

TERM SHEET FOR THE SERIES A DEBENTURES

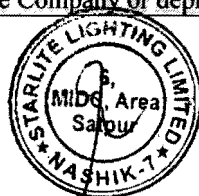
Borrower/Issuer	Starlite Lighting Ltd
Issue	Issuance on private placement of up to 350 (three hundred and fifty) rated unlisted senior secured redeemable non-convertible debentures of a face value of INR. 10,00,000/- (Indian Rupees Ten Lakh only) each, aggregating up to INR. 35,00,00,000/- (Indian Rupees Thirty Five Crores only)
Registrar and Transfer Agent	Universal Capital Securities limited
Debenture Trustee	Axis Trustee Services Limited
Title and Type of Debentures	Privately Placed Rated Unlisted Senior Secured Redeemable Non-Convertible Debentures.
Issue Amount	Up to INR. 35,00,00,000/- (Indian Rupees Thirty Five Crores only)
Purpose/ End use	<p>The proceeds realized by the Company from the issuance of the Series A Debentures shall be utilized solely for the following purposes:</p> <p>(a) Refinancing of high cost debt taken by the Company;</p> <p>(b) For meeting capital expenditure requirements of the Company;</p> <p>(c) For meeting long term working capital requirement of the Company; and</p> <p>(d) For meeting expenditure of the Company, incurred in its ordinary course of business, towards general corporate purposes of the Company.</p> <p>The Company shall not be entitled to utilize the said proceeds (whether directly or indirectly) for the purposes of investing in capital markets / land acquisition / any activity which is ineligible for bank finance as per the extant guidelines issued by the RBI.</p>
Issuance Format	The Series A Debentures will be issued and allotted in dematerialized form.
Rating	Rated ICRA 'A+ (SO)'
Facility Amount	Rs.35 Crs
Tenor	3.5 years
All-in-Yield/ Interest Rate/Coupon	11.50% p.a. on the principal outstanding on the Series A Debentures.
Interest Payment Frequency	Compounded annually and payable at maturity
Issue Price	At Par
Face Value per bond	INR.10,00,000/- (Indian Rupees Ten Lakhs only)
Depository	National Securities Depository Ltd. (NSDL) or Central Depository Services Ltd. (CDSL)
Record Date	Any date on which any Debenture Outstandings are scheduled to be made by the Company to the Debenture Holders, the day falling 7 (Seven) calendar days prior to such date
Default Interest Rate	In case of default in payment of interest and/or principal redemption on the due dates, additional interest @ 2% p.a. over the Coupon Rate will be payable by the Borrower, for the defaulting period.
Redemption Amount	The sum of the outstanding Facility Amount, accrued Coupon, Redemption Premium, Default Rate payable (if any) and other charges and fees payable. For Series A Debentures cash flow details.
Guarantee	<p>The Series A Debentures would be secured by an unconditional, irrevocable and continuing corporate guarantee from Bajaj Electricals Ltd ("Guarantor") securing and guaranteeing the Secured Obligations in relation to the Series A Debentures and shall be valid till the Secured Obligations are fully paid to the satisfaction of the Debenture Trustee/Debenture Holders.</p> <p>The guarantee shall be backed by validly passed board resolution of the Guarantor under the provisions of the Act.</p>
Step Up Coupon Rate	In the event of a credit rating downgrade of the Series A Debentures by a single notch by any rating agency(ies) (whether publicly or privately), the Coupon Rate will immediately be deemed to have increased



