

TERMS AND CONDITIONS

The NCDs shall be issued on the terms and conditions contained in this Annexure (“**Terms and Conditions**”). Capitalised terms not defined in this Annexure shall have the meaning given to such term in the Debenture Trust Deed.

I.	Type of Instrument	Unlisted, senior, secured, redeemable, non-convertible debentures
II.	Face Value	INR 10,00,000 (Indian Rupees Ten Lakhs only)
III.	Issue Size and Issue Price	NCDs consisting of 250 unlisted, senior, secured, redeemable, non-convertible debentures issued at INR 10,00,000 (Indian Rupees Ten Lakhs) each, aggregating up to INR 25,00,00,000 (Indian Rupees Twenty Five Crores only)
IV.	Tenor	The tenure of the NCDs will be 48 (forty eight) months from the Reference Date
V.	Coupon and Additional Coupon	<p>Coupon:</p> <p>On and from the Deemed Date of Allotment coupon shall be payable on the outstanding Investment Amount at the rate of 6.00% (six percent) per annum until the Final Settlement Date (“Coupon”).</p> <p>Additional Coupon:</p> <p>An amount which is the lower of:</p> <ul style="list-style-type: none"> (i) An accrued value of the Assured IRR calculated on the Additional Coupon Payment Date in respect of the Investment Amount, or (ii) 33% (thirty three percent) of the consolidated Cash and Cash Equivalents of the Company reported as on the last Quarter End Date of the previous Financial Year, or (iii) the consolidated Cash and Cash Equivalents in excess of INR 8,00,00,000 (Indian Rupees Eight Crores only), <p>shall be payable as an additional coupon by the Company on each Additional Coupon Payment Date. (“Additional Coupon”)</p> <p>“Additional Coupon Payment Date” means the 30th day of June each year.</p> <p>In the event that the amounts of the audited Cash and Cash Equivalents of Company on a consolidated basis are higher than the amounts reflecting in the statement of Cash and Cash Equivalents delivered pursuant to Clause 13.2.2(iii) of the</p>



		<p>Debenture Trust Deed, the amount of the Additional Coupon shall be recomputed in accordance with the audited Cash and Cash Equivalents. Such part of Additional Coupon, if any, shall be paid on the immediately succeeding Coupon Payment Date.</p> <p>The Company shall ensure that the amounts identified as the consolidated Cash and Cash Equivalents shall until the payment of Additional Coupon be maintained in the form of Cash and Cash Equivalents.</p>									
VI.	Redemption Coupon	<p>Redemption Coupon shall mean:</p> <p>(a) Such amount so as to provide the NCD Holders the Assured IRR on the proportion of the Investment Amount being repaid, payable at the time of each such repayment of the Investment Amount on the relevant Redemption Date,</p> <p>(b) Such amount as to provide the NCD Holders, the Investor Return payable on the last Redemption Date.</p>									
VII.	Coupon Payment Date	<p>The last Business Day of each 3-month period ending on each Quarter End Date (“Coupon Period”) and the last Coupon Payment Date shall be the last occurring Redemption Date (“Coupon Payment Date”).</p> <p>The first Coupon Payment Date shall be September 30, 2017 and the last Coupon Payment Date shall be the Final Redemption Date.</p>									
VIII.	Scheduled Redemption	<p>(i) The Company shall repay and redeem the Face Value of the NCDs in the manner set out below:</p> <table border="1"> <thead> <tr> <th>Sl. No.</th><th>Scheduled Redemption Date</th><th>Face Value of the NCDs required to be redeemed</th></tr> </thead> <tbody> <tr> <td>1.</td><td>36 Months from the Reference Date</td><td>30% of the Investment Amount</td></tr> <tr> <td>2.</td><td>48 Months from the Reference Date</td><td>Outstanding Investment Amount</td></tr> </tbody> </table> <p>(ii) Notwithstanding anything contained herein, upon the occurrence of an Equity Event in the Company, the Company shall repay and redeem the Face Value of the NCDs in the manner set out below:</p> <p>A. Upon occurrence of the Equity Event on or prior to 3 (three) years from the Reference Date:</p>	Sl. No.	Scheduled Redemption Date	Face Value of the NCDs required to be redeemed	1.	36 Months from the Reference Date	30% of the Investment Amount	2.	48 Months from the Reference Date	Outstanding Investment Amount
Sl. No.	Scheduled Redemption Date	Face Value of the NCDs required to be redeemed									
1.	36 Months from the Reference Date	30% of the Investment Amount									
2.	48 Months from the Reference Date	Outstanding Investment Amount									



Sl. No.	Scheduled Redemption Date	Face Value of the NCDs required to be redeemed
1.	Within 3 (three) days from the Equity Event	37.5% of the Investment Amount
2.	36 Months from the Reference Date	Additional 18.75% of the Investment Amount
3.	48 Months from the Reference Date	Outstanding Investment Amount

B. Upon occurrence of the Equity Event after the expiry of 3 (three) years from the Reference Date but prior to 4 (four) years from the Reference Date:

Sl. No.	Scheduled Redemption Date	Face Value of the NCDs required to be redeemed
1.	36 Months from the Reference Date	30% of the Investment Amount
2.	Within 3 (three) days from the Equity Event	26.25% of the Investment Amount
3.	48 Months from the Reference Date	Outstanding Investment Amount

Upon occurrence of an Equity Event the Company shall have the option (“**Additional Redemption Option**”) to redeem on the relevant Scheduled Redemption Date, the Face Value of all NCDs up to an additional sum in excess to the amount mentioned hereinabove provided that (other than in case of VIII (iii) (C) (3) above) upon such redemption at least 25% (twenty five percent) of the Investment Amount is outstanding.

