

## SUMMARY TERM SHEET

<b>Security Name</b>	8.15% Piramal Enterprises Limited
<b>Issuer</b>	Piramal Enterprises Limited (the "Company" / the "Issuer")
<b>Type of Instrument</b>	Rated, Listed, Redeemable Non-Convertible Debentures
<b>Nature of Instrument</b>	Secured
<b>Seniority in case of Secured</b>	Senior, on pari passu basis with current and future secured security holders
<b>Mode of Issue</b>	Private placement
<b>Eligible Investors</b>	<ul style="list-style-type: none"> <li>• Companies and bodies corporate including public sector undertakings</li> <li>• Scheduled commercial banks</li> <li>• Non-Banking Finance Company</li> <li>• Mutual Funds</li> <li>• Urban / Central / State / District / Primary Co-operative Banks</li> <li>• Regional rural banks</li> <li>• Financial institutions including development financial institutions</li> <li>• Insurance companies</li> <li>• Foreign Institutional Investors</li> <li>• Other Government / Non-Government Agencies / Boards / Institutions</li> <li>• Any other investor(s) authorised to invest in these Debentures, subject to the compliance with the relevant regulations/guidelines applicable to them for investing in this Issue.</li> </ul>
<b>Listing</b>	<p>The NCDs are proposed to be listed on WDM segment of NSE.</p> <p>The Company shall forward the listing application to the NSE along with the applicable disclosures within 15 (Fifteen) days from the deemed date of allotment.</p> <p>In case of delay in listing beyond 20 (Twenty) days from the Deemed Date of Allotment, the Company will pay penal 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.</p>
<b>Rating of the Instrument</b>	ICRA Limited has assigned "AA" (Pronounced as Double A) with stable outlook to the long term non-convertible Debenture issue programme of the Company.

<b>Issue Size</b>	Rs. 400 crores.
<b>Option to retain oversubscription (Amount)</b>	Option to retain over-subscription of Rs. 200 crores aggregating the total issue to Rs. 600 crores.
<b>Objects of the Issue</b>	General corporate purposes
<b>Details of the utilization of the Proceeds</b>	The proceeds of the Issue would be utilised by the Company, <i>inter alia</i> , for general corporate purposes of the Company.
<b>Interest/Coupon Rate</b>	8.15%
<b>Step Up/Step Down Coupon Rate</b>	N.A.
<b>Coupon Payment Frequency</b>	Annually
<b>Coupon payment dates</b>	15 June 2018, 14 June 2019
<b>Coupon Type</b>	Fixed
<b>Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.).</b>	N.A.
<b>Day Count Basis</b>	Actual/ Actual
<b>Interest on Application Money</b>	In case Deemed Date of Allotment is different from Pay in Date, the Company shall be liable to pay to the Debentureholders 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.
<b>Default Interest Rate</b>	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.
<b>Issue Timing</b>	Tranche Opening Date: 14 June 2017 Tranche Closing Date: 15 June 2017 Pay-in Date: 15 June 2017 Deemed Date of Allotment: 15 June 2017



<b>Tenor</b>	729 days
<b>Redemption Date</b>	14 June 2019
<b>Redemption Amount (Principal)</b>	Rs. 10,00,000/- (Rs. Ten Lakhs Only) per debenture
<b>Redemption Premium / Discount</b>	Nil, redemption at par
<b>Issue Price</b>	At par, i.e. Rs. 10,00,000/- (Rs. Ten Lakh only) per Debenture
<b>Put Date</b>	N.A.
<b>Put Price</b>	N.A.
<b>Call Date</b>	N.A.
<b>Call Price</b>	N.A.
<b>Put Notification Time</b>	N.A.
<b>Call Notification Time</b>	N.A.
<b>Rollover Option</b>	N.A.
<b>Face Value</b>	Rs. 10,00,000/- (Rs. Ten Lakh only) per Debenture
<b>Minimum Application and multiples of debt securities thereafter</b>	10 Debentures and in multiples of 1 Debenture thereafter
<b>Issuance mode of the Instrument</b>	Demat only
<b>Trading mode of the Instrument</b>	Demat only
<b>Settlement mode of the Instrument</b>	Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT / RTGS / other permitted mechanisms
<b>Depository(ies)</b>	NSDL / CDSL
<b>Business Day</b>	Means a day from Monday to Friday excluding a bank holiday in Mumbai where any payment/repayment is to be made or received in accordance with the terms of any of the Transaction Documents.
<b>Business Day Convention</b>	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

	<p>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>
<b>Record Date</b>	<p>15 (Fifteen) days prior to any Due Date.</p> <p>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.</p>
<b>Security</b>	<p>The NCDs being issued under this Disclosure Document, shall be secured through a first <i>pari passu</i> charge by hypothecation over the identified Receivables and a first ranking <i>pari passu</i> mortgage over Specifically Mortgaged Premises or such other property as may be identified by the Company as set out in the Debenture Trust Deed and the Deed of Hypothecation each dated 15th November 2016.</p> <p>The Company shall maintain security cover of at least one times of the entire redemption amount throughout the tenure of the NCDs.</p> <p>Under no circumstances will such receivables include those assets wherein the scheduled repayment is overdue for (i) more than 120 (One hundred twenty) days; or (ii) the number of days required to categorize the asset as a non-performing asset under RBI guidelines for non-banking financial companies, whichever is lower.</p>
<b>Transaction Documents</b>	<p>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</p>
<b>Conditions Precedent to Disbursement</b>	<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"> <li>1. Execution of Disclosure Document</li> <li>2. Obtaining Rating Letter(s)</li> <li>3. Obtaining Debenture Trustee Consent</li> </ol>
<b>Condition Subsequent to Disbursement</b>	<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"> <li>1. Issue of Letter of Allotment</li> <li>2. Issue of Debentures in Dematerialised form</li> </ol>



