

Annexure - 5

I. Terms of issue of Optionally Convertible Debentures (OCDs) – Series I

The OCDs issued by the Company shall be subject to the terms and conditions contained below. The terms and conditions set out below shall be deemed to be incorporated as a part of the debenture certificates issued to the holder of the OCDs as if endorsed on the reverse of each debenture certificate representing the OCDs.

Capitalized terms not specifically defined herein shall have the same meaning ascribed to such terms under the Agreement.

1. **Face Value:** Rs. 400 per OCD
2. **Issue Price:** Rs. 400 per OCD
3. **Tenor / Term:** Unless converted or redeemed in accordance with the terms hereof, the term of the OCDs shall be for a period of 10 years from the date of allotment of the OCD.
4. **Status:**
 - (i) Subject to the Applicable Law and provisions of the Agreement, OCDs constitute direct, unsecured and unconditional obligations of the Company and shall at all times rank *pari passu*, without any preference or priority amongst themselves. The OCDs shall rank subordinate to any working capital or term loan facilities availed by the Company.
 - (ii) The OCDs shall not carry any voting rights, unless converted in accordance with paragraph 10 below. The Equity Shares allotted on conversion of the OCDs in terms hereof shall be subject to the provisions of Article of Association of the Company and shall rank *pari passu* in all respects with the then existing Equity Shares.
5. **Coupon:**
 - (i) Subject to Applicable Law, each OCD shall, up to the date of conversion, carry a coupon based on a benchmarking report.
 - (ii) The interest will be accrued, due and payable annually at the end of each financial year (unless the Board of Directors determine an earlier payout) (“Coupon Payment Date”) from the Distributable Cash Flows of the Company. For the avoidance of doubt, it is clarified that no interest shall be accrued, due and payable until the Company has Distributable Cash Flows on the relevant Coupon Payment Date. To the extent that there are insufficient Distributable Cash Flows at the end of any financial year, the balance unpaid coupon would be accrued solely in the year in which there are sufficient Distributable Cash flows and will be paid solely out of subsequent year’s Distributable Cash Flows, as and when available.



- (iii) Further, it is clarified that the right to receive the payment of the relevant coupon shall arise only on the availability and to the extent of the Distributable Cash flows with the Company on the relevant Coupon Payment Date and such coupon shall be due and payable to the then holder of the OCD as per the Payment Terms in Clause 6 below. Interest on the OCDs shall be accrued on a *pari passu* basis along with the interest on the CCDs based on the aggregate outstanding face value of the OCDs and CCDs.
- (iv) “Distributable Cash Flows” shall mean (i) cash flows available to debenture holders for interest servicing after provision or deduction of any statutory costs including due taxes, financing costs (interest and principal payments due to lenders), project expenses and reserve for working capital requirements, (ii) any funds infused by a new investor which are to be utilized for payments to debenture holders, and (iii) any excess proceeds available from the loan facility availed by the Company from an external third party lender which are to be utilized for payments to debenture holders.” It is hereby clarified that any coupon payouts to be made to the debenture holders shall be subject to prior consent of the external third-party lender.
- (v) It is expected that the Company will not have the Distributable Cash Flows to service the debt for a period of up to 2 years from the date of issuance or any other period as may be decided by the Board of Directors of the Company (“**Initial Period**”). Accordingly, no coupon shall be accrued, due or payable to the OCD holders during the Initial Period.
- (vi) The OCD’s will carry a preferential right with respect to the payment of the coupon over the payment of dividends on Equity Shares. It is clarified that the OCD holders shall not be entitled to any dividends distributed to the shareholders of the Company.
- (vii) The coupon rate will be updated and amended by the Board of Directors of the Company post receipt of a benchmarking report.

6. **Payment terms**

- (i) After the Initial Period, once the coupon is accrued, due and payable as per Clause 5 above, such coupon shall be payable to the OCD holders within 15 business days.
- (ii) The coupon shall be paid subject to applicable withholding taxes under the IT Act. Withholding taxes shall be considered as a coupon distribution to the holders of OCD’s.

7. **No Encumbrance:** The OCDs are issued free of all encumbrances, together with all rights now or hereafter attaching thereto.

8. **Transferability:** The OCDs shall be freely transferrable and marketable subject to the transfer restrictions provided in the Agreement.

