणों से करार करना चाहिए। ऐसे करार के एक प्रतिलिपि वित्त प्रशिक्षण वाला करार करते हुए गहनेलेखक, मध्यप्रदेश को भेजी जावे।

(दो) इस प्रकार निर्धारित किया गया करार रेखाग्रहण परिपत्र-३ पर प्रस्तावित प्रायमूलति अनुसूची होगी जिसमें निर्धारित शारीर सम्मिलित होगी, अर्थात:-

(तीन) उधार देने वाली संस्था के प्रवर्तक पर सरकार का निर्धारित हित सुरक्षित करना;
(g) उधार लेने वाली संस्था से नियमकाल्प रिपोर्ट भेजेगा।

(7) उधार लेने वाली संस्था के लेखात्मक बचाव का कसरार द्वारा निर्माण दी गई अधिकारियों द्वारा निरीक्षण करने की राशि।

(8) प्राध्यापनकाल के भाषानि—प्राध्यापनकाल विभाग में प्राध्यापनकाल जारी की गई समस्त प्रत्यायनमात्र एक पूर्ण अभिलेख रखेगा जिसमें व्यक्तित्व के नियरीक्षण द्वारा निरीक्षण करने की राशि।

7. नियमकाल्प रिपोर्ट—प्राध्यापनकाल विभाग प्रतिस्पर्धा पर निरालाम रखने हेतु स्वयं की समय बनाने के लिए उधार लेने वाली संस्था द्वारा दी जाने वाली नियमकाल्प रिपोर्ट बिहिन करेगा। ऐसी रिपोर्ट को एक प्रति बिहिन विभाग को उपलब्ध करायेगा।

8. प्रतिस्पर्धा—(एक) प्राध्यापनकाल विभाग का यह उत्तरदायिक होगा कि यह सुनिश्चित करेगा कि प्रतिस्पर्धा प्रयासों के रूप में गया है और यदि उधार लेने वाली संस्था भुगतान में अवश्कित करती है तो प्राध्यापनकाल विभाग तुरंत वित्त विभाग को सुनिश्चित करेगा तथा उधार लेने वाली संस्था से राशि एवं व्याज की वसूली के लिए कार्यान्वयन भी सशस्त्र करेगा।

वित्त विभाग राज्य के बजट से उधार देने वाली संस्था को देने राशि का भुगतान करेगा तथा प्राध्यापनकाल विभाग के आयोजनों बजट आदेशों का पुनर्विवेचन के प्रमुख प्राध्यापनकाल विभाग के आयोजनों बजट व्ययों को सीमित करेगा।

(दो) जिसी व्यक्तिक्षण संस्था से सरकार द्वारा प्रभावित की जाने वाली व्याज की तर उस दर से 2 प्रतिशत ऊंची होगी जिस पर सरकार को व्यक्तिक्रम को भी किसल पर लेनदार को व्याज का भुगतान करना पड़ता था।

9. निर्माता संस्था को कोई प्रत्यायन नहीं—राज्य सरकार को कोई प्रत्यायन निरन्तरित करने के अधीन सामान्य रूप से नहीं दी जाएगी।

(क) किसी व्यक्ति/निजी संस्था के पत्र में;

(ख) यदि उधार लेने वाली संस्था ने विवाद पांच महीने में किसी सरकारी प्रत्यायन पर उधार देने के किस्त में व्यक्तिक्रम किया है;

(ग) कार्यान्वयन पुंजी के लिए;

(घ) इंस्टीटयूट्स/लाभार्थी के संदर्भ के लिए;

(ङ) नगद साक्षर सीमा के लिए।

10. प्रत्यायनकृतियों का विनियम।—प्राध्यापनकाल विभाग से प्राप्त जानकारी तथा वित्त विभाग द्वारा की गई कार्यवाही के आधार पर प्रत्यायनकृतियों का पूर्ण विवरण निर्दिष्ट विभाग के अनुसार प्रचार प्रकाशित किया जाएगा।

11. निर्माता और निरीक्षक।—(1) गण्यमान्य राजस्व सरकार प्रत्यायनकृति नियम, 1976 एकदम निरस्त किए जाते हैं।

(2) इस निरसन से,—

(क) किसी ऐसी अधिकारी निरीक्षण, विशेषज्ञता या दृष्टिकोण पर प्रभाव नहीं पड़ेगा, जो इस प्रकार निरस्त अधिनियम के अधीन अर्जित, प्रभावित या प्रभावित किया गया हो, या