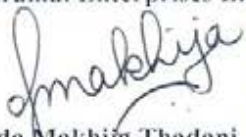
<b>Events of Default</b>	<p>The Debenture Trust Deed and the Deed of Hypothecation contains an exhaustive list of events which may, at the end of cure period (if applicable), constitute events of default. However, an indicative list of the events of default is provided below:</p> <ul style="list-style-type: none"> <li>• If the Company makes default in payment of the Redemption Amount or any other Payment due in respect of any of the Debentures which ought to have been paid in accordance with the terms of this DD and other Transaction Documents, the same shall be deemed to be an Event of Default; subject to a cure period of 2 business days for technical defaults.</li> <li>• Cessation of the business of the Issuer which leads to a Material Adverse Effect;</li> <li>• Winding up/ Bankruptcy proceedings initiated with respect to the Issuer;</li> <li>• Misleading information or warranties in material respect by the Issuer (subject to cure period);</li> <li>• Appointment of receiver/ liquidator of all or a substantial part of the undertaking of the Issuer unless the appointment has been stayed/vacated/dismissed within 60 business days.</li> <li>• Fall in the stipulated minimum security cover (subject to cure period);</li> <li>• Promoter Group ceasing to maintain Control or hold at least 26% of equity shareholding in the Issuer on a fully diluted basis.</li> </ul> <p>Control means (i) the right to appoint majority of the directors; and (ii) to control the management or policy decisions; exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner. Provided that a director or officer of a company shall not be considered to be in control over such company, merely by virtue of holding such position.</p> <ul style="list-style-type: none"> <li>• Resignation of Mr. Ajay Piramal and not reappointed within a period of 15 days of such resignation;</li> <li>• Breach of any covenants (subject to the cure period);</li> <li>• Levy of attachment/ distraint on the security or any part thereof;</li> </ul> <p>As further provided in the Debenture Trust Deed and the Deed of Hypothecation.</p>
<b>Provisions related to Cross Default Clause</b>	<p>When the Company being in default of its obligation to pay the amount above Rs. 50 crores in respect of any of its financial indebtedness when due and fails to cure such default within a maximum period of 15 (fifteen) days from the scheduled date for making such payment;</p>

<b>Covenants in the event of Demerger applicable for secured NCDs</b>	<p>In the event of a restructuring or Demerger of the Company which is duly approved by the relevant statutory bodies and other stakeholders of the Company and which results in the carving out of one or more separate (listed) entities ("Resulting entity" / "Resulting entities"), then:</p> <ol style="list-style-type: none"> <li>The Secured Debenture Holder(s) subscribing to / holding Debentures issued pursuant to this Disclosure Document, give their upfront consent to release the security given under this Disclosure Document.</li> <li>Prior to the Demerger being effective, the Debenture Holder(s) subscribing to / holding Debentures issued pursuant to this Disclosure Document would have an option to give their consent for the NCDs to be transferred / to be retained, in the entity, where it is intended that the financial services lending book offered as security to the NCDs holders will be held. Upon such consent from the Debenture holder(s) being received, the Company can transfer / retain the NCDs in either under the Demerged entity or the Resulting entity (or any of the Resulting entities, if there are more than one Resulting entities) depending on where the financial services lending book offered as security to the NCDs is transferred/held.</li> <li>If any Debenture-holder does not give consent to transfer the NCDs to the financial services entity or any other Resulting Entity, then the Company/issuer shall have an option to arrange an alternative security equivalent to the outstanding principal amount of the Debentures acceptable to the Security Trustee. If an alternative security cannot be arranged, then each of the Debenture-holders shall have the option to continue with the NCDs as unsecured for the balance tenure or shall require the Issuer to redeem the NCDs prior to the demerger being effective or the stated Redemption Date whichever is earlier, at par along with the accrued interest payable on the NCDs, without payment of any prepayment penalty.</li> <li>Further, the issuer undertakes that the corporate status of the Issuer, post the restructuring or demerger of the Company, in which the Debenture Holder(s) (subject to their consent as per the above b clause) continue to hold Debentures issued pursuant to this Disclosure Document, will be retained as a "Corporate Entity" not being classified as "Non Banking Financial Company (NBFC)" or a</li> </ol>
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	<p>“Financial Institution” else the debenture holder(s) shall have the option to exercise early redemption of the debentures prior to the stated redemption date, at par, along with the accrued interest payable on the debentures, without any prepayment penalty.</p> <p>In case the Debentures are transferred to a new entity, all the covenants, representations, warranties, terms and conditions of the transaction documents shall also be applicable to the new entity and suitable documentation to the satisfaction of debenture holders shall be executed.</p>
<b>Role and Responsibilities of Debenture Trustee</b>	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.
<b>Governing Law and Jurisdiction</b>	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 Mumbai.
<b>Additional covenants in the event of private placement</b>	<p>1 Security Creation (where applicable): In case of delay in execution of Debenture Trust Deed beyond 3 (Three) months of the closure of the issue in respect of the Debentures, the Company will refund the subscription with agreed rate of interest or will pay default/additional interest of at least 2% p.a. over the coupon rate till these conditions are complied with at the option of the investor.</p> <p>2 Default in Payment: In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of 2% p.a. over the coupon rate will be payable by the Company for the defaulting period</p> <p>The interest rates mentioned in above cases are the minimum interest rates payable by the Company and are independent of each other</p>

For Piramal Enterprises Limited

  
 Chanda Makhija Thadani  
 Assistant Company Secretary