In the event the Company exercises the Additional Redemption Option, the subsequent Scheduled Redemption Amount shall be reduced to the extent of the sum already redeemed pursuant to the Additional Redemption Option.

(iii) The Company shall on each Scheduled Redemption Date pay the amount required to redeem the Face Value in



		<p>accordance with (ii) or (iii) above, as the case may be, along with an amount which will provide an Assured IRR to the NCD Holders in respect of such Face Value being redeemed. ("Scheduled Redemption Amount")</p> <p>(iv) The Company shall ensure that all Obligations (including, for the removal of doubts, all Coupon, Additional Coupon and Redemption Coupon) are paid in full on the expiry of 48 (forty eight) months from the Reference Date being the last Scheduled Redemption Date ("Final Redemption Date").</p>
IX.	Early Redemption	<p>No early redemption of the NCDs shall be allowed, save and except as set out below:</p> <p>1. <u>Put Option Event</u></p> <p>(a) Subject to Applicable Law, at anytime after the expiry of 36 (thirty six) months from the Deemed Date of Allotment, the NCD Holders (acting through the Debenture Trustee) shall have the option of requiring the Company to redeem in part the aggregate outstanding Face Value of all NCDs, proportionately in respect of each NCD) or in full, all of the NCDs by delivering a Put Option Notice to the Company on or prior to at least 60 (sixty) days when the purchase or redemption is sought to be settled ("Put Option Settlement Date"). ("Put Option")</p> <p>(b) Upon the exercise of Put Option by the NCD Holders in accordance with 1 (a) above, the Company shall redeem the NCDs in part or in full by paying the Investment Amount in respect of such NCDs along with the Investor Return calculated up to the Put Option Settlement Date together with all other Obligations on the relevant Put Option Settlement Date.</p> <p>2. <u>Call Option Event</u></p> <p>(a) Subject to Applicable Law, at any time after the expiry of 36 (thirty six) months from the Deemed Date of Allotment, the Company shall have the option of redeeming the balance of the NCDs in part of the aggregate outstanding Face Value of all NCDs, proportionately in respect of each NCD) or in full held by all NCD Holders by delivering a Call Option Notice to the NCD Holders at least 60 (sixty) Business Days prior to the date on which the redemption is proposed to be settled.</p>



		<p>(each such settlement date being a “Call Option Settlement Date”) (“Call Option”).</p> <p>(b) Upon the exercise of Call Option by the Company in accordance with 2 (a) above, the Company shall redeem the NCDs by paying the Investment Amount (or a part thereof) in respect of such NCDs along with the Investor Return calculated on the Investment Amount being redeemed up to the Call Option Settlement Date.</p> <p>(c) Upon the exercise of Call Option by the Company in accordance with 2(a) above, the Scheduled Redemption Amount shall be adjusted to the extent of any amount paid on a Call Option Settlement Date.</p>
X.	Redemption of NCDs held by FPIs	<p>Any redemption of the NCDs shall be effective and exercisable by the Company with respect to NCD Holders who are foreign portfolio investors, only if (i) at the time of such redemption, it is not prohibited under any Applicable Laws including the Securities Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 as amended, modified from time to time; and (ii) upon any change in guidelines and regulations which allows FPIs to exercise any option for redemption, the same also explicitly allow the redemption of NCDs subscribed to by such foreign portfolio investors prior to such change in Applicable Law.</p>
XI.	Security	<p>For the consideration set out above and as continuing security and collateral for the payment and discharge of the Obligations, the Security Providers shall create and maintain the Security Interest and collateral as set out herein (<i>Security</i>) in favour of the Debenture Trustee or the Security Trustee (as applicable) in the manner set out herein:</p> <p>(a) <i>Share Pledge</i></p> <p>(i) A first ranking charge by way of pledge over the Pledged Securities and an agreement to create a first ranking charge by way of pledge over ICO Pledged Securities in favour of the Security Trustee for the benefit of the Secured Parties in the manner set out in the Pledge Agreement. (“Share Collateral”)</p> <p>(ii) Subject to the receipt of the RBI Approval, a first ranking charge by way of pledge over the MCL Pledge Securities in favour of the Debenture Trustee for the benefit of the Secured Parties in terms of the MCL Pledge Agreement.</p> <p>(b) <i>Mortgage Documents</i></p> <p>A first ranking charge by way of mortgage over the Mortgage Properties in favour of the Security Trustee for the benefit of the Secured Parties in the manner set out in</p>