(ख) इस प्रकार निरस्त नियमों के पूर्व प्रशासन पर या उसके अधीन पूर्व में कोई भी भूमिका गई किसी न्यायाधीश के पारितायों पर प्रभाव नहीं पड़ेगा,
No. 1222-04-D.M.C.-B-7-IV.—The State Government hereby makes the following rules for regulating the manner of giving guarantee by government, namely:

RULES

1. **Short title, commencement and application.**—(i) These rules may be called the Madhya Pradesh State Government Guarantee Rules, 2009 (amended).

(ii) They shall come into force at once.

(iii) They shall apply in all cases where the State Government stands guarantee for repayment of loans and interest thereon under Article 293 of the Constitution of India.

2. **Application for loans.**—(i) The borrowing institution shall apply to its administrative department for giving of a guarantee.

(ii) The application shall contain the following particulars, namely:

(a) Name of the borrowing institution;
(b) Name of the lending institution;
(c) The amount proposed to be borrowed for which guarantee is sought;
(d) Rate of Interest;
(e) Public interest proposed to be served by the loan;
(f) Period and schedule of repayment;
(g) Whether the guarantee is needed only for the payment of principal or both for principal and interest;
(h) Loan already outstanding of the institution wherefrom the loan is proposed to be applied for and of other institution or Government against the borrowing institution and their schedule of repayment;
(i) Details of default, if any, in repayment of existing loan;
(j) A cash flow statement indicating how the existing loans and the proposed loans are to be repaid;
(k) Financial status of the borrowing institution as indicated by its trading accounts, profit and loss accounts, balance sheet for the previous 3 years.
(l) Projected Debt Service Coverage Ratio for the next three years including the loan in question (Net Annual Income + (Depreciation / Amortisation)) / (Principal repayment + Interest payment)

(iii) On the basis of the particulars furnished in the application or otherwise, the administrative department shall satisfy itself from an examination of the latest balance sheet or other record of the borrowing institution whether the loan should be guaranteed or not and after such satisfaction, will forward the case to the finance department for scrutiny and concurrence.

(iv) On receipt of the case from the administrative department, the finance department shall examine it and if it is satisfied that the borrowing institution is financially sound and there is no risk involved in giving guarantee, it may agree to the proposal.

(v) After financial concurrence, the administrative department shall obtain Order-in-Council. As per the Order-in-Council, the administrative department will send the Order-in-Council and related documents to the finance department for issuing of sanction order of the guarantee. The finance department will issue sanction order of the guarantee in prescribed proforma (Copy endorsed to Accountant General, Madhya Pradesh) and return the documents to the administrative department.

3. **Guarantee deed and particulars to be included in the order.**—A guarantee deed would be signed between the finance department and the lender institution. This deed in so far as possible should be as per the format described at Annexure-2. The Government order referred to in rule 2 above shall specify clearly the amount guaranteed, the period of guarantee, rate of interest, whether interest payment is also guaranteed, and the rate of guarantee fee. This order in so far as possible should be as per the format described at Annexure-1.

4. **Guarantee Fee.**—Guarantee fee, as per the rates and in the manner and within the time period prescribed by Government from time to time shall be charged from the borrowing institution. The amount of guarantee would
be credited to the Government account, under the head "104-Other General Economic Service-Other Receipts-Guarantee Fee by the borrowing institution”. The borrowing institution through the administrative department will regularly send information on guarantee fee deposited to the finance department.

5. **Execution of agreement.**—(1) In order to safeguard Government’s financial interest, in all cases in which loans are guaranteed by the Government, the administrative department should enter into an agreement with the principal debtor. A copy of such agreement shall be sent to the Accountant General, Madhya Pradesh under intimation to the finance department.

(2) The agreement executed, as far as possible as per the format described at Annexure-3, will include the following conditions, namely:—

(a) Representation of Government in the management of the borrowing institution;
(b) Securing of the Government interest by creating a charge in favour of the Government on the immovable properties of the borrowing institution;
(c) Calling periodical reports from the borrowing institution;
(d) Power of inspection of accounts of the borrowing institution by officers to be nominated by the Government;
(e) The guarantor shall be entitled to all rights available to him under chapter VII of the Indian Contract Act, 1872;

6. **Maintenance of Record in the Administrative Department.**—The concerned administrative department shall maintain a complete record of all the guarantees issued showing the due dates of repayment, the date on which repayment is actually made and such other particulars as may be considered necessary for securing Government interest. The concerned administrative department will provide information on loan taken under government guarantee, repayment of loan installments and default on repayment to the finance department as soon as possible.