	by 25 (Twenty Five) basis points (being 0.25% per annum) for every such notch downgrade and the increased Coupon Rate shall be effective on and from the date on which the downgrade occurs and such increased Coupon Rate shall be payable for the period starting from the date of rating downgrade till the Relevant Redemption Date.
Early Redemption	<p>(i) In the event that the rating of the Series A Debentures is downgraded below "A-", the Debenture Holders shall have the option to require the Company to redeem the Series A Debentures ("Early Redemption Option").</p> <p>(ii) Upon the exercise of the Early Redemption Option by the Debenture Holders, the Debenture Trustee shall issue a notice to the Company for redemption of all amounts outstanding in relation to the Series A Debentures on the date of exercise of the Early Redemption Option ("Early Redemption Notice").</p> <p>(iii) Upon receipt of the Early Redemption Notice, the Company shall be required to redeem the Series A Debentures and make payment of the Debenture Outstandings within 5 (Five) Business Days from the date of the Early Redemption Notice ("Early Redemption Date").</p> <p>(iv) The Company shall, at least, 3 (three) Business Days prior to each Early Redemption Date, deposit the Redemption Amount required for redeeming the Series A Debentures, which are required to be redeemed on the said Early Redemption Date.</p> <p>(v) The Debenture Trustee shall thereafter on such Early Repayment Date transfer all such monies made available by the Company in the Designated Account to the account of the Debenture Holders.</p> <p>(vi) In the event that the Company fails to credit the Designated Account as aforesaid, the Debenture Trustee shall call upon Bajaj to deposit the required amounts in the Designated Account under the terms of the Bajaj Guarantee.</p> <p>(vii) Upon the Bajaj Guarantee being so invoked, Bajaj shall be required to deposit the monies required for redemption of the Series A Debentures pursuant to issue of the Early Redemption Notice, in the Designated Account, within a maximum period of 1 (One) Business Day from the date on which the Bajaj Guarantee is invoked</p>
Security	<p>The outstanding Facility amount, together with interest, Redemption Premium, Default Interest, remuneration of the Trustee, charges, fees, expenses and all other monies due from the Issuer, shall be secured by (to the satisfaction of the Debenture holders):</p> <ol style="list-style-type: none"> 1. First pari passu charge over the Mortgaged Property and Movable Fixed Assets of the company 2. First and Exclusive Charge on Designated account 3. Bajaj Guarantee 4. Other security interests that may be created by the Company/Promoter/Bajaj in favour of the Debenture Trustee under the Transaction Documents <p>Security will be created and perfected within 90 (ninety) calendar days from the date of the execution of the Debenture Trust Deed.</p>
Delay in Security Creation	In the event of delay in creation of Security Interest in terms of the Debenture Trust Deed and the Transaction Documents, the Company shall be liable to pay penal interest of 2% (Two Percent) per annum over the Coupon Rate for the delayed period till such conditions are duly complied to the absolute satisfaction of the Debenture Trustee.
Interest on Application Money	<p>(i) Interest at the Coupon Rate (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, as amended or any other statutory modification or re-enactment thereof, as applicable) shall be paid on the application monies by the Debenture Holders for the period commencing from the date on which the Debenture Holders have made payment of the application monies in respect of the Debentures to the Company (as per the offer letter/PAS 4 issued by the Company for such series of Debentures) and ending on the date falling 1 (One) day prior to the Deemed Date of Allotment.</p> <p>(ii) The interest on application monies shall be paid by the Company to the Debenture Holders within 10 (Ten) calendar days from the Deemed Date of Allotment.</p> <p>(iii) Where the Due Date and the Deemed Date of Allotment are the same, no interest on Application Money shall be payable in terms of the Transaction Documents.</p>



