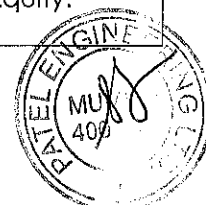


**Term Sheet - Optionally Convertible Debenture - Tranche 9 (OCD 9)**

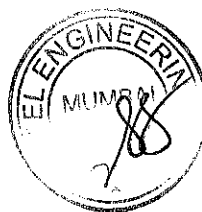
Instrument	Optionally Convertible Debenture Tranche 9 (OCD 9)											
Amount	₹ 34.90 Crs											
Coupon rate	0.01% p.a.											
Interest Rate	The OCDs shall have a coupon @ 0.01% p.a. payable annually on 31st March of each year from August 08, 2017. The OCDs shall also have a Yield to Maturity (YTM) @ 7.00% p.a. (including coupon). YTM shall be paid along with principal instalment payment. In case of prepayment, YTM shall be calculated on the amount prepaid for the tenure from the Date of Allotment till the date of prepayment.											
Cut off date	August 08, 2017											
Tenor	10 years											
Repayment schedule	<p>Payment of installments of OCD 9 will be due as follows:</p> <table><tr><td>At the end of year 6</td><td>5.00%</td></tr><tr><td>At the end of year 7</td><td>20.00%</td></tr><tr><td>At the end of year 8</td><td>25.00%</td></tr><tr><td>At the end of year 9</td><td>25.00%</td></tr><tr><td>At the end of year 10</td><td>25.00%</td></tr></table> <p>The years will be counted from the cut off date.</p>		At the end of year 6	5.00%	At the end of year 7	20.00%	At the end of year 8	25.00%	At the end of year 9	25.00%	At the end of year 10	25.00%
At the end of year 6	5.00%											
At the end of year 7	20.00%											
At the end of year 8	25.00%											
At the end of year 9	25.00%											
At the end of year 10	25.00%											
Security	<p>As per Annexure.</p> <p>Security will have to be created within 180 days from the date of subscription to OCD-9</p>											
Prepayment	Any cash inflow in excess of 125% (one hundred and twenty five percent) of the Projected EBITDA in any Financial Year shall be utilized by the Company to prepay the Secured Obligations.											
Condition for conversion	<p>The Debenture Holders will have a right to convert all of its outstanding Debentures into issued, fully paid up and voting equity shares of the Issuer in case of an Event of Default.</p> <p>Debenture holders will have a right to convert up to a period of 18 months as per SEBI ICDR guidelines. The conversion option is available only for 18 months, whereas the tenure of proposed OCD is 10 years. In light of SEBI restriction, it is proposed that any one the following treatment would be given to the OCD after expiry of 18 months subject to approval of RBI and/or SEBI</p> <p>a) The conversion option will be extended for the complete tenure of 10 years.</p> <p>b) The conversion option will be rolled over after 18 months.</p> <p>c) The OCD will be converted into NCD with clauses, entitling Lenders to convert defaulted amount into Equity.</p>											

REGD. OFFICE :

Patel Estate Road, Jogeshwari (W), Mumbai - 400 102. India  
Phone +91 22 26767500, 26782916 • Fax +91 22 26782455, 26781505  
E-mail headoffice@pateleng.com www.pateleng.com



	<p>In case of any event of default or default of payment of Part A or Part B by the Company, the holders of OCD will be entitled to apply, on the date, which shall be any date on or after the date of occurrence of any event of default or default of payment of Part A or Part B debt by the Company as specified in the S4A Information Memorandum but before the expiry of 18 (eighteen) months (or such other date as may be extended by RBI and/or SEBI) from the date of allotment of such OCD ("Entitlement Date"), subject to the continuation/ subsistence of the event of default or default of payment of Part A or Part B debt by the Company due to the respective debenture holder as per S4A Scheme as on the Entitlement Date, for such number of fully paid equity shares of the Company of face value Re. 1/- each, at an issue price (including premium) as on the Relevant Date (which shall be) 30 days prior to the Entitlement Date, being the price determined in accordance with Regulation 71(b) read with Regulation 76 of Chapter VII of the SEBI ICDR Regulations.</p>
Conversion price	As per extant guidelines
Recompense	<ol style="list-style-type: none"> <li>1. The lenders shall be eligible to recover recompense (recouping the sacrifice made by the lenders on account of waivers/ concessions/ relief's given by the lenders) from the company.</li> <li>2. The recompense clause can be invoked by the JLF in the event the average EBIDTA for two consecutive years is more than 125% of the projected EBIDTA, or if the company declares dividend or if the company get any windfall profit/ derived from sale of assets/divestment/success in litigation etc.</li> </ol>
Debenture trustee	As per extant guidelines, a SEBI registered security trustee will have to be appointed as debenture trustee.



# Details of Securities – Tranche 9

Tranche	Security/ Contractual Comforts	Security Provider/ Contractual Comfort Provider	Ranking	Security Documents	Secured Parties
Tranche 4:	(i) Charge by way of mortgage on the Whitefield Property	Rupen Pravin Patel	Exclusive charge for the Debenture Holder holding Debentures issued under the Tranche 9	Whitefield Property Mortgage Documents	Debenture Trustee and the Debenture Holders holding Debentures issued under the Tranche 9
	(ii) Charge by way of mortgage on the Hyderabad Flat Property	Rupen Pravin Patel	Exclusive charge for the Debenture Holder holding Debentures issued under the Tranche 9	Hyderabad Flat Property Mortgage Documents	Debenture Trustee and the Debenture Holders holding Debentures issued under the Tranche 9
	(iii) pledge of 10% (ten percent) of the total paid up equity shares of the Company.	Pledgors II	First <i>pari passu</i> for the benefit of the Debenture Holders holding Debentures issued under the Tranche 9 <i>Pari passu</i> with the other Debenture Holders and the lenders of the Part A Debt	Pledgors II Share Pledge Agreements	Debenture Trustee and the Debenture Holders holding Debentures issued under the Tranche 9

