

Proposed Term sheet for Issuance of Non-Convertible Debentures

Security Name	ARVINDNCD2020/01
Issuer	Arvind Limited
Type of Instrument	Secured, Rated, Listed, Redeemable Non-Convertible Debentures
Nature of Instrument	Secured
Seniority	Senior, on pari-passu basis with current and future secured Term Lenders
Mode of Issue	Private Placement
Debenture Trustee	AXIS Trustee Services Limited
Eligible Investors	Please refer paragraph "Who Can Apply" of this Disclosure Document
Listing	The Debentures are proposed to be listed on WDM segment of BSE.
	The Company shall forward the listing application to the BSE/NSE along with the applicable disclosures within 15 (Fifteen) days from the Deemed Date of Allotment.
	In case of delay in listing beyond 20 (Twenty) days from the Deemed Date of Allotment, the Company will pay additional interest, of 1% (one percent) p.a. over the Interest / Coupon Rate / implicit yield from the expiry of 30 (thirty) days from the Deemed Date of Allotment till the listing of such NCDs to the investor.
Rating of the Instrument	"AA-" (Pronounced as [Double A minus]) from CARE.
Issue Size	The aggregate size of the Issue is Rs. 75.00 Crores (Rupees Seventy Five Crores only). This Issue forms part of the Entire Issuance.
Option to retain oversubscription (Amount)	Not Applicable
Objects of the Issue	The funds raised through this Issue, after meeting the expenditures of and related to the Issue, will be used for our various General Corporate Purposes, repay our existing loans and for our business operations.

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	The Main Objects clause of the Memorandum of Association of the Company permits the Company to undertake the activities for which the funds are being raised through the present Issue and also the activities which the Company has been carrying on till date.
Details of the utilization of the Proceeds	The proceeds would be utilized for meeting the Object of the Issue
Interest / Coupon Rate	8.50% p.a. (annualized) [Annual Coupon Payment]
Step Up / Step Down Coupon Rate	Not Applicable
Coupon Payment Frequency	Annually and at maturity
Coupon Payment Dates	Annual Coupon Payment
Coupon Type	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	Not Applicable
Day Count Basis	Actual
Interest on Application Money	In case Deemed Date of Allotment is different from Pay in Date, the Company shall be liable to pay to the Debenture Holders interest on application money at the Coupon Rate prevailing on the Deemed Date of Allotment for the period commencing on the date of receipt of the application monies by the Company up to one day prior to the Deemed Date of Allotment. The interest on application monies shall be paid by the Company to the Debenture Holders within 7 (Seven) Business Days from the Deemed Date of Allotment, under the terms of this Deed and the other Transaction Documents
Additional Interest Rate	In case of default in payment of Interest and / or principal redemption on the Due Dates, additional interest @ 2% (Two percent) p.a. over and above the applicable Coupon Rate will be payable by the Company from the date of the occurrence of the default until the default is cured or the debentures are redeemed pursuant to such default, as applicable.

Tenor	3 Years
Redemption Date	NCDs are redeemable at par at the end of 3 rd year (Bullet Repayment)
Redemption Amount (Principal)	Rs. 10,00,000/- (Rs. Ten Lakhs Only) per debenture
Redemption Premium / Discount	NIL. Redemption at par
Issue Price	At par, i.e. Rs. 10,00,000/- (Rs. Ten Lakh only) per Debenture
Discount at which security is issued and the effective yield as a result of such discount	Not Applicable
Put Date	Not Applicable
Put Price	Not Applicable
Call Date	Not Applicable
Call Price	Not Applicable
Put Notification Time	Not Applicable
Call Notification Time	Not Applicable
Rollover Option	Not Applicable
Face Value	Rs. 10,00,000/- (Rs. Ten Lakh only) per Debenture
Minimum Application and multiples of debt securities thereafter	10 Debentures and in multiples of 1 Debenture thereafter
Issue Timing	Tranche Opening Date: 2 nd June, 2020
	Tranche Closing Date: 2 nd June, 2020
	Pay-in Date: 3 rd June, 2020
	Deemed Date of Allotment: 3 rd June, 2020
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT / RTGS / other permitted mechanisms
Depository(ies)	NSDL / CDSL