Transaction Documents	<p>The Issuer has executed/ shall execute the documents including but not limited to the following, as required, in connection with the Issue as per latest SEBI guidelines/ Companies Act 2013 for issuance of Series A Debentures through Private Placement:</p> <ol style="list-style-type: none"> 1. Security documents 2. Guarantee Document 3. Letter appointing Trustees to the Bondholders; 4. Debenture Trusteeship Agreement; 5. Debenture Trust Deed; 6. Rating Agreement with the aforesaid rating agency(ies) as regards to this Issue 7. Tripartite Agreement between the Issuer; Registrar and NSDL for issue of Bonds in dematerialized form; 8. Tripartite Agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form; 9. Any other as per the requirement of the Debenture Trustee for the issuance of the Series A Debentures.
Acceleration of Redemption/ Events of Default	<p>The occurrence of any one of the following events shall constitute an "Event of Default" by the Company:</p> <ol style="list-style-type: none"> (a) Failure on the part of the Company/ Bajaj to satisfy all or any part of Debenture Outstandings under the Transaction Documents on their respective Due Dates. (b) Any of the Transaction Documents failing to provide the security interests, rights, title, remedies, powers or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests failing to have the priority contemplated under the Transaction Documents, or the security interests purported to be created thereby being jeopardized or endangered in any manner whatsoever, or any other obligations purported to be secured thereby or any part thereof being disaffirmed by or on behalf of the Company or any other party thereto. (c) All or any part of the proceeds of the Issue is not being utilized for the intended Purpose; (d) Failure to create and perfect the Security Interest within 90 (Ninety) calendar days from the date of execution of the Debenture Trust Deed. (e) Failure to credit the Debentures to the dematerialized account of the Debenture Holders with the Depositories within 5 (five) days from the Relevant Allotment Date of the Debentures; (f) Any failure of the Company/ Bajaj to comply with any of the provisions of the Transaction Documents in relation to the Security and Security Cover including but not limited to breach by the Company of the requirement to maintain Security Cover and the failure of the Company to provide any additional or alternate security to the satisfaction of Debenture Trustee (acting on the instructions of the Majority Debenture Holders within a period of 2 (two) days from the date of such failure; (g) The Secured Properties or any part thereof is sold, disposed of, charged or encumbered in breach of the terms of the Transaction Documents or the Company creates or intends to or attempts to create any charge on the assets which form part of the Security Interest, without the prior express written approval/consent of the Debenture Trustee; (h) In case any land, buildings, structures, plant and machinery of the Company valuing 10% (ten per cent) of its net block or higher are sold, disposed of, charged, encumbered or alienated or the said buildings, structures, machinery, plant or other equipment are removed pulled down or demolished without the prior written approval of the Debenture Trustee. (i) An attachment or distraint has been levied on the Mortgaged Properties or any part thereof or certificate proceedings have been taken or commenced for recovery of any dues from the Company in relation to the Mortgaged Properties. (j) If the Mortgaged Property and other assets offered as security to the Debenture Trustee representing the interests of the Debenture Holder(s)/Beneficial Owner(s) of the Debentures are not insured or kept under-insured by the Company or depreciate in value to such an extent that in the opinion of the



Debenture Trustee/Debenture Holder(s)/Beneficial Owner(s) of the Series A Debentures, further security (to the satisfaction of the Debenture Trustee) should be given and such security is not given within 7 (seven) days of written notice by the Majority Debenture Holders/Beneficial Owner(s) of the Series A Debentures or the Debenture Trustee to the Company.