		<p>the Mortgage Documents. ("Real Estate Collateral")</p> <p>The Security Interest over the Real Estate Collateral shall be perfected on or prior to 45 (forty five) days from the Reference Date ("Real Estate Security Cut Off Date")..</p> <p>(c) <i>Hypothecation</i></p> <p>(i) A first ranking charge by way of hypothecation over the Charged Movable Properties and Charged Current Assets in favour of the Debenture Trustee for the benefit of the Secured Parties in the manner set out in the Debenture Trust Deed.</p> <p>(ii) Subject to the receipt of the RBI Approval a second ranking charge by way of hypothecation over the current and fixed assets of MCL in terms of the MCL Charge Instrument.</p> <p>(d) <i>Personal Guarantees</i></p> <p>Personal guarantees of the Guarantors in accordance with the Guarantees.</p> <p>(e) <i>Demand Promissory Note</i></p> <p>Demand Promissory Note to be issued by the Company in favour of the Debenture Trustee (acting for the benefit of the NCD Holders) in respect of the Investment Amount.</p> <p>(f) <i>Other Security Interest</i></p> <p>Security Interest created over any other asset of any other Person acceptable to the Secured Parties as may be created from time to time in order to maintain the Required Cover.</p>
XII.	Required Cover	<p>1. <i>Initial Security Cover</i></p> <p>The value of the Secured Assets over which Security Interest has been created shall at all times be at least 2.25 (two decimal two five) times the Outstanding Investment Amount provided that:</p> <p>(i) until Annual Valuation Report for the Financial Year 2017-2018 and perfection of the charge over the Real Estate Collateral, the Pledgors shall pledge 87.865% (eighty seven decimal eight six five) of the Company's shares in favour of the Security Trustee, a minimum of 51% (fifty one per cent) of the shares of the Company on a Fully Diluted Basis (irrespective of their valuation) shall at all times be pledged in favour of the</p>



		Security Trustee.
		<p>2. <i>IPO Event</i></p> <p>On and from the date falling 60 (sixty) days prior to an IPO Event until the Recreation Event, the value of the Secured Assets over which Security Interest has been created shall be at least 2.25 (two decimal two five) times the Outstanding Investment Amount in favour of the Security Trustee in form of:</p> <p>(i) Until the Release Event pledge over 49% of the shares of the Company on a Fully Diluted Basis and a non-disposal undertaking along with a power of attorney in favour of the Security Trustee for the balance Pledged Securities provided that the Security Interest shall be created over a minimum of 51% (fifty one per cent) of the shares of the Company on a Fully Diluted Basis (irrespective of their valuation); and</p> <p>(ii) On and from the Release Event and until the Recreation Event pledge over 100% of the shares of ICO on a Fully Diluted Basis and a non-disposal undertaking along with a power of attorney in favour of the Security Trustee for the Pledged Securities; and</p> <p>(iii) In the event the above Required Cover is not in accordance with ICDR or other applicable SEBI rules and regulations, the Required Cover shall be maintained in accordance with Section XII (1) of this Schedule.</p> <p>3. <i>On and from the Recreation Event</i></p> <p>On and from the Recreation Event, the value of the Secured Assets over which Security Interest has been created shall at all times be at least 2 (two) times the Outstanding Investment Amount provided that the Share Collateral shall be constituted of freely transferable equity shares of the Company or Qualified Locked In Collateral.</p> <p>4. It is hereby clarified that in the event that an IPO Event does not occur, the Required Cover shall at all times be maintained in accordance with Section XII(1) of this Schedule.</p> <p>5. The calculation of the Required Cover shall only include the Real Estate Collateral and the Share Collateral (or Acceptable Collateral in lieu thereof) and shall not include any other Secured Assets over which Security Interest is being created in terms of the Transaction Documents.</p>
XIII.	Valuation	The Company shall at all times ensure that the Required Cover is



