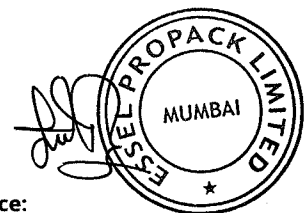




Indicative Terms and Conditions

Security Name	EsseL NCD2020
Issuer	EsseL Propack Limited
Type of Instrument	Unsecured Rated Redeemable Non Convertible Debentures (NCDs)
Nature of Instrument	Unsecured Rated Redeemable Non Convertible Debentures (NCDs)
Eligible Investors	<ol style="list-style-type: none"> 1. Commercial Banks; 2. Companies and Bodies Corporate including Public Sector Undertakings; 3. Mutual Funds; 4. Financial Institutions; 5. Insurance Companies; 6. Provident Funds; 7. Gratuity Funds; 8. Pension Funds; 9. SEBI registered foreign institutional investors; 10. Any other investors authorized to invest in these Debentures
Promoters	Mr. Ashok Goel, His family members and family trust
Instrument	Unsecured, Rated, Listed, Redeemable, Non-Convertible Debentures (NCD)
Promoters Group	Promoters and their affiliates.
Seniority	Senior
Mode of Issue	Private Placement
Listing (include name of stock exchanges where it will be listed and timeline for listing)	<p>NCDs will be listed on BSE Limited in Wholesale Debt Market (WDM) segment</p> <p>The Company shall file listing application within fifteen days from the Date of Allotment of NCDs.</p>
Issue Size	Rs. 500,000,000/- (Rupees Fifty Crores Only)
Objects of the issue	To refinance existing debt

**ESSEL PROPACK LIMITED**

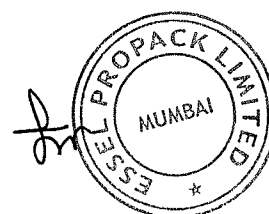
Top Floor, Times Tower, Kamala City
 Senapati Bapat Marg, Lower Parel
 Mumbai 400 013, India
 T : +91-22-2481 9000 / 9200
 F : +91-22-2496 3137 | www.esselpropack.com

Registered Office:

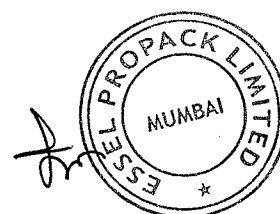
P. O. Vasind
 Taluka Shahpur
 Dist. Thane, Maharashtra 421 604, India

CIN: L74950MH1982PLC028947

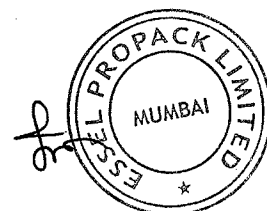
Rating of the Instrument	CARE AA
Option to retain oversubscription (Amount)	N.A.
Details of utilization of the proceeds	The funds raised through this Issue will be used for refinancing of existing debt
Issuing Date	December 21, 2017
Issue closing Date	December 21, 2017
Pay-in date	December 21, 2017
Deemed Date of Allotment	December 21, 2017
Interest Payment Date	Annually and at maturity
Interest Reset Dates	One business day prior to the Interest Payment Date. However the first reset would be one day prior to Deemed Date of Allotment.
Coupon Rate	Coupon will be computed as Margin over Reference Rate
Margin	145 bps
Reference Rate	<p>1 year Treasury Bill YTM rate ("Rate") as published on Reuters Page O#INFIMTBBMK</p> <p>In case of non-availability of the Rate from Reuters, the Issuer and the Debenture Trustee (acting on behalf of the investors) shall mutually agree to obtain the Rate from an alternate source as soon as practicable or at the latest within one Business Days of the respective Interest Reset Date.</p> <p>In case the Issuer and the Debenture Trustee (acting on behalf of the investors) cannot mutually agree to obtain the Rate as described above, then the NCDs shall be prepaid on the sixth Business Day calculated from the respective Interest Reset Date utilizing the Rate as published on Reuters Page O#INFIMTBBMK= as on the last Interest Reset Date preceding the non-availability of the Rate.</p>
Coupon payment frequency	Annual
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc)	Coupon will be reset annually and will be linked to Reference Rate as defined above. The Margin will remain constant during the Tenor of the Instrument
Coupon Types	Simple interest, payable annually
Coupon Payment Dates	December 21, 2018; December 21, 2019 and December 21, 2020