- (k) Failure of the Issuer / Bajaj to comply with any of the covenants set out in Clause Error! Reference source not found. (Certified Covenants) of the Debenture Trust Deed.
- (l) The Company fails to comply with Applicable Law in relation to the Series A Debentures, unless the failure to comply is, in the opinion of the Debenture Trustee (acting on the instructions of the Debenture Holders), capable of remedy and is remedied within 15 (fifteen) days of the notice issued by the Debenture Trustee to the Company.
- (m) Violation or breach in the performance of any of covenants, conditions or agreements, including but not limited to financial covenants, conditions or agreements relating to payment of any instalment of Coupon or the Principal Amount of the Debentures, redemption premium and any other monies including costs, charges, expenses incurred by the Debenture Trustee on behalf of the Company / Bajaj under any of the Transaction Documents (other than those which are covered above).
- (n) Any or all of the representations and warranties or information provided by the Company / Bajaj as set out in any Transaction Document and/or any information provided by the Company/Bajaj being and/or deemed to be untrue, incomplete, incorrect or misleading in a material respect and/or any material information has been concealed from the Debenture Holders by the Company which may lead to an event of default in the opinion of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders).
- (o) Cross Default
 - (i) Any Financial Indebtedness of the Company/ Bajaj is not paid when due and the applicable cure period has lapsed without the Company/ Bajaj remedying the same; or
 - (ii) Any Financial Indebtedness of the Company/ Bajaj is declared or otherwise becomes due and payable before its specified maturity; or
 - (iii) Any creditor of the Company/ Bajaj becomes entitled to declare any Financial Indebtedness of the Company/ Bajaj due and payable before its specified maturity as a result of an event of default (however described).
- (p) Any corporate action, legal proceedings or other procedure or step is taken in relation to the Company/ Bajaj, whether voluntary or involuntary (including the making of an application, the presentation of a petition, the filing or service of a notice or the passing of a resolution), in relation to:
 - (i) the suspension of payments, a moratorium of any indebtedness, winding-up, insolvency, dissolution, administration or reorganisation of the Company/ Bajaj with an intention of winding up or liquidating or declaring insolvent the Company/ Bajaj (by way of voluntary arrangement, scheme of arrangement or otherwise); or
 - (ii) a composition, compromise, assignment or arrangement with any creditor of the Company/ Bajaj or any act of insolvency or any other act, the consequence of which may lead to the insolvency or winding up of the Company/Bajaj; or
 - (iii) the appointment of a liquidator, provisional liquidator, supervisor, receiver, administrative receiver, administrator, compulsory manager, trustee or other similar officer in respect of the Company/ Bajaj or any of their assets or in case the same is allowed to be appointed for all or any part of the undertaking of the Company/Bajaj; or
 - (iv) enforcement of any security over any assets of the Company.
- (q) The Company / Bajaj (i) is unable or admits inability to pay its Financial Indebtedness as they fall



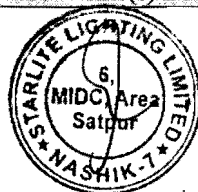
due; or (ii) suspends making payments on any of its Financial Indebtedness, by reason of actual or anticipated financial difficulties or proceedings for taking it into liquidation have been admitted by any competent court or a moratorium or other protection from its creditors is declared or imposed in respect of any indebtedness of the Company /Bajaj;

- (r) The Company / Bajaj / Promoter or key managerial personnel of the Company are declared as a 'wilful defaulter'.
- (s) If one or more legal or governmental proceedings have been initiated against the Company/ Bajaj or any claims are made against the Company/ Bajaj, which in the opinion of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders), may impair the Company's/ Bajaj's ability to perform its obligations undertaken in terms of the Transaction Documents, if either the reliefs sought under such legal or governmental proceedings initiated against the Company/ Bajaj or the claims made against the Company/ Bajaj are granted.
- (t) Any criminal proceedings or any governmental proceedings by any regulatory authorities including accusations, offences relating to bribery etc are threatened to be instituted or initiated against any of the directors or key managerial personnel of the Company or Bajaj or the Promoters.
- (u) Any receivership, insolvency or liquidation proceedings filed against the Company and/or Bajaj including but not limited to any bankruptcy/corporate debt restructuring proceeding(s), a reference to the National Company Law Tribunal or to the Joint Lenders Forum and any steps taken towards such proceedings/actions against the Company and/or Bajaj.
- (v) The occurrence of any event or condition or any series of events or conditions which, in the opinion of the Debenture Trustee, acting solely on the instructions of the Majority Debenture Holders constitutes or might constitute a Material Adverse Effect affecting the Company's and/or Bajaj's ability to comply with their respective obligations under the Transaction Documents unless the occurrence of such Material Adverse Effect is, in the discretion of the Debenture Trustee, capable of remedy and is not remedied within 10 (ten) days of the notice issued by the Debenture Trustee to the Company.
- (w) The Company / Bajaj/ Promoter and/or any member of the Promoter group rescinds/ repudiates or purports to rescind/repudiate a Transaction Document to which it is a party or evidences an intention to rescind/repudiate any of the Transaction Documents to which it is a party in whole or in part.
- (x) Any expropriation, attachment, restraint or act of sequestration, distress or execution affects the mortgaged properties or any other assets of the Company / Bajaj or any part thereof and/or certificate proceedings being taken or commenced for recovery of any dues from the Company/Bajaj which adversely affects their ability to comply with their payment obligations under the Transaction Documents.
- (y) Any extra-ordinary circumstances occur, which in the opinion of the Debenture Trustee, makes it improbable for the Company / Bajaj to fulfil any of its obligations under the Transaction Documents and/or the Debentures.
- (z) The Company or Bajaj suspending, ceasing or threatening to suspend or cease to carry on its respective business or gives notice of its intention to do so.
- (aa) If, in the reasonable opinion of the Debenture Trustee, the Security Interests of the Debenture Holder(s)/Beneficial Owner(s) made available in relation to the Debentures, is in jeopardy or under threat or ceases to have effect.
- (bb) If any report provided by the auditors of the Company contains a material qualification.
- (cc) Non-payment of undisputed Taxes by the Company and/or by Bajaj within the stipulated timelines under Applicable Law. Provided however there will be a cure period of 15 (Fifteen) days for such an event.
- (dd) It is or becomes unlawful for the Company / Bajaj to perform any of its material obligations under