<p>for computation of Required Cover</p>	<p>maintained.</p> <ol style="list-style-type: none"> 1. <i>Prior to an IPO Event:</i> <ol style="list-style-type: none"> (a) The Company shall cause the valuation of the Secured Assets by an Approved Valuer on or prior to October 31 of each year or at such shorter intervals as may be required by any Secured Party and the valuation by the Approved Valuer shall be final and binding on the Company. The Company shall bear all costs and expenses incurred in connection with such valuation ("Annual Valuation Report"). (b) Where in the terms of a valuation by an Approved Valuer at any point in time, the value of the Share Collateral and Real Estate Collateral has fallen more than 15%, the Company shall or the Company shall cause any other Person to forthwith provide and create Security Interest (in a manner acceptable to the Debenture Trustee) over such additional cash collateral or other assets as may be acceptable to the Debenture Trustee, and with clear and marketable title, immediately upon receipt of notification by any Secured Party. 2. <i>After the Release Event:</i> <ol style="list-style-type: none"> (a) From the Release Event until the Recreation Event the valuation of the shares of ICO shall be calculated as follows: <ol style="list-style-type: none"> (i) $[(\text{Total number of shares held by ICO in the Company} \times \text{price per share of the Company as determined in (b) to (d) below}) - \text{Financial Indebtedness of ICO other than the Obligations of ICO}] / \text{total number of shares constituting the capital of ICO.}$ (b) If the Release Event has not occurred (or a Recreation Event has already occurred), from the Listing Date and until the expiry of 15 (fifteen) days therefrom, the value of the Share Collateral shall be IPO Price on the relevant date. (c) If the Release Event has not occurred (or a Recreation Event has already occurred), on and from the 16th (sixteenth) day and until the expiry of 30 (thirty) days from the Listing Date, the value of the Share Collateral shall be based on the lower of the VWAP (as defined below) on both the National Stock Exchange of India Limited or Bombay Stock Exchange Limited or the Closing Price on the relevant date. (d) If the Release Event has not occurred (or a Recreation Event has occurred), after 30 (thirty) days from the Listing Date, the value of the Share Collateral shall be
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		<p>valued daily based on the lower of 30 day VWAP on both the National Stock Exchange of India Limited or Bombay Stock Exchange Limited or the Closing Price on the relevant Date.</p> <p>(e) The valuation of the Share Collateral shall be adjusted for the provision or payment of any existing contingent liabilities or guarantees or litigation.</p> <p>(f) The Company shall provide an Annual Valuation report for the Real Estate Collateral.</p> <p>(g) Where in the terms of (a) to (d) above the valuation of the Share Collateral at any point in time, or the value of the Real Estate Collateral as determined by the Approved Valuer has fallen by more than 10%, the Company shall or the Company shall cause any other Person to forthwith provide and create Security Interest (in a manner acceptable to the Debenture Trustee) over such additional cash collateral or other assets as may be acceptable to the Debenture Trustee, and with clear and marketable title, immediately upon receipt of notification by any Secured Party.</p>
XIV.	<p>Calculation of Investor Return, Assured IRR and Upside Share</p>	<p>“Investor Return” means in relation to all NCDs, the cash flow to provide an amount which is equal to the sum of the Upside Share and the Assured IRR in respect of the Investment Amount and in the aggregate not exceeding an IRR of 22% (twenty two percent) (excluding any Default Interest and other charges) which shall be payable as Coupon, Additional Coupon and Redemption Coupon (in the manner more particularly set out hereinabove).</p> <p>Where,</p> <p>(a) “Assured IRR” means on any relevant Due Date in respect of all NCDs:</p> <p>(i) if an Equity Event has occurred, an IRR of 15% (fifteen percent) on the Investment Amount</p> <p>(ii) if an Equity Event has not occurred, an IRR of 16% (sixteen percent) on the Investment Amount</p> <p>calculated on the relevant Due Date from the relevant Deemed Date of Allotment.</p> <p>(b) “IRR” means the discount rate at which the value of cash outflows equals the present value of cash inflows as of the Deemed Date of Allotment. The IRR will be determined in accordance with the IRR Calculation Method. Any Default Interest and other charges and reimbursements shall not be considered towards the calculation of IRR.</p> <p>For the calculation of the IRR, if any Tax is required to be</p>



deducted or withheld in connection with a payment under the Tax Act, then for the purposes of this calculation, it shall be deemed that the payment was made to the NCD Holders without such Tax Deduction or withholding, subject to the (i) Obligors having provided the NCD Holders with a Tax Deduction or withholding certificate in accordance with Applicable Law; and (ii) the NCD Holders being entitled under Applicable Law to claim a credit against, relief or remission for, or repayment of any Tax for such deducted amount.

(c) **“IRR Calculation Method”** means the method for determining the IRR by using exact dates of cash outflows and cash inflows, and using XIRR function in Microsoft Excel to determine the IRR based on the above mentioned cash flows;

(d) **“Upside Share”** means calculation as per following formula on MS Excel 2016;

$$30\% * \text{Max} [\text{Min} \{ \text{SSLL CAGR}, 20\% \}, 0] + 10\% * \text{Max} [\text{SSLL CAGR} - 20\%, 0]$$

Wherein:

(i) **“SSLL CAGR”** means the compounded annual growth rate between SSLL_0 and SSLL_t calculated using the following formula:

$$[(\text{SSLL}_t / \text{SSLL}_0)^{1/(t-0 \text{ expressed in years})}] - 1$$

“SSLL₀” means the value per share of SSLL as on day ‘0’ based on the valuation carried out by the Approved Valuer within 30 (thirty) days of submission of the provisional consolidated Financial Statements of the Company for the half year ending on September 30, 2017 in respect of the Financial Year ending March 31, 2018.

Where day ‘0’ shall be June 30, 2017.

(ii) **“SSLL_t”** means the value per share of SSLL shares calculated as below:

Pre-listing of the Company:

$$[P/E * \text{LTM Consolidated Earnings per Share}];$$

Where:

‘P’ is the price per share of the Company determined by an Approved Valuer;

‘E’ is the consolidated profits after tax of the Company per equity share (on a consolidated basis) for the last four calendar quarters (each ending on a Quarter End Date) as determined by an Approved



Valuer or auditor as on day '0';

The calculation of 'P' and 'E' shall be adjusted in respect any corporate actions including but not limited to share splits, bonus, additional issuances, etc.

'LTM Consolidated Earnings per Share' means the LTM Consolidated Profits After Tax divided by the total number of outstanding Equity Shares of the Company on 't'.

'LTM Consolidated Profits After Tax' means on 't' the profits after tax of the Company (on a consolidated basis) for the last four calendar quarters (each ending on a Quarter End Date) as determined by an Approved Valuer. The LTM Consolidated Profit After Tax shall be adjusted for (a) provisions or write offs or bad debts in excess of 0.5% (zero decimal five percent) per annum of the consolidated revenues of the Company and (b) the provision of payment of any existing contingent liabilities or guarantees or litigations as set out in the audited Financial Statements of the Company for the Financial Year ending March 31, 2017.

Where day 't' shall mean the Quarter End Date immediately preceding the relevant Redemption Date on which the Upside Share is being determined.