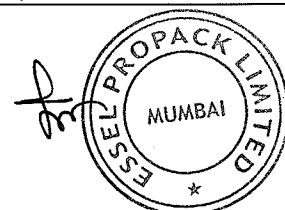
Day Count Basis	Actual / Actual
Interest on Application Money	Not Applicable
Default Interest	2% (two percent) per annum
Tenor / Redemption	36 months from the Deemed Date of Allotment
Issuance Mode	Demat mode only
Redemption Date	December_21, 2020
Redemption Amount	INR 500,000,000 /-
Redemption Premium/ Discount	N.A.
Issue Price	INR 1,000,000 / - per NCD
Discount at which security is issued and the effective yield as a result of such discount	N.A.
Put Date	N.A.
Put Price	N.A.
Call Date	N.A.
Call Price	N.A.
Put Notification Time	N.A.
Call Notification Time	N.A.
Face Value	Rs. 1,000,000 per NCD
Trading Mode of the Instrument	Demat mode only
Minimum Application and in multiples of debt securities thereafter.	10 Debentures and multiples of 1 thereafter
Transaction Documents	Information Memorandum, Debenture Trust Deed, Debenture Trustee Appointment Letter/ Agreement
Settlement Mode	RTGS/NEFT
Depository(ies)	National Securities Depository Limited & Central Depository Services (India) Limited
Record Date	15 calendar days prior to each coupon payment date



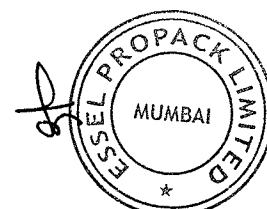
<p>Security (including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)</p>	<p>NCDs are Unsecured and Issuer / Company will not create any security or charge on assets of the Company or otherwise.</p>
<p>Covenants</p>	<p>Customary for transaction of this nature and other appropriate clauses in opinion of the Investor for this transaction, including but not limited to the following:</p> <p>Financial Statements as submitted to Stock Exchange to be provided on quarterly basis;</p> <p>Affirmative and Negative covenants (on a repeating basis), as appropriate <i>(including but not limited to</i></p> <p>(a) utilization of proceeds of the Instruments for the purpose stated in the IM/ DTD,</p> <p>(b) provide access to the Issuer's books and records to the Debenture Trustee</p> <p>(c) paying all stamp duty and registration fees in connection with the issuance of the instruments and any related document</p> <p>(d) no material pending or threatened investigation, litigation or proceeding</p> <p>(e) Collateral of Fixed Assets if any provided to other Investors/Lenders for all future borrowings excluding current secured working capital limits of Rs. 150 crores , to be shared on pari passu basis with Investor;</p> <p>(d) no securitization/ assignment of any rights and/or liabilities under the transaction documents without prior consent of the Investor;</p> <p>(e) no MAE has occurred or is continuing</p> <p>(f) not appoint of any person as a director by the Issuer on its Board who appears in the list of wilful defaulters issued by RBI or CIBIL.</p>



Ownership Covenant	<p>Change of Control occurs upon any of these events:</p> <ul style="list-style-type: none"> Any shareholder or third party holds equity stake more than existing Promoters and the Promoters Group; or Existing Promoters don't control management and Board of the Issuer. <p>If Change of Control Event occurs, the Investor(s) shall have an option to recall the NCD</p>
Rating Covenant	<p>If the credit rating of the NCDs by CARE goes to A or below, investors shall have an option to accelerate the NCDs.</p>
Debenture Trustee	<p>Axis Trustee Services Limited</p>
Role and Responsibilities of the Debenture Trustee	<p>In terms of the agreement entered into with the debenture trustee i.e. Axis Trustee Services Limited, which copy of the original document is available for inspection.</p> <p>The Trustees shall perform its duties and obligations and exercise its rights and discretions, in keeping with the Trust Reposed in the Trustees by the holder(s) of the Debentures and shall further conduct itself and comply with the provisions of all applicable laws provided that, the provisions of Sec. 20 of the Indian Trusts Act, 1882 shall not be applicable to the Trustees.</p> <p>The Trustees shall be vested with the requisite powers for protecting the interest of holder(s) of the Debentures.</p> <p>The Trustees shall be obliged to share the information submitted by the Issuer with all debenture holder(s) within seven working days of their specific request.</p>
Conditions precedent to the Disbursement	<p>The Issuer shall ensure that all the consents and resolutions required to issue the NCDs are in place prior to the issue. The Issuer shall also ensure that all regulations pertaining to the NCD issuance are complied with. Further the Issuer also undertake to ensure that the Transaction Documents (especially the Information Memorandum and the Debenture Trust Deed) shall be in the form and manner and shall include all terms and conditions satisfactory to the Debenture Trustee/ Investor(s).</p> <p>The Issuer shall also ensure that the following main documents are in place as condition precedent to the Disbursement:</p> <ul style="list-style-type: none"> Information memorandum (complying with SEBI disclosures) and certified by the Issuer incorporating the PAS 4 requirements arising from Companies Act, 2013. Debenture Trustees' consent/ appointment letter Duly executed Initial Debenture Trustee Agreement Deed Any No-objection certificates required; Certified true copy of the board resolution pursuant to Section 179 and any other applicable sections of the Companies Act, 2013 dated 7th November authorising the Company inter alia to (i) issue the Debentures; (ii) execute the Transaction Documents and undertake the obligations stipulated therein;