the Transaction Documents relating to Debenture Outstandings and/or the Security Interests or if the Transaction Documents or any part thereof ceases, for any reason whatsoever, to be valid and binding or in full force and effect or is alleged by any party to it to be ineffective for any reason and the cessation individually or cumulatively materially and adversely affects the interests of the Debenture Holders under the Transaction Documents.

- (ee) Any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the funds or revenues of the Company/ Bajaj/Promoters or any other act having a similar effect being committed by the management or any officer/ key managerial personnel / senior officer / senior management of the Company/ Bajaj/Promoter.
- (ff) If the Company is declared an insolvent undertaking under the applicable Insolvency and Bankruptcy Code, 2016, as amended or if a reference has been made to the relevant bench of the National Company Law Tribunal, by a creditor under the said code and the Company has not resolved the complaint or is nationalized or is under the management of the Central Government or the Company takes advantage of any law for the relief of insolvent debtors;
- (gg) All or a material part of the undertaking, assets, rights or revenues of the Company are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or Government authority;
- (hh) Any of the necessary clearances required in relation to the Series A Debentures in accordance with any of the Transaction Documents is not received or is revoked or terminated, withdrawn, suspended, modified or withheld or shall cease to be in full force and effect which shall, in the opinion of Debenture Holder(s)/Beneficial Owners(s), have Material Adverse Effect on the Company or the Series A Debentures;
- (ii) A petition for the reorganization, arrangement, adjustment, winding up or composition of debts of the Company is filed on the Company (voluntary or otherwise) or have been admitted or makes an assignment for the benefit of its creditors generally
- (jj) The rating of the Series A Debentures is downgraded below grade 'A-' by any rating agency';
- (kk) Any Transaction Document once executed and delivered, ceases to be in full force and effect or becomes unlawful, invalid or unenforceable or fails to provide the Debenture Trustee and the Debenture Holders/ Beneficial Owners with the interests in the Secured Property intended to be created thereby;
- (ll) The Promoter/s and/or the directors of the Company / Bajaj are accused of, charged with, arrested or convicted a criminal offence involving moral turpitude, dishonesty or which otherwise impinges on the integrity of the Promoter/s and/or director, including any accusations, charges and/or convictions of any offence relating to bribery;
- (mm) Event of death of any of the Promoter/s;
- (nn) The Company has taken or suffered to be taken any action for re-organization of its capital or any rearrangement, merger or amalgamation without the prior written approval of the Debenture Holders;
- (oo) Change in Management Control of the Company and/or Bajaj and/or a transfer and/or the creation of an Encumbrance on the Promoter/ Promoter group shareholding in the Company without the prior written approval or sanction of the Debenture Trustee;
- (pp) The Company has, without the previous consent in writing of the Debenture Trustee, made or attempted to make any alteration / amendment in the provisions of its Memorandum and/or Articles of Association which might in the opinion of the Debenture Trustee detrimentally affect the interests of the Debenture-holder(s)/Beneficial Owner(s) and shall upon demand by the Debenture Trustee