Post listing of the Company on a recognized stock exchange:

On the day 't', the 90 days VWAP of SSSL's shares listed on the stock exchange adjusted in respect any corporate actions including but not limited to share splits, bonus, additional issuances, etc.

Where,

day 't' shall mean the date falling 3 (three) days prior to the relevant Redemption Date on which the Upside Share is being determined.

- (iii) **"VWAP"** means the order book volume-weighted average price of the relevant share appearing on or derived from such source as shall be determined to be appropriate by the Debenture Trustee or for such specified period of Trading Days, provided that on any relevant Trading Day where such price is not available or



		<p>cannot otherwise be determined as provided above, the volume weighted average price of a share in respect of such Trading Day shall be the volume weighted average price, determined as provided above, on the immediately preceding Trading Day on which the same can be so determined.</p> <p>(iv) “Trading Day”, in respect of any securities, means the day and time span within which such securities are open for trading on the BSE and the NSE.</p>
XV.	Illustration for calculation of Investor Return	<i>See Annex A below</i>
XVI.	Definitions	<p>“640 NCDs” means 640 number of non-convertible debentures of a face value of INR 10,00,000 (Indian Rupees Ten Lakhs only) issued by the Company in terms of the debenture trust deed dated 4 August 2017;</p> <p>“Acceptable Collateral” means Cash or Cash Equivalents or any other assets of the Security Providers, acceptable to the Security Trustee, which is secured in favour of the Security Trustee for meeting the relevant Required Cover;</p> <p>“Affiliate” means, in relation to any Person, any entity Controlled, directly or indirectly, by that Person, or any entity that Controls, directly or indirectly, that Person, or any entity under common Control with that Person and in case of a natural person, includes his relatives (as defined under the Companies Act);</p> <p>“Applicable Law” means any statute, law, regulation, ordinance, rule, judgment, order, decree, clearance, approval, directive, guideline, policy, requirement, listing agreement or other governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any Governmental Authority whether in effect as of the date of the Debenture Trust Deed or thereafter and in each case as amended, as applicable to a Party;</p> <p>“Approved Valuer” means, in relation to the Valuation Report PricewaterhouseCoopers or its affiliate in India and thereafter any firm of valuation specialists acceptable to and appointed jointly by the Debenture Trustee and the Company at the cost of the Company and acting on the instructions of the Debenture Trustee</p> <p>“Business Day” means a day (other than a Saturday or Sunday) or a public holiday on which the money market is functioning in Mumbai, India;</p> <p>“Cash” means, at any time cash denominated in any currency that is freely transferable and convertible into INR, whether held in hand or at a bank and in the latter case, credited to an account in the name of any of the Company or its subsidiaries or ICO, and to which such Persons</p>



		<p>(whether jointly or severally) are beneficially entitled to such cash;</p> <p>“Cash Equivalents” means, at any time deposits and investments that are freely transferable and to which any of the Company or its subsidiaries or ICO are beneficially entitled to at such time and which is not issued or guaranteed by any of the Company or its subsidiaries or ICO;</p> <p>“Charged Property” means collectively the Charged Movable Properties and the Charged Current Assets and the Designated Account Assets;</p> <p>“Charged Movable Properties” means, without limitation, all moveable machinery (whether attached or otherwise), electrical systems, hardware, computer software, wiring, pipelines, tanks, electronics spares, machinery spares, tools, meters, motor vehicles, accessories and all other equipment, whether installed or not and whether lying loose or in cases or which are lying or are stored in or to be stored in or to be brought into any of the Company’s premises, warehouses, stockyards and godowns or those of the Company’s agents, affiliates, associates or representatives or at various work sites or at any place or places wherever else situated or wherever else the same may be and all intellectual property rights and goodwill of the Company, whether now belonging to or that may at any time during the continuance of the Debenture Trust Deed belong to the Company and/or that may at present or hereafter be held by any party anywhere to the order and disposition of the Company or in the course of transit or delivery and all replacements thereof and additions thereof whether by way of substitution, replacement, conversion, realization or otherwise howsoever together with all benefits, rights and incidentals attached thereto which are now or shall at any time hereafter be owned by the Company and all right, title, interest, property, claims and demands whatsoever of the Company unto and upon the same which description shall include all properties of the above description whether presently in existence, constructed or acquired hereafter;</p> <p>“Charged Current Assets” means the Company’s current assets other than the Charged Movable Properties, both present and future, including without limitation the Company’s receivables, cash in hand, investments classified as “held for trading”, raw materials, consumable stores and spares and other current assets including trade and other receivables including receivables by way of cash assistance and/or cash incentives or any claims by way of refund of customs/excise duties, book debts and stock in trade, whether installed or not and whether lying loose or in cases or which are lying or are stored in or to be stored in or to be brought into or upon the Company’s premises, warehouses, stockyards and godowns or the premises, warehouses, stockyards and godowns of the Company’s agents, affiliates, associates or representatives or at various work sites or at any place or places wherever else situated or wherever else the same may be, which description shall include all properties of the above description whether presently in existence, constructed or acquired hereafter;</p> <p>“Closing Price” means the price of the security declared by the stock exchange as the ‘closing price’ of the security. In the event the security is listed on BSE Limited and National Stock Exchange of India Limited, the closing price shall be the price declared as such by the National Stock</p>
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		<p>Exchange of India Limited;</p> <p>“Companies Act” means the provisions of the Companies Act, 2013 (to the extent notified as being effective) and any such provisions of the Companies Act, 1956 which is effective (not having been notified as repealed, replaced or superseded by any enactment including the Companies Act, 2013);</p> <p>“Company Shares” means the issued and fully paid up equity shares on a Fully Diluted Basis in the equity share capital of the Company of face value of Rs. 10/- (Rupees Ten only) each;</p> <p>“Debenture Trustee Agreement” means the agreement executed by and between the Debenture Trustee and the Company <i>inter alia</i> appointing the Debenture Trustee to act as the trustee for and on behalf of and for the benefit of the NCD Holders and each of their respective successors and assigns;</p> <p>“Deemed Date of Allotment” means the date or each of the date(s) on which the subscription amount of the NCDs is credited to the Designated Account of the Company;</p> <p>“Demand Promissory Note” means the demand promissory note and letter of continuity dated on or about the date of the Debenture Trust Deed issued by the Company;</p> <p>“Designated Account” means the bank account bearing account no. 2657201009196 held with Canara Bank, Prime Corporate Branch, Secunderabad for depositing the subscription amount of the NCDs;</p> <p>“Designated Account Assets” means:</p> <ul style="list-style-type: none"> (i) the Designated Account; and (ii) all amounts standing to the credit of, or accrued or accruing on, the Designated Account, <p>whether presently in existence or acquired in future after the date of the Debenture Trust Deed;</p> <p>“Default Interest” has the meaning given to in the Debenture Trust Deed;</p> <p>“Equity Event” means:</p> <ul style="list-style-type: none"> (i) In case of an IPO of the Company, the Listing Date; (ii) In case of Strategic/PE Investment, the date of the purchase of or subscription to, as the case may be, shares of the Company takes place. <p>“Early Redemption Date” means any date other than a Scheduled Redemption Date on which the NCDs are required to be redeemed in accordance with the Debenture Trust Deed including on an Early Redemption Event;</p>
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“Early Redemption Event” means the occurrence of:

- (i) an Event of Default and acceleration by the Debenture Trustee of the redemption of the NCDs in accordance with the Debenture Trust Deed,
- (ii) a Call Option event,
- (iii) a Put Option event;

“Early Redemption Amount” means the amount payable in respect of the Face Value of each NCD on the occurrence of the relevant Early Redemption Event;

“Encumbrance” means any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, guarantee, assignment, deed of trust, title retention, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law, non-disposal or any similar negative undertakings or security net arrangement, any proxy, power of attorney, voting trust agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any Person, and any adverse claim as to title, possession or use;

“Final Redemption Amount” means the sum of the aggregate outstanding Face Value of all the NCDs on the Final Redemption Date, the outstanding Investor Return and Default Interest (if any) on all the NCDs together with all other outstanding Obligations;

“Financial Indebtedness” means any indebtedness for or in respect of (without double counting):

- (i) any moneys borrowed;
- (ii) any amount raised pursuant to the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (iii) any amount raised under any acceptance credit, bill acceptance or bill endorsement facility;
- (iv) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with Generally Accepted Accounting Principles, be treated as a finance or capital lease;
- (v) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (vi) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;



		<p>(vii) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);</p> <p>(viii) convertible instruments/shares which are expressed to be redeemable;</p> <p>(ix) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;</p> <p>(x) the acquisition cost of any asset to the extent payable after its acquisition or possession by the party liable where the deferred payment is arranged primarily as a method of raising finance or financing the acquisition of that asset;</p> <p>(xi) any obligation, whether conditional or otherwise, in respect of any instrument (whether debt or equity or otherwise), which incorporates an assured return (including return of the principal amount invested) to a person, including any put option to purchase shares or other instruments;</p> <p>(xii) the amount of any liability (contingent or otherwise) in respect of any guarantee or indemnity against any item referred to hereinabove;</p> <p>“Face Value” INR 10,00,000 (Indian Rupees Ten lakh) per NCD;</p> <p>“Financial Year” or “FY” means the period commencing April 1 each year and ending on March 31 of the following year;</p> <p>“FPI” means a foreign portfolio investor registered as such with SEBI;</p> <p>“Fully Diluted Basis” means, in relation to the shares of a company, on any date on which the number or percentage of shares thereof is to be determined, the aggregate of all shares of such company outstanding on such date and all shares of such corporation issuable pursuant to vested and exercisable options, warrants and other rights to purchase or acquire, or pursuant to securities convertible into or exchangeable for, shares of such company, outstanding on such date;</p> <p>“Group” means each Obligor, ICO, the Company its subsidiaries (including any foreign subsidiaries) and their Affiliates, from time to time and a member of the ‘Group’ means each one of them;</p> <p>“Guarantee” means deed of guarantee executed by the Guarantors in favour of the Security Trustee;</p> <p>“Guarantors” or “Promoters” means (i) Captain Parvataneni Venkata Krishna Mohan, a resident of India and having an Indian passport bearing passport number Z2220658 and PAN AGEPP2807L (ii) Mr. Parvataneni Sarat Kumar, a resident of India, and having an Indian passport bearing passport number L5575889 and PAN AGSPK3972D and (iii) Mr. Parvataneni Vivek Anand, a resident of India and having an Indian</p>
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passport bearing passport number J2218040 and PAN AGNPP9500D;

