

## TERMS OF THE CUMULATIVE COMPULSORILY CONVERTIBLE DEBENTURES

Debenture Holder	<b>ALFANAR POWER LIMITED, UK</b>
Issuer / Company	Alfanar Energy Private Limited
Issue size	Rs. 208,76,00,000 Cumulative Compulsorily Convertible Debentures ('CCDs') due for compulsory conversion on 25 <sup>th</sup> August 2034.
Form and denomination	The CCDs will be issued in denomination of Rs. 10 each.
Issue Date	26 <sup>th</sup> August 2019
Terms of Payment	The full face value of CCDs to be paid by the CCDs Holder at the time of subscription.
Equity Shares	Shall mean the equity shares issued by the Issuer in accordance with its articles of association.
Conversion Date	<p>The said CCDs will have maturity period of 15 years from the date of allotment and will be compulsorily converted on 25<sup>th</sup> August 2034 (being the last date of 15 years, from the date of allotment). The Company will have the right at the discretion of the board of directors of the Company to convert these CCDs at any time prior to the specified period of conversion, excluding the amount of accrued interest on the said CCDs, after giving prior notice to the said CCD Holders.</p> <p>The Debenture Holders shall not have any right to call a default on the Company under any circumstances until the occurrence of the date on which all amounts due and payable by the Company to L&amp;T Infrastructure Finance Company Limited or any other lender to the Company (hereinafter referred to as a "<b>Lender</b>") which expression shall include their respective successors, novatees and assigns) have been paid in full by the Company to its Lenders ("<b>Final Settlement Date</b>")</p>
Payment of coupons / interest rate	<p>The Company shall pay the interest on the principal amount of CCDs outstanding from time to time @ 13% per annum [compounded (annually)] subject to deduction of tax at source under the Income Tax, 1961 and the rules made thereunder. The coupon/interest shall accrue from the Issue Date and first coupon payment will be due on 31<sup>st</sup> March 2021 and subject to compliance of the restricted payment conditions as may be stipulated by the Lenders in the documents executed and/or to be executed between <i>inter alia</i> the Company and the Lenders (the "<b>Financing Documents</b>"). The subsequent coupon payments shall become due on 31<sup>st</sup> March of every financial year thereafter until the Conversion Date and subject to compliance of the restricted payment conditions as may be stipulated by the Lenders in the Financing Documents. Any coupon/interest due but not paid will continue to accrue till actual payment and will be calculated at an interest rate of 13% per annum compounded</p>

### ALFANAR ENERGY PRIVATE LIMITED

CIN U74999HR2016FTC066844

Regd. Office: 15<sup>th</sup> Floor, Building No. 5, Block B, DLF Cyber City, Phase II, Gurgaon 122002

Landline: +91 1246257800 Fax: +91 124 6257829

Website-[www.alfanar.com](http://www.alfanar.com), Email Id - [ae@alfanar.com](mailto:ae@alfanar.com)





	annually. The actual payment of coupons / interest will be made from the amounts available in the distribution account, as per the terms of the Financing Documents. Under all circumstances and until the Final Settlement Date, the actual payment of coupons / interest rate will be made only from the amounts available in the distribution account as per the terms of the Financing Documents.
Security	The CCDs are unsecured and the Company shall not provide any sort of charge / mortgage, on the assets of the Company, on the CCDs.
Payment	The payment of all interest will be made to the Debenture Holder after deduction of tax as may be applicable and such payment shall be made by any means that is permitted under applicable law. No other payment shall be made to the Debenture Holder other than payment of coupon / interest on the CCDs which will be paid as per the terms contained herein.
Conversion price	The conversion price at which the CCDs will be converted into Equity Shares (the " <b>Conversion Price</b> ") shall be at fair market value prevailing at the time of conversion.
Early conversion at the option of the CCDs Holder	The CCDs may be converted into Equity Shares of the Issuer at the Conversion Price, prior to the Conversion Date, at the option of the CCDs Holder.
Equity Share Ranking	The Equity Shares issued upon conversion of the CCDs will be fully paid-up with full voting rights and will rank <i>pari passu</i> with the other Equity Shares of the Company including dividend on the relevant Conversion Date. The Equity Shares issued to the CCDs Holder shall not be entitled to any rights, the record date for which preceded the relevant Conversion Date.
Transfer of CCDs	The said CCDs can be transferred in accordance with the provisions of the Articles of Association of the Company, as may be amended from time to time.
Voting Rights	Prior to conversion of the CCDs into the Equity Shares, the CCDs Holder shall not have any rights as otherwise available to any shareholder of the Issuer.
Variation of CCDs Holder's Right	The right, privileges and conditions attached to the CCDs may be varied, modified or abrogated, by the board of directors of the Company, in accordance with the Articles of Association of the Company, the Companies Act, 2013, the Financing Documents and with the consent of the holders of the CCDs.
Status of the CCDs	The CCDs will constitute direct, unsubordinated, unconditional obligations of the Issuer and will at all time rank <i>pari passu</i> and without any preference or priority among themselves.
Other conditions in relation to CCDs	(i) Any amount infused by the CCD Holder shall not be due, repayable, payable or redeemable prior to the Final Settlement Date. The CCD Holders agree that Company's obligations in relation to such amounts brought in by the CCD Holders pursuant to the terms contained herein are fully subordinated to the

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	<p>Company's obligations to its Lenders under the terms of the facility agreement executed between the Company and its Lenders ("Facility Agreement").</p> <p>(ii) CCD Holders infusing such amounts waives, till the Final Settlement Date (as defined in the Facility Agreement), all rights to exercise set-off or lien against the claims or properties of the Company, whether directly or indirectly.</p> <p>(iii) CCD Holders shall not, till the Final Settlement Date (as defined in the Facility Agreement), commence any proceedings or take action to recover or seek the interest / any other payment directly or indirectly, whether by direct claim, exercise of set-off, counterclaim or in any other manner or be subrogated to any claim of the Lenders against the Company, including on the insolvency or liquidation or winding-up of the Company and shall not exercise any claim in the insolvency or liquidation of the Company in competition with the Lenders.</p> <p>(iv) The priority and ranking of the infusion of such amounts by the CCD Holders <i>vis-à-vis</i> the Company shall be <i>pari passu</i> with the unsecured creditors of the Company and the claims of such person shall be subordinate to all the claims of the Lenders.</p> <p>(v) Upon the occurrence and continuance of an event of default by the Company in relation to the loans/debt availed by the Company from its Lenders under the terms of the Facility Agreement, any amounts due and payable by the Company to the CCD Holders shall be suspended, till the event of default is waived off or the underlying effect of the event of default has been cured, to the satisfaction of the Lenders and any documents and/or understanding with the Company which is contrary to this understanding shall stand automatically amended.</p>
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For and on behalf of  
Alfanar Energy Private Limited

  
Nakul Upadhaya  
Company Secretary  
Membership No.: A24410



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