



TERMS AND CONDITIONS OF
12% UNSECURED COMPULSORILY CONVERTIBLE DEBENTURES

1. Face Value

The face value of each of the CCDs shall be INR 100 (Rupees One Hundred only).

2. Status of CCDs

The CCDs shall constitute unconditional, unsubordinated and unsecured obligations of the Company and will at all times rank *paripassu* with the OCDs and without any preference or priority among themselves.

3. Non-marketable

The CCDs shall be Indian Rupee denominated compulsorily convertible debentures and shall be non-marketable i.e. they are not capable of being sold on a recognized stock exchange in or outside India. The Company does not intend to, and shall not list the CCDs on any recognized stock exchange in or outside India.

4. Interest Rate

Throughout the term of such CCDs until conversion, the CCDs will have a fixed coupon 12% (twelve percent) per annum or higher rates as the Board may decide, which shall be accrued and become due on a quarterly basis. The interest shall be payable subject to and to the extent distributable cash flows are available in the Company and in accordance with the Agreement. After conversion, no additional interest will be payable. It is hereby clarified that the accrued interest/coupon shall not carry any interest/coupon.

Interest payment dates shall be reckoned in following manner:

30/06/2020

30/09/2020

31/12/2020

31/03/2021

And so Forth.

5. Term

Each CCD, if not already converted, shall be compulsorily convertible into Equity Shares on the date occurring 15 (fifteen) years from the date of allotment.

6. Conversion

The CCDs shall be converted into equity shares as and when required to give effect to the distributions as per Schedule 17 of Investment Agreement.

Regd. Office: Hero Nagar, G.T. Road, Ludhiana-141003,
Phone: 0161-5026969, 5029448-9452, Fax-0161-2529478,79
Corporate Office: 2A 1001, 10TH Floor, Two Horizon Centre, Sector 43 DLF City 5, Gurugram
122002, Haryana
Phone: 0124 - 6726700
CIN- U55204PB2007PTC039380



Notwithstanding the above, in the event any OCDs are into Equity Shares (in accordance with Schedule 14 of Investment Agreement), the same number of CCDs shall at the same time be compulsorily converted into Equity Shares, provided that prior written consent of each of the Shareholders is obtained in the event any CCDs are converted into Equity Shares.

7. Conversion Price

The CCDs will be converted at fair value of equity per share of Rs. 14.68/-. Therefore, at conversion ratio 6.81:1, the issue price of CCDs at Rs. 100/- each is fair.

8. Acknowledgment of liability

The Company hereby acknowledges its liability to the CCD holder in respect of the CCDs and covenants with CCD holder that, as and when the CCDs are due to be converted in accordance with the provisions of the Agreement, the Company will effect such conversion in accordance with the terms of the Agreement.

9. No Impairment

The Company will not, by amendment hereof or through any reorganization, transfer of assets, consolidation, merger, amalgamation, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, and will at all times in good faith assist in the carrying out of all the provisions of this paragraph 9 and in the taking of all such action as may be necessary or appropriate in order to protect the conversion rights of CCD holder in relation to the CCDs against impairment. Without limiting the generality of the foregoing, the Company will take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid Equity Shares on the conversion of the CCDs.

10. Status of Converted CCDs

The Company covenants that (i) all Equity Shares issuable upon the conversion of any CCD will, upon issuance and delivery, be duly and validly issued, fully paid and free from all liens and charges with respect to the issuances thereof and that all pre-emptive rights of Shareholders with respect to the issuances thereof, if any, will have been duly waived; (ii) it will take all such actions necessary to provide for the issuance of the Equity Shares upon conversion of any CCD in accordance with the terms and provisions of the Agreement and the Restated Articles.

No fractional Equity Shares shall be issued upon the conversion of any CCDs and the number of Equity Shares to be issued shall be rounded to the next highest whole share.

11. Taxes

Each holder of CCDs shall be responsible for its own Taxes (present or future) on any coupon paid or accrued. The Company shall deduct withholding Taxes, as per Applicable Law, on coupon paid to the holders of CCDs.

**Regd. Office: Hero Nagar, G.T. Road, Ludhiana-141003,
Phone: 0161-5026969, 5029448-9452, Fax-0161-2529478,79
Corporate Office: 2A 1001, 10TH Floor, Two Horizon Centre, Sector 43 DLF City 5, Gurugram
122002, Haryana
Phone: 0124 - 6726700
CIN- U55204PB2007PTC039380**



12. Transferability

Any Transfer of the CCDs shall be subject to the provisions of Clause 15 (*Share Transfer Restrictions and Exit*) of the Agreement.

13. Voting rights

The CCDs shall not carry any voting rights until converted into the Equity Shares.

14. Compliance with Laws

The Company will ensure that the issue, allotment and conversion of the CCDs will be done in accordance with Law. The Company will obtain and/or file all relevant authorizations that may be required for conversion of the CCDs into Equity Shares.

For and on behalf of
Munjal Hospitality Private Limited

Tarun Mitra
Company Secretary
Membership No. : A27224
Address: 146 – C, DG II
Vikaspuri, New Delhi 110018

Regd. Office: Hero Nagar, G.T. Road, Ludhiana-141003,
Phone: 0161-5026969, 5029448-9452, Fax-0161-2529478,79
Corporate Office: 2A 1001, 10TH Floor, Two Horizon Centre, Sector 43 DLF City 5, Gurugram
122002, Haryana
Phone: 0124 - 6726700
CIN- U55204PB2007PTC039380