7. **Periodical Reports.**—In order to enable it to keep a watch on the repayments the administrative department shall prescribe periodical reports to be furnished by the borrowing institution. A copy of such report should be sent to the finance department.

8. **Repayment.**—(i) It shall be the responsibility of the administrative department to ensure that repayments are made in time and if the borrowing institution makes default in payment, the administrative department shall immediately inform the finance department and shall also institute steps to recover the amount together with interest from the borrowing institution. The finance department will pay off the liability of lender institution from its own budget and limit the expenditure from Non-plan budget of the administrative department after reviewing Non-plan budget drawings of the department.

(ii) The rate of interest to be charged by Government from the defaulting institution shall be 2% higher than the rate at which Government had to pay interest to the creditor on the defaulted instalment.

9. **Guarantee to Private Institution.**—No State Government guarantee shall normally be given under the following conditions:

(a) in favour of any person/private institution,
(b) if the concerned borrowing institution has defaulted on any government guaranteed loan in the last five years,
(c) for working capital,
(d) for payment / repayment of equity / dividend
(e) for cash-credit limit.

10. **Description of Guarantees.**—On the basis of information received from the administrative department and action taken by the finance department, complete description of the guarantee cases would be maintained in the Debt Management Cell of the finance department.

(2) The repeal shall not affect,—

(a) any right, privilege, obligation or liability acquired, accrued or incurred under the rules so repealed; or

(b) the previous operation of the rules so repealed or consequences of anything done or suffered thereunder.

GOVERNMENT OF MADHYA PRADESH
Finance Department
Mantralaya, Vallabh Bhawan
Bhopal

Bhopal, Dated --/--/--

No. In pursuance of Section (7(5)) of the (Relevant Act such as State Financial Rule 2(5) of Madhya Pradesh Government Guarantee Rules, 1976 guarantee repayment of principal amount of loan or Rs. (Amount in words) only taken by (Name of the Borrower such as Madhya Pradesh Financial Corporation, Indore) from (Name of the lenders such as Housing and Urban Development Corporation), and payment of interest thereon with other charges as under:

Amount of Loan
Rate of Interest
Rate of Guarantee Fee
Period of Guarantee

By order and in the name of Governor of Madhya Pradesh.

(Name of the official signing the order)
Designation of the official signing the Order
Government of Madhya Pradesh
Finance Department
Bhopal
GUARANTEE DEED

This DEED OF GUARANTEE made at Bhopal on the (Day) of (month), (year) by the Governor of the state of Madhya Pradesh (herein called the “Surety” which expression shall include his successors in office) in favour of the (lenders name), a company registered under the Companies Act, 1956/ a bank established under the National Bank for Agriculture and Rural Development Act, 1981/ a body corporate constituted under the Banking Companies (Acquisition and transfer of undertaking) Act, 1970/ a bank constituted under the State Bank of India Act, 1955 (strike out which is not applicable), (herein referred to as the “Corporation”/”National Bank”/”Bank” (strike which is not applicable) having its registered office/Head office/central office at (full address).

Witnesses as follows:

1. In consideration of the Corporation/National Bank/Bank (strike which is not applicable) granting loans and advances to (name of borrower) (herein referred to as the Borrower) for the (purpose) to the extent of Rs. (amount) (Rupees in words) for a period of (mention the period) on the terms and conditions as set out in the Loan Agreement dated the (date) between the Corporation/National Bank/Bank and the Borrower, the surety hereby fully unconditionally and irrevocably guarantees the due repayment by the Borrower of principal and payment of interest on each of the loans/advances or any instalment or instalments thereof granted by the Corporation/National Bank/Bank (Strike which is not applicable) at a fixed rate of /gross average rate of (rate of interest) (rate of interest in words) or such interest rate of interest as may be fixed by the Corporation/National Bank/Bank (strike which is not applicable) in terms of the Loan Agreement which shall be or become due and payable under the Loan Agreement and in the event of failure by the Borrower, guarantees and undertakes to pay to the Corporation/National Bank/Bank the principal and interest on each of the loans and advances which shall be or become due and payable under the Loan Agreement on demand without demur.