9. **Redemption:**



- (i) Unless converted or redeemed in accordance with the terms hereof and as provided in the Agreement, each OCD shall be mandatorily redeemed by the Company on the 1st (first) Business Day after the expiry of the Term (“**OCD Redemption Date**”). The obligation of the Company in respect of the OCDs shall be discharged on the OCD Redemption Date upon payment of the entire amount towards redemption including coupon payable by the Company to the registered holders of OCDs in terms of the Agreement and Article of Association of the Company. Such redemption shall be a valid discharge of the liability of the Company towards the holders of OCDs.
- (ii) No OCDs shall be redeemed prior to the expiry of the Term without the prior consent of the Investor. Further, the OCDs may be redeemed prior to the expiry of the Term at the sole discretion of the Investor, provided that the Investor has given a notice of 30 (thirty) Business Days to the Company and the Promoter, provided that such redemption is not prior to Second Closing Date.

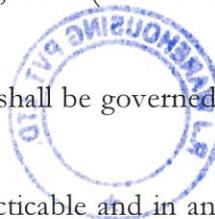
10. Conversion into Equity Shares:

- (i) At the option of the OCD holders, the OCDs may be fully convertible into Equity Shares by the Investor at or any time before completion of 9 (nine) years and 360 (three hundred and sixty days) from the date of allotment of OCDs in one or more tranches. At the same time of such conversion, an equivalent number of CCDs shall also be converted into Equity Shares.
- (ii) Each OCD shall be converted into 11 Equity Shares. If the OCDs are converted into Equity Shares prior to the OCD holders having a right to receive any coupon on the OCDs (as per Clause 5 above), the OCD holders shall not be entitled to any coupon on the OCDs.
- (iii) Notwithstanding anything contained in sub-paragraphs (i) and (ii) above, the conversion of OCDs into equity shares shall be subject to the prior approval of the Government of India as may be required under the Foreign Exchange Management (Non-Debt Instrument) Rules, 2019 (as amended, replaced or reissued from time to time).

11. Governing Law: The OCDs shall be governed and construed in accordance with the laws of India.

12. Registration: As soon as practicable and in any event no later than 2 (two) Business Days after the date of conversion of the OCDs, the Company will register the OCD holder as holder of the relevant number of Equity Shares in the Company’s register of members. The Company shall, in relation to the conversion of the OCDs into Equity Shares, make all necessary filings with the Ministry of Corporate Affairs within the timelines prescribed under Applicable Law.

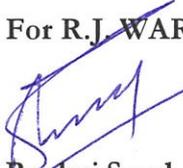
13. Compliance with Laws: The Company shall ensure that the issue, allotment, conversion and / or redemption of the OCDs are in accordance with all Applicable



Law, including but not limited to the provisions of the Companies Act. The Company shall obtain / file all relevant consents, approvals and authorizations, if any, that may be required for the issue, allotment, conversion and / or redemption of the OCDs, and shall within 5 (five) Business Days of conversion give copies thereof to the holder of the OCDs.

14. **Authority of Company to issue Equity Shares on Conversion:** If at any time the authorized share capital of the Company is not sufficient to effect the complete conversion of the then outstanding OCDs, the Company shall take all corporate actions as may be necessary to increase the Company's authorized share capital and to issue the Equity Shares to be issued pursuant to the conversion of OCDs including, without limitation, obtaining requisite shareholder approval(s) for necessary amendments to the Charter Documents of the Company and for issue of Equity Shares pursuant to conversion of the OCDs.
15. **Stamp Duty and Taxes**
- (i) The Company shall pay to the relevant authorities any applicable fees including stamp duty arising on conversion (consequent issue of Equity Shares), the issue and allotment of each Equity Share pursuant to conversion.
- (ii) All amounts payable by the Company under these terms of OCDs will be made after deduction for or on account of any Tax or levy, as applicable.
16. **Amendments:** Subject to Applicable Law, the rights, privileges and conditions attached to the OCDs and the Equity Shares (when issued) may be varied, modified or abrogated in accordance with the provisions of the restated Articles only with the prior written consent of the holders of the OCDs.

For R.J. WAREHOUSING PRIVATE LIMITED


Pankaj Sood
Authorised Signatory
Place: Gurugram
Date: 18th July, 2020