	refuse or neglect or be unable to rescind such alteration, unless required under the law to do so.	
Covenants for the Facility	For the Issuer	<ul style="list-style-type: none"> (i) Consolidated debt not to exceed Rs.350 Crs from external sources (excluding loans from promoters) (ii) No loss on annual basis (EBIDTA Basis) with respect to operations, excluding the impact on financials due to CFL related business (iii) In case of issuer, preference shares capital falling due for redemption post Series A Debentures redemption will form part of Equity. For clarity any preference share capital which is falling due prior to Series A Debentures being paid in full, will form part of debt for calculation of above ratios
	For the Guarantor	<ul style="list-style-type: none"> (i) Total Debt to Equity Ratio not exceeding 1.5 excluding Contingent liabilities and 2 times including contingent liabilities (ii) No loss on annual basis (PAT Basis) (iii) Debt to EBIDTA not exceeding 4.5 times
		All covenants would be tested on balance sheet of the Company on annual basis i.e. as on March 31 of every year, starting from March 31, 2018 on consolidated and standalone balance sheet till the redemption of the Debentures. The covenants shall be certified by the Company within 90 (ninety) days from end of every Financial Year.
	Other Covenants	<ul style="list-style-type: none"> (i) No dilution of the Promoter's stake in Starlite Lighting by way of sale of shares by the promoters. No dilution of Bajaj Electricals Stake in Starlite Electrical Ltd. (ii) Bajaj Electricals to have at least 50% Board seat and control of Starlite Lighting till the Series A Debentures are redeemed in full (iii) Preference shares issued by company will be subordinated to Series A Debentures and will not be paid without prior approval of debenture holders. (iv) Issuer shall not amend or modify Clause in its Memorandum of Association and Article of Association without prior consent of the Debenture Trustee/Debenture Holders, unless required under the law to do so and in such case the consent shall not be unreasonably withheld. (v) Issuer shall not change its financial year-end from 31st March (or such other date as may be approved by Investors) without prior consent of the Debenture Trustee/Debenture Holders unless mandated by law (vi) Issuer shall not change the accounting method or policies currently followed without prior consent of the Debenture Trustee/Debenture Holders unless required under the law/Accounting Standards to do so. (vii) Consolidated financial statements at the end of financial year and standalone at the end of financial half years of Issuer and Guarantor (viii) Notification of any potential Event of Default or Event of Default; (ix) Obtain, comply with and maintain all licenses / authorizations; (x) Compliance with environmental and other laws;