	<ul style="list-style-type: none"> • Certified true copy of the extract of the shareholders resolution dated 30th September 2014 passed in accordance with Section 180(1)(c) of the Companies Act, 2013 • Certified true copy of the extract of the shareholders resolution passed on 12th December 2017, in accordance with the Section 42 of the Companies Act, 2013 <p>Any other documents as per the requirement of the Debenture Trustee for the issuance of the NCDs</p>
<p>Conditions Subsequent to Disbursement</p>	<p>As is customary for a transaction of this nature, including but not limited to the following to be provided within 30 days of Disbursement:</p> <ol style="list-style-type: none"> a) allotment of Debentures and credit of Debentures in Investor's demat account; b) Duly stamped and executed Debenture Trust Deed; c) Any filings with the Registrar of Companies; d) a confirmation from the Debenture Trustee that there is a physical jumbo debenture certificate for the issuance which has been duly stamped and cancelled for dematerialization; and e) Such other documents as mutually agreed by and between the Company and the Debenture Trustee.
<p>Approvals</p>	<p>The Issuer and Investor agree to comply with all applicable rules and regulations in respect of the transaction. The Issuer and Investor will be responsible for taking all the necessary authorizations and / or approvals internal, external regulatory, statutory or otherwise.</p>
<p>Financial Covenants</p>	<p>Issuer to maintain following covenants at all times during the tenor of the Instruments and will be tested semi-annually the most recent consolidated financial statements of the Borrower according to Indian GAAP on trailing twelve months</p> <ol style="list-style-type: none"> (a) Leverage Ratio: (Total Debt) / (EBITDA) shall not be higher than 2.5 times; (b) Debt Service Cover Ratio: (EBITDA – current cash taxes) / (Debt Service) shall not be lower than 1.2 times <p>"Total Debt" means all term debt and working capital debt, whether secured or unsecured) plus bills discounted plus optionally convertible bonds if any plus preference capital if the redemption falls during, which would be repaid during tenor of the Instrument.</p> <p>"EBITDA" mean profit after tax as increased by finance cost, depreciation, amortization and tax; and reduced by exceptional items</p> <p>"Debt Service" means, sum of aggregate amount of interest paid under all borrowings and principal amount of borrowings due excluding any</p>



	<p>prepayment amounts.</p> <p>For the purpose of Debt Service, interest paid and principal amount of borrowings due will be based on trailing twelve months from the date of testing.</p>
Events of Default	<p>Upon the occurrence of an Event of Default the investors will be entitled to demand a redemption / repayment or to accelerate the financing. Event of default shall include EODs customary to transaction of this nature including but not limited to the following:</p> <ol style="list-style-type: none"> 1. Failure to pay any amounts due under the NCDs; 2. Failure to perform under any Covenants or breach of, Representations and Warranties of the Transaction Documents unless otherwise agreed/ consented to by the Debenture Trustee therein; 3. Failure to pay a final judgment or court order; 4. The occurrence of Material Adverse Effects 5. Insolvency, winding up, or the cessation of business of Issuer; 6. Cross Default and Cross Acceleration on standalone basis; <p>There shall be 30 days cure period for EOD prelisted in point (2) and point (6)</p>
Consequences of Event of Default	<p>The consequences of default will, include but not be limited to the following:</p> <ul style="list-style-type: none"> • Acceleration of all outstanding dues, cancellation of total Issue and enforcement of Security (if any) / Guarantee • Enforce its right under the Transaction Documents • Charge Default Interest; it is clarified that the default interest shall be charged from the date of occurrence of event of default irrespective of the same being declared by the Investor(s) till such date the default subsists Any cost incurred in relation to any of the above shall be borne by Issuer
Other Cost & expenses	<p>All other cost & expenses including stamp duty, registration fees (if applicable), Trustee fee, Registrar fee, to be borne by Issuer.</p>
Business Day Convention	<p>For Redemption Date, falling on day which is not a Business Day, the immediately preceding Business Day shall be considered as the effective date.</p> <p>Interest Payment Date, falling on day which is not a Business Day, the immediately next Business Day shall be considered as the effective date.</p>



	In the event the Redemption Date is the same as the last Interest Payment Date, the Business Day convention applicable to Redemption Date will be considered.
Material Adverse Effect	<p>The effect of consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination or could be expected to cause a material and adverse effect on the performance of its obligations relating to the Instruments in the following cases:</p> <ol style="list-style-type: none"> 1. The ability of the Issuer to perform their obligations under the Transaction Documents 2. The validity or enforceability of, or the effectiveness of any Transaction Documentation
Governing Law and Jurisdiction	The NCDs are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of courts and tribunals of Mumbai.

For Essel Propack Limited



Suresh Savaliya
Head - Legal & Company Secretary