2. The surety further agrees and covenants as follows:—

(i) That the liability of the Surety in respect of the said loans and advances granted and outstanding shall not at any time exceed the sum of Rs. (Amount of loan) (Amount of loan in words) and the interest accruing thereon which shall be or become due and payable under the Loan Agreement.

(ii) That the guarantee hereby given shall remain in force up to (Date, month and year) (This should be six months later from the due date of repayment of the last instalment as mentioned in the loan agreement) and subject to the aforesaid limit, shall extend to cover any instalment or instalments of the loans and advances sanctioned and disbursed under the Loan Agreement.

(iii) That the guarantee herein contained shall not in any way be affected by any variations which the (lenders name) and the Borrower may by mutual consent make in the terms of the Loan Agreement with or without the consent or knowledge of the Surety provided always that the extent of the liability of the Surety under this Deed is not thereby increased.

(iv) That any neglect or the forbearance of the (lenders name) in enforcing the payment or repayment to it of any loans and advances or any instalment or instalments thereof under the Loan Agreement, payment or repayment whereof is intended to be hereby secured or giving of time by the (lenders name) for the payment or repayment thereof shall not in any way release the Surety of his liability under the guarantee hereinbefore contained provided that the (lenders name) have kept the surety
informed of the default in the compliance of any condition of the loan agreement within 15 days of the date of occurrence of default. It would also not absolve the (lenders name) from fulfilling their specific obligations under the loan agreement. In case the (lenders name) do not fulfil their specific obligations under the loan agreement, the liability of the surety would be adjusted to the extent of the additional burden on the borrower owing to the non-fulfilment of the obligations by the (lenders name).

(v) It is hereby agreed that the (lenders name) shall not make a demand on the Surety under this Deed without first making a demand on the Borrower provided that if the Borrower fails to make payment to the (lenders name), it will be competent for the (lenders name) to make a demand for payment on the surety under this guarantee.

(vi) The Surety hereby agrees and declares that the (lenders name) will not be bound or compelled to take any proceedings whatsoever against the Borrower for recovery enforcement or realization of any of the dues of the (lenders name) from or against the Borrower under or in pursuance of the Loan Agreement before calling upon the Surety to pay any such dues to the (lenders name) under and in pursuance of the guarantee hereby given so that the Surety shall be liable and bound to pay all such dues to the (lenders name) shall be or become due and payable by the Borrower, notwithstanding that no proceedings whatsoever shall have been taken by the (lenders name) against the Borrower for recovery enforcement or realization of any such dues. This would apply if a first charge on the immovable assets of the borrowers has not been created in favour of the (lenders name).

(vii) That a copy of the account of the Borrower contained in the books of Account of (lenders name) signed by the authorized official of (lenders name) shall be conclusive evidence against the Surety of the amount for the time being due to the (lenders name) from the Borrower in any action or other proceedings brought against the Surety and shall be binding on the Surety and shall not be questioned by the Surety provided that a copy of the account has been validated by the borrower annually at the end of the financial year prior to the default.

(viii) That in the event of breach by the Borrower of any of the terms and conditions on which loans and advances have been given by the (lenders name) as contained in the Loan Agreement, the (lenders name) may without prejudice to its other rights, recall the entire loans and advances or any portion thereof, and in the event of failure on the part of the Borrower to make repayment as required by the (lenders name), the Surety shall pay forthwith the amount as and when so required by the (lenders name).

(ix) That the guarantee herein contained shall be distinct and independent and shall be enforceable against the Surety notwithstanding that any securities specified in any document executed/ to be executed by the Borrower in favour of the (lenders name) shall, at the time when guarantee is invoked, be outstanding or unrealised.

(x) That this guarantee shall not be affected by any infirmity or absence or irregularity in the exercise of the borrowing powers by or on behalf of the Borrower or the winding up or merger or amalgamation or dissolution or any change in the constitution or the name of the Borrower.

(xi) That the decision regarding the default or the breach of the terms and conditions by the Borrowers will be as per definition contained in the loan agreement and shall be final and binding upon the
Surety and the (lenders name), provided that the (lenders name) have kept the Surety informed of the default within 15 days from the occurrence of the default.

