

TERMS AND CONDITIONS OF OPTIONALLY CONVERTIBLE DEBENTURES

The issue of Optionally Convertible Debentures of the face value of Rs.10/- (Rupees Ten only) each (“**Debentures**”) of the aggregate principal amount of Rs. 7,50,00,000/-, optionally convertible into equity shares of 75,00,000 of Rs. 10/- each (“**the Company**”) is subject to following terms and conditions.

1. GENERAL TERMS AND CONDITIONS

1.1 Status

The Debentures constitute direct, unconditional, unsubordinated and unsecured obligations, of the Company and shall at all times rank *paripassu* and without any preference or priority among themselves and shall at all times rank equal with all other present and future direct, unconditional, unsubordinated and senior unsecured obligations of the Company (save for such exceptions as may be provided by mandatory provisions of Applicable Law). The Debentures are issued free of all Encumbrances, together with all rights now or hereafter attaching thereto.

1.2 Debenture Coupon

The Debentures shall not carry any interest/coupon rate.

1.4 Register of Debentures

- (a) Subject to any applicable requirements and procedures of the clearing systems and/or depositories, so long as any Debenture remains outstanding, the Company shall establish and maintain a register of debentures (“**Register**”).
- (b) The Register shall be located at the office of the Company and shall contain particulars of the Debentures from time to time in issue. The Company shall enter the particulars of the issue of the Debentures and of the relevant Subscribers on the Register.

1.5 Tenure

10 years from the date of allotment.

1.6 Variation of Rights of Debentures

The rights, privileges and conditions attached to the Debentures cannot be varied, modified or abrogated without the written consent of the Debenture holders and the Company.

2. CONVERSION / REDEMPTION OF DEBENTURES

2.1 Redemption

Each Debenture including part redemption shall be redeemable at the option of the holder any time before the expiry of the Tenure.

The redemption price of the debentures shall be higher of the following:

1. Face Value of Debentures plus redemption premium equal to 5% p.a. internal rate of return on the redemption amount from the date of allotment till the date of redemption.
2. Face Value of Debentures plus redemption premium which shall be equal to such % less 5% of profits of the Company as it would have been entitled to had the Debenture holder opted for full conversion of Debentures into equity shares of the Company.

2.2 Conversion

Each Debenture shall be convertible, at the option of the holder any time after 15 days but within 10 years from the date of allotment into Equity Shares of Rs. 10/- (Rupees Ten only) each of the Company.

The conversion ratio shall be based on the current valuation (as on the date of signing of the termsheet) of the Company.

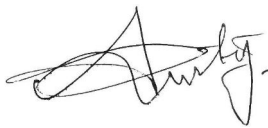
If the option of Redemption and/ or Conversion is not exercised or tenure extended by the debenture holder as mentioned above until the expiry of the Tenure, the Debentures shall be converted into equity shares at the expiry of the Tenure.

3. Compliance with laws

The Company shall ensure that the issue, allotment, conversion and redemption of the Debentures are in accordance with all Applicable Law, including but not limited to the provisions of the Companies Act, 2013. The Company shall obtain / file all relevant authorizations that may be required for conversion of the Debentures into Equity Shares.

For GRG Global Textiles Limited

For GRG Cotex Pvt. Ltd.



Arvind Kr. Tuteja
Director
DIN: 00103122



Yogesh Chander
Director
DIN: 07363592

TERMS AND CONDITIONS OF OPTIONALLY CONVERTIBLE DEBENTURES

The issue of Optionally Convertible Debentures of the face value of Rs.10/- (Rupees Ten only) each (“**Debentures**”) of the aggregate principal amount of Rs. 75,00,000/-, optionally convertible into equity shares of 7,50,000 of Rs. 10/- each (“**the Company**”) is subject to following terms and conditions.

2. GENERAL TERMS AND CONDITIONS

1.3 Status

The Debentures constitute direct, unconditional, unsubordinated and unsecured obligations, of the Company and shall at all times rank *paripassu* and without any preference or priority among themselves and shall at all times rank equal with all other present and future direct, unconditional, unsubordinated and senior unsecured obligations of the Company (save for such exceptions as may be provided by mandatory provisions of Applicable Law). The Debentures are issued free of all Encumbrances, together with all rights now or hereafter attaching thereto.

1.4 Debenture Coupon

The Debentures shall not carry any interest/coupon rate.

1.4 Register of Debentures

(b) Subject to any applicable requirements and procedures of the clearing systems and/or depositories, so long as any Debenture remains outstanding, the Company shall establish and maintain a register of debentures (“**Register**”).

(b) The Register shall be located at the office of the Company and shall contain particulars of the Debentures from time to time in issue. The Company shall enter the particulars of the issue of the Debentures and of the relevant Subscribers on the Register.

1.5 Tenure

10 years from the date of allotment.

1.6 Variation of Rights of Debentures

The rights, privileges and conditions attached to the Debentures cannot be varied, modified or abrogated without the written consent of the Debenture holders and the Company.

2. CONVERSION / REDEMPTION OF DEBENTURES

2.1 Redemption

Each Debenture including part redemption shall be redeemable at the option of the holder any time before the expiry of the Tenure.

The redemption price of the debentures shall be higher of the following:

3. Face Value of Debentures plus redemption premium equal to 5% p.a. internal rate of return on the redemption amount from the date of allotment till the date of redemption.
4. Face Value of Debentures plus redemption premium which shall be equal to such % less 5% of profits of the Company as it would have been entitled to had the Debenture holder opted for full conversion of Debentures into equity shares of the Company.

2.2 Conversion

Each Debenture shall be convertible, at the option of the holder any time after 15 days but within 10 years from the date of allotment into Equity Shares of Rs. 10/- (Rupees Ten only) each of the Company.

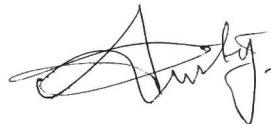
The conversion ratio shall be based on the current valuation (as on the date of signing of the termsheet) of the Company.

If the option of Redemption and/ or Conversion is not exercised or tenure extended by the debenture holder as mentioned above until the expiry of the Tenure, the Debentures shall be converted into equity shares at the expiry of the Tenure.

3. Compliance with laws

The Company shall ensure that the issue, allotment, conversion and redemption of the Debentures are in accordance with all Applicable Law, including but not limited to the provisions of the Companies Act, 2013. The Company shall obtain / file all relevant authorizations that may be required for conversion of the Debentures into Equity Shares.

For GRG Global Textiles Limited



Arvind Kr. Tuteja
Director
DIN: 00103122

For Silver Angel Impex Ltd.



Manoj Kumar
Director
DIN: 08816604s