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Business Day	A day which is not a Saturday, Sunday or a public holiday for the purposes of Section 25 of the Negotiable Instruments Act, 1881(26 of 1881) on which banks are open for general banking business in the places as mentioned in Schedule I hereto and “ Business Days ” is to be construed accordingly.
Business Day Convention	<p>Should any of the Due Date(s), for payment of coupon / interest or principal as defined above, fall on day other than a Business Day, the next immediately succeeding day shall be considered as the effective date for the purpose of coupon / interest payment and the immediate previous Business Day shall be considered as the effective date for the purpose of payment of redemption proceeds.</p> <p>If the due date in respect of any other monies payable under the terms of the Debentures (save and except as provided above) falls on a day which is not a Business Day, the immediately succeeding Business Day in the same month (or the immediately preceding Business Day in the event there is no succeeding Business Day in the same month) shall be the due date for such payment.</p>
Effect of Holidays	<p>If any Coupon Payment Date or the due date for the performance of any event falls on a day that is not a Business Day, the payment shall be made on the immediately succeeding Business Day. The interest for such additional period shall be adjusted and paid in the next coupon cycle. Hence the subsequent coupon payment period remains intact.</p> <p>If the Redemption Date / Maturity Date (also being the last Coupon Payment Date) of the Debentures falls on a day that is not a Business Day, the redemption proceeds shall be paid on the immediately preceding Business Day, along with coupon / interest accrued on the Debentures until but excluding the date of such payment.</p>
Record Date	15 (Fifteen) days prior to any Due Date.

	In the event the Record Date falls on a day which is not a Business Day, the next Business Day will be considered as the Record Date.
Security (where applicable) (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security) and Ranking of Security	<p>The NCDs being issued shall be secured through a first <i>pari passu</i> charge by hypothecation over the Specified Fixed Assets of the Company and a second <i>pari passu</i> charge by hypothecation over the Specified Current Assets of the Company and a first <i>pari passu</i> charge by mortgage over the Specified Immovable Property of the Company. These charges will be <i>pari passu</i> with the existing term lenders.</p> <p>The Company shall maintain security cover of at least 1.25 times of the entire redemption amount throughout the tenure of the NCDs.</p>
Transaction Documents	Disclosure Document, Debenture Trust Deed, Debenture Trustee Agreement, Deed of Hypothecation and any other document that may be designated by the Debenture Trustee as a Transaction Document.
Security Documents	Debenture Trust Deed, Debenture Trustee Agreement, Deed of Hypothecation and all such other documents required for the purpose of creating and perfecting the Security in favour of the Debenture Trustee for the benefit of the Debenture Holders
Conditions Precedent to Disbursement	<p>As customary for transaction of a similar nature and size, including but not limited to the following conditions: -</p> <ol style="list-style-type: none"> 1. Execution of Disclosure Document 2. Obtaining Rating Letter(s) 3. Obtaining Debenture Trustee Consent
Condition Subsequent to Disbursement	<p>As customary for transaction of a similar nature and size, including but not limited to the following conditions: -</p> <ol style="list-style-type: none"> 1. Issue of letter of allotment 2. Issue of Debentures in Dematerialised form

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Events of Default	Means such events as identified as Event of Default in this DD and shall also include the events as identified as Event of Default in the Debenture Trust Deed and / or Deed of Hypothecation																																		
Provisions related to Cross Default Clause	When the Company being in default of its obligation to pay the Redemption Amount in respect of any of the debentures issued under the Entire Issuance which ought to have been paid in accordance with the terms of the issue of such debentures and if the Company fails to cure such default within a maximum period of 15 (fifteen) days from the scheduled date for making such payment then the same shall be an Security Enforcement Event																																		
Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holders as is customary for transactions of a similar nature and size and as detailed under the appropriate Transaction Documents																																		
Illustration of Bond Cashflows	<table><tr><th>Particulars</th><th>Date for Payment</th><th>Actual No of Days</th><th>No of days in the Coupon Period</th><th>Amount in INR per Debenture</th></tr><tr><td>1st Coupon</td><td>2nd June, 2021</td><td>365</td><td>365</td><td>85,000</td></tr><tr><td>2nd Coupon</td><td>2nd June, 2022</td><td>365</td><td>365</td><td>85,000</td></tr><tr><td>3rd Coupon</td><td>2nd June, 2023</td><td>365</td><td>365</td><td>85,000</td></tr><tr><td>Principal</td><td>2nd June, 2023</td><td></td><td></td><td>10,00,000</td></tr><tr><td></td><td>Total</td><td></td><td></td><td>12,55,000</td></tr></table>					Particulars	Date for Payment	Actual No of Days	No of days in the Coupon Period	Amount in INR per Debenture	1st Coupon	2 nd June, 2021	365	365	85,000	2nd Coupon	2 nd June, 2022	365	365	85,000	3rd Coupon	2 nd June, 2023	365	365	85,000	Principal	2 nd June, 2023			10,00,000		Total			12,55,000
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Principal	2 nd June, 2023			10,00,000																															
	Total			12,55,000																															
Governing Law and Jurisdiction	The Debentures are governed by and will be construed in accordance with the Indian Law. The Debentures and documentation will be governed by and construed in accordance with the laws of India and the parties submit to the exclusive jurisdiction of the courts and tribunals in Ahmedabad																																		

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