“IPO” means an offer of specified securities (as defined in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2009) by an unlisted issuer to the public for subscription and includes an offer for sale of specified securities to the public by any existing holders of such securities in an unlisted issuer;

“ICO Pledged Securities” means 5000 equity shares of the ICO forming the entire shareholding of the Pledgors in the ICO (as on the date of the Pledge Agreement), required to be pledged by the shareholders of the ICO in favour of the Security Trustee;

“Identified Corporate Obligor” or **“ICO”** means Mosavi Enterprises Private Limited, a company incorporated under the Companies Act (as defined below) with corporate identification number U61200TG2017PTC117302 and having its registered office at Plot No. 731, Road No. 36, Jubilee Hills, Hyderabad, Telangana – 500033;

“INR” or **“Rupees”** means the lawful currency of India

“Investment Amount” in relation to all NCDs means the aggregate Face Value of the NCDs i.e. INR 25,00,00,000 (Indian Rupees Twenty Five Crores only) (and for the removal of doubt, any discount on the Face Value, any subsequent reduction or redemption of the Face Value of the NCDs or any part thereof shall not be taken into account for the calculation of the Investment Amount);

“IPO Event” means the filing of a draft red herring prospectus with SEBI with respect to an IPO by the Company;


“IPO Price” means the final issue price at which the securities are offered and allotted pursuant to an IPO;

“Listing Date” means the date on which the shares of the Company are listed on a recognized stock exchange in India pursuant to an IPO by the Company;

“Mortgage Properties” means:

Mortgage Properties	Mortgagors	Mortgage Documents
Corporate Office on freehold property, admeasuring 913 and 576 sq. yards of land and building thereon, situated at Plot No. 731, Phase II, Road No. 36, Jubilee Hills, Hyderabad	Company	Memorandum of Entry recording mortgage by deposit of title deeds and corresponding declaration from the Director
Commercial Space admeasuring 3804 sq. ft. at Voltas International Centre, 2 nd Floor, No. 52, High Court Road,	Company	Memorandum of Entry recording mortgage by



	Armenian Street, Chennai - 600001		deposit of title deeds and corresponding declaration from the Director or Indenture of Mortgage
	Flat No. 501, Signature Towers, Waltair Ward, OBM Compound, Visakhapatnam	Company	Memorandum of Entry recording mortgage by deposit of title deeds and corresponding declaration from the Director
	Flat No. 304 and Flat No. 305, Nirmala Plaza Apartment, Mouza-Bhipu PS, Bhubaneswar, Khurda District, Orissa	Company	Memorandum of Entry recording mortgage by deposit of title deeds and corresponding declaration from the Director
	Plot No. 86, Old Block No. 2 (New Block No. 3), Kakinada	Company	Memorandum of Entry recording mortgage by deposit of title deeds and corresponding declaration from the Director
	Office No. 501 and 502, Maithili's Signet, Sector 30A, Vashi, Navi Mumbai	Company	Memorandum of Entry recording mortgage by deposit of title deeds and corresponding declaration from the Director
	Land at Survey Nos. 348, 349, 353 & 354, Bommaraspet, Medchal Mandal, R.R District,	Capt. Parvataneni Venkata Krishna Mohan	Memorandum of Entry recording mortgage by deposit of title deeds and corresponding declaration from the Mortgagor
	Land Situated at Sy.no.352, Acres	Parvataneni	Memorandum of

		7.03 Guntas & Sy No.351, 37 Guntas, Bommaraspet Village, Gram Panchayat, Shamirpet Madal, R. R. District)	Vivek Anand	Entry recording mortgage by deposit of title deeds and corresponding declaration from the Mortgagor
		Land at Survey No. 751, 754 and 755, Yamjal, Shamirpet Mandal, R. R. District	Ashoka Poultry	Memorandum of Entry recording mortgage by deposit of title deeds and corresponding declaration from the Mortgagor
		<p>“Mortgage Documents” means the documents set out in the Debenture Trust Deed creating a Security Interest by way of mortgage over the Mortgage Properties, on the terms and conditions contained therein;</p> <p>“MCL Charge Instrument” means the instrument creating a second ranking charge over the fixed and current assets of MCL;</p> <p>“MCL Pledge Agreement” means the pledge agreement to be executed between, <i>inter alia</i>, the MCL Pledgors, MCL and the Debenture Trustee in respect of <i>inter alia</i> the charge by way of pledge to be created by the Company in respect of the MCL Pledge Securities;</p> <p>“MCL Pledgors” means the Company;</p> <p>“MCL Pledge Securities” means the fully paid up shares of MCL constituting 100% (one hundred percent) of the share capital of MCL on a fully diluted basis, which are to be charged by the MCL Pledgors by way of pledge in favour of the Debenture Trustee;</p> <p>“Minimum Collateral” has the meaning given to the term under the Pledge Agreement;</p> <p>“NDU Shares” means, on and from the date falling 60 (sixty) days prior to an IPO Event, and until the Recreation Event such number of Company Shares which shall not be disposed-off or encumbered by the relevant Pledgors as are sufficient to meet the requirements of Minimum Collateral;</p> <p>“Obligations” means at any time all the amounts payable to the NCD Holders or the Debenture Trustee or the Security Trustee or any other person, pursuant to the terms of the Debenture Trust Deed and/or any other Transaction Documents, including but not limited to the following:</p> <p>(i) the Investment Amount, the Investor Return (including the Default Interest set out in the Debenture Trust Deed);</p>		