(xii) The Surety shall not be released from the obligations hereunder, except upon receipt by the (lenders name) of the last instalment of principal, interest due and payable to the (lenders name) under the terms of the said Loan Agreement and/or any amendment(s) thereto or upon the expiry of the validity of the guarantee hereinbefore contained, whichever is earlier.

(xiii) That for enforcing this guarantee by (lenders name) against the surety, the courts at Madhya Pradesh alone shall have exclusive jurisdiction and the Surety hereby submits to the same and agrees and undertakes that the Surety will not in any way object that the courts of Madhya Pradesh shall not have jurisdiction.

(xiv) That this guarantee shall be additional to any other guarantee for the Borrower signed by the Surety or any other person that the (lenders name) may any time hold.

(xv) The Surety doth hereby declare that the guarantee hereby given by the Surety is within the limits fixed by the Legislature of the State of Madhya Pradesh.

(xvi) In witness whereof the Surety has caused these presents to be signed, sealed and delivered by its authorized official on the day, month and year first above written.

(Signature of the Executant)

(Designation of the Executant)

Signed, sealed and delivered by
(Designation of the official)
to the Government of Madhya Pradesh in the Department of
acting for and on behalf of the state of Madhya Pradesh.

In the presence of

WITNESSES:

1.

2.
AGREEMENT BETWEEN ADMINISTRATIVE DEPARTMENT AND BORROWING INSTITUTION

This AGREEMENT is made between the (Borrower Name), a company incorporated under the Companies Act of 1956 having its registered office at (Address) in the state of Madhya Pradesh (hereinafter called the “Borrower” which expression shall unless repugnant to the context or meaning thereof includes the successors and assigns) of the ONE PART, and the (Name of concerned Administrative Department), Government of Madhya Pradesh, having its office at (Address of concerned Administrative Department) on behalf of the Governor of Madhya Pradesh (hereinafter called “Department” which expression shall unless repugnant to the context or meaning thereof includes its successors and assigns) of the OTHER PART.

WHEREAS, No. _____________ In pursuance of Section _____________ (7(5)) of the _____________ (Relevant Act such as State Financial Corporation Act, 1951 (LXIII)), the State Government of Madhya Pradesh exercising powers delegated to it under Rule 2(5) of Madhya Pradesh Government Guarantee Rules, 1976 has guaranteed repayment of principal amount of loan of Rs. _____________ (Amount in Words) only taken by _____________ (Name Of the Borrower) from _____________ (Name of the lender), and payment of interest thereon together with other charges as under:

| Amount of Loan | _____________ |
| Rate of Interest | _____________ |
| Rate of Guarantee Fee | _____________ |
| Period of Guarantee | _____________ |

In consideration of the promises and covenants herein contained, the parties hereto agree as follows:

i. The Borrower will intimate the Department upon each withdrawal from the loan amount within 15 days from the date of disbursement;

ii. The Borrower will intimate the Department of any default either of principal amount or interest amount within 15 days from the due date of such payment to the lender(s).

iii. In the event of the Borrower coming to know in advance that it would not be able to pay the dues on due dates, the Borrower will keep the Department informed of such likely default;

iv. The Department will have the right to nominate a Board Member in the management of the Borrower, if so desired by the Department;

v. The Department will have a right to secure its interest through creation of a pari passu first charge in favour of the Department on the immovable properties of the borrowing institution;

vi. The Department will have powers to call periodical reports from the Borrower;

vii. The Department will have the right to inspect the accounts of the Borrower by officials to be nominated by the Department;
viii. The Department will have the right to deduct any payments made to the lenders in case of invocation of guarantee from the payments due from the Government to the Borrower:

ix. The Department will have the right to deduct the guarantee fee, in case of non-payment, from the payments due from the Government to the Borrower.

IN WITNESS WHEREOF, the parties have set their hands to this Agreement and a duplicate thereof as of the day, month and the year noted below:

The common seal of the Borrower has pursuant to the resolution of its Board of Directors passed in that behalf on the _______ day of _______ month and year is affixed in the presence of Shri ____________________________
Director and Shri ____________________________
Director or the Secretary Shri ____________________________ who have also signed these presents in token thereof.

Signed by Shri ____________________________ for and on behalf of Finance Department, Government of Madhya Pradesh

Common Seal

(Signature)

(Signature)

(Signature)

(Dated)