		<ul style="list-style-type: none"> (xi) No M&A, acquisition, restructuring, amalgamation without approval of debenture holders (xii) The Issuer will not purchase or redeem any of its issued shares or reduce its share capital without the investors' prior written consent; (xiii) No assumption of further debt or any other liability of any kind by the Issuer other than permitted as per the term of the Series A Debentures; (xiv) The terms and conditions of the Series A Debentures will not be inferior to any terms or conditions of any other Debentures presently outstanding on the books of the Issuer or issued in the future (xv) Any sale of assets/business/division or re-structuring of the existing business, to be with the prior consent of the debenture holder (xvi) Guarantors net worth (Equity + Pref Capital + Reserves and Surplus) to remain positive during the Tenor of the Issue (xvii) No change in ownership & Management control of the Issuer / Guarantor (xviii) Undertaking from promoters / Guarantor to provide necessary support to enable the company to continue as going concern (xix) Any promoter / Guarantor loan/assistance to be subordinated to Series A Debentures (trade advance given will be recovered in the ordinary course of business) (xx) No dividend, if an Event of Default has occurred and is subsisting. (xxi) The Issuer / Promoter's/ Guarantor shall maintain its corporate existence and right to carry on its business and operations and comply with all Applicable Laws in all respects, at all times. (xxii) The Issuer / Promoter's/ Guarantor shall not, without the prior approval of Investors, enter into any transaction of merger, demerger, consolidation, re-organization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction; provided however that this restriction shall not apply in the event that the compliance with this restriction would result in the Issuer defaulting in relation to any of its payment obligations in relation to the Series A Debentures. (xxiii) Not undertake any new business other than home appliances and lighting or any diversification of its business without approval of Debenture Holders. (xxiv) Details of any material litigation, arbitration or administrative proceedings.
Permitted Investment	Investment in the fixed deposits with minimum AA rating and specified Banks or in the units of any liquid, liquid plus or money market mutual funds being, at any point of time, the top ten mutual fund house in terms of assets under management.	
Transaction Costs	The Promoter / Issuer shall bear all transaction related costs incurred by the Investors with respect to legal counsel, valuers and auditors/consultants. Such costs include:	



	<ol style="list-style-type: none"> 1. Professional fee payable to advisors for legal due diligence and valuation 2. Legal fee payable to law firm engaged by the Investor for transaction documentation and title due diligence. 3. Trustee fees 4. Any other reasonable transaction related expense incurred by the Investors 5. Stamping and registration in relation to creation of Security and all Definitive Agreements.
Taxes duties cost and expenses	<ol style="list-style-type: none"> 1. Relevant taxes, duties and levies are to be borne by the Borrower. 2. The charges / fees and any amounts payable under this Facility Amount by the Borrower as mentioned herein do not include any applicable taxes, levies including service tax etc. and all such impositions shall be borne by the Borrower additionally.
Payment Mechanism	For all scheduled payments (T being the due date of scheduled payment): e.g. coupon / redemption of the NCDs, exercise of Put/ Call option, early redemption prepayment, mandatory prepayment etc.
	<p>T-3 Issuer would be obligated to fund the Escrow Account* on this day by 12 pm. Issuer will have to open an escrow account (lien marked in favour of the debenture trustee) for making any payment on the NCDs</p> <p><i>* Issuer will have to open an escrow account (lien marked in favour of the debenture trustee) for making any payment on the Series A Debentures.</i></p>
	T-3 In case the Issuer does not fund the Escrow Account by 12 pm on T-3 as mentioned above, the Trustee would mandatorily send a demand notice to the Guarantor to fund the shortfall amount in the Escrow Account. The notice would be sent by email/ fax so that it is deemed to be received by the guarantor on the same day that it is sent by the Trustee.
	T-2 Upon receiving the demand notice, the Guarantor would be obligated to fund the account of Debenture Holder and/or any other account as may be specified by the Trustee.
	T The Trustee would utilise the proceeds lying in the Escrow Account to pay the redemption amount to the Debenture Holders.
	For payment under an acceleration event (T being the date the acceleration notice is issued by the Trustee)
	T The day on which the Trustee sends the acceleration notice to the Issuer.
	T+1 Issuer would be obligated to deposit the requisite funds by 12 pm in the Escrow Account on this day.
	T+1 In case the Issuer does not fund the Escrow Account on by 12 pm on T+1 as mentioned above, the Trustee would mandatorily send a notice to the Guarantor to fund the shortfall amount in the Escrow Account. The notice would be sent by email/ fax so that it is deemed to be received by the Guarantor on the same day that it is sent by the Trustee.
	T+2 Upon receiving the demand notice, the Guarantor would be obligated to fund the account of Debenture Holder and/or any other account as may be specified by the Trustee
	T+2 The Trustee would utilise the proceeds lying in the Escrow Account to make the payout on the Series A Debentures.



For STARLITE LIGHTING LIMITED

DIRECTOR / AUTHORISED SIGNATORY