

Prudent ARC Limited

R.O. 611, SIXTH FLOOR, D- MALL, NETAJI SUBHASH PALACE, NEW DELHI 110034

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CIN: U74900DL2011PLC225445

TERM SHEET

1. PARTICULARS OF THE OFFER:

Date of passing of Board Resolution	17 th June, 2021
Date of passing of resolution in the general meeting, authorizing the offer of securities	22 nd June, 2021
Date of Passing Committee Resolution	02nd September, 2021
Kinds of securities offered (i.e. whether share or debenture) and class of security	Unlisted, Unsecured, Redeemable, Optionally Convertible Debentures (OCDs) (INR denominated Non-Cumulative)
Price at which the security is being offered including the premium, if any, alongwith justification of the price	The Debentures are being offered at face value of Rs. 1,00,00,000/- (Rupees One Crore) per Debenture.
Name and address of the valuer who performed valuation of the security offered	Not Applicable as the OCDs are being offered on face value of Rs. 1,00,00,000/- (Rupees One Crore) only per Debenture.
Amount which the company intends to raise by way of securities	Rs. 4 Crore out of total approved amount of Rs. 200 Crore.
Minimum Application	The minimum application shall not be less than 1 (One) Debentures and in multiples of 1 debentures thereafter.
Terms of raising of securities;	
a. Duration	10 Years from the Date of Allotment.
b. Rate of Interest	0.01% per annum from the Date of Allotment (Payable on Yearly interval on the last date of the Financial Year) on pro rata basis.
c. Mode of Payment	Cheque(s)/Demand Draft/ Electronic Clearing Services (ECS), Credit through RTGS System/Fund transfer
d. Redemption	At face value of OCD
e. Redemption Premium /Discount	Nil
f. Repayment	Cheque(s)/Demand Draft/ Electronic Clearing Services (ECS), Credit through RTGS system/ Fund transfer
Proposed time schedule for which the offer letter is valid;	Offer will remain open till 31 st March 2022 from the date of Circulation *which will be considered complete earlier also on receipt of request for closure by proposed investor or on receipt of Complete Amount of issue in lump sum or in parts and can be further extend by the Board if thought fit.
Purposes and objects of the offer	1- to make investments in various Trust and for further growth opportunities of the Company, to finance the working capital need and to make other investments as per provisions of SARFAESI Act 2002 read with RBI guidelines, Rules and Regulations for Asset reconstruction Companies as amended from time to time 2- To redeem back the optionally/compulsory convertible Preference Shares of the Company by repaying the amount due to the optionally convertible Preference shares holders. 3- For other corporate purposes as may be deem fit.

Principle terms of assets charged as security, if applicable	Not Applicable
contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects	Nil
Transferability of Security	Subject to the applicable Acts, Rules, Regulations and Guidelines, OCDs will be transferable with the approval of Board of Directors of the Company.
Duration of conversion	The said OCD can be converted into Equity of the Company at the end of the tenure of Debenture i.e 10 Years(Ten Years)commencing from the date of Allotment if not redeemed back by the Company. The Debentures shall be in Lock-in period for One Year from the date of Allotment subject to the term of issue as per the agreement
Rate of Conversion	On expiry of 10 year term if not redeemed back by the Company - Maximum 10000 Equity Shares (Rs. 10 Face Value Rs 990 Premium) per Debenture or any lower number of Equity Shares as may be calculated as per the prevailing rate at the time of Conversion as per the applicable law.
Partial Redemption	Yes (anytime after one year) as and when funds are available with company to redeem
Series (if any) (Provide No.)	PARC-OCD-02/2021-22
Nature and Rate of Preference Share	Unlisted Unsecured 0.01 % Optionally Convertible Non Cumulative Redeemable Debenture
Terms of Issue	Company has proposed to issue 0.01% optionally Convertible Non cumulative Debenture having face value of Rs 1,00,00,000 each (One Crore) to proposed allottee with Call Option to the Management to redeem/repay such debt any day after the completion of full one year but any day before completion of 10 years (I,e before expiry of term) if not redeemed/repaid than option to get the OCD converted into Equity as per the process mentioned in above column for Rate of Conversion shall be followed.
RBI COMPLIANCE	OCD when converted into shares , the Proposal shall be subject to RBI, Regulatory approvals and other applicable laws at the time of conversion. Allottee shall submit necessary documents to comply with regulatory guidelines and cooperate in Compliance of all regulatory requirements as and when sought from Investor. As a corollary to the above, if RBI or any other Regulatory Law does not permit the Allottee then Company is liable to return back the Investment totally to Investor
Bank Account Details for Subscription Amount	Name of Holder: Prudent ARC Limited A/c No.:- 36975384526 IFCI: SBIN0004381 Branch: SME Branch Netaji Subhash Place