	<p>(ii) all other, present or future, obligations and liabilities of the Company, including Redemption Amount, indemnities, liquidated damages, costs, charges, expenses, stamp duty, fees and interest of any Transaction Document incurred under, arising out of or in connection with, the Debenture Trust Deed and/or any other Transaction Documents (in each case whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently and whether as principal, surety or otherwise);</p> <p>(iii) any and all sums expended by any NCD Holder or the Debenture Trustee or other person in order to preserve any Security created under the Transaction Documents, in accordance with the terms thereof; and</p> <p>(iv) any and all expenses for the enforcement and collection of any amounts due under the Debenture Trust Deed and/or any other Transaction Documents, including expenses of enforcement and realisation of the Security Interest created under the Transaction Documents;</p> <p>“Obligors” means collectively the Company, the Security Providers and the Guarantors and any other Person designated as an ‘Obligor’ in writing by the Company and the Debenture Trustee, and “Obligor” means each one of them;</p> <p>“Outstanding Investment Amount” means, on any given date, the sum of:</p> <p>(i) Investment Amount outstanding as on such date; and</p> <p>(ii) An amount equal to the Assured IRR, payable on such date;</p> <p>“Person” means and includes an individual, natural person, corporation, partnership, joint venture, incorporated or unincorporated body or association, company, government or subdivision thereof</p> <p>“Pledgors” means collectively ICO, Capt. Parvataneni Venkata Krishna Mohan, Parvataneni Sarat Kumar, Parvataneni Vivek Anand, Parvataneni Sudha Mohan, Parvataneni Prashanti, Parvataneni Divya, Parvataneni Vijayendra, Parvataneni Vinayendra and Parvataneni Viswa Ratan;</p> <p>“Pledge Agreement” means the unattested pledge agreement dated August 05, 2017 executed amongst, <i>inter alia</i>, the Security Providers and the Security Trustee in respect of <i>inter alia</i> the charge by way of pledge to be created by the Security Providers in respect of the Pledged Securities and the ICO Pledged Securities and amended and restated on or about the date of the Debenture Trust Deed;</p> <p>“Pledge Power of Attorney” means the power of attorney to be executed by each Obligor under the Pledge Agreement;</p> <p>“Pledged Securities” means 1,88,77,068 Company Shares, representing 87.87% of the issued and fully paid up equity share capital of the Company on a Fully Diluted Basis, pledged by the Pledgors in favour of the Security Trustee and shall include such additional Company Shares or</p>
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other securities, whether by way of bonus or rights issue or stock split or otherwise, in relation thereto and instruments or other property from time to time received, receivable or distributed in respect of or in exchange for any and all of the said Company Shares from time to time acquired by the Pledgors in any other manner and certificates representing such additional Company Shares, and shall for the removal of doubts include all shares and securities acquired by the Pledgors from time to time in the Company and pledged by the Pledgors in terms of Pledge Agreement. It is hereby clarified that on and from 60 (sixty) days prior to the IPO Event and the Listing Date, the term 'Pledged Securities' shall include the NDU Shares.;

"Put Option Notice" means the notice substantially set out in the format under the Debenture Trust Deed;

"Qualified Locked In Collateral" means equity shares of the Company allotted or to be allotted to the relevant Pledgors and which are subject to a 'lock-in' as per the Applicable Law including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2009 for a period of no longer than 1 (one) year from the Listing Date;

"Quarter End Date" means any of 31 March, 30 June, 30 September and 31 December in any year, as applicable;

"RBI" means the Reserve Bank of India;

"Redemption Date" means any Early Redemption Date, or a Scheduled Redemption Date, or a Final Redemption Date, as the case may be

"Recreation Event" means the date falling after a Release Event on which the restrictions on creation of pledge over the Pledged Securities in favour of the Secured Parties pursuant to Regulation 39 of the ICDR cease to be applicable (including as a result of change in law, expiry of the lock in requirement or pursuant to a waiver by the SEBI);

"Redemption Amount" means, in reference to (a) any Early Redemption Date, the relevant Early Redemption Amount; (b) on the Scheduled Redemption Date, the Scheduled Redemption Amount; and (c) on the Final Redemption Date, the Final Redemption Amount;

"Reference Date" means the deemed date of allotment of the 640 NCDs being 11 August 2017;

"Release Event" means the date on which the Security Trustee is required to release the pledge on the Pledged Securities pursuant to a requirement under ICDR to release such pledge in connection with an IPO of the Company;

"SEBI" means the Securities and Exchange Board of India;

"Secured Assets" means the MCL Pledge Securities, Pledged Securities, the Charged Properties, the Mortgage Properties and any other asset of the Obligors charged in terms of Section XI of this Annexure I (*Terms and Conditions*) to the secure the Obligations or any part thereof under



	<p>the Transaction Documents to the extent of the Required Cover;</p> <p>“Security Documents” means:</p> <ul style="list-style-type: none"> (i) the Mortgage Documents, (ii) the MCL Pledge Agreement (if executed), (iii) the MCL Charge Instrument (if executed), (iv) the Pledge Agreement, (v) the Pledge Power of Attorney, and (vi) any other documents that may be executed from time to time and designated as a Security Document in writing by the Debenture Trustee and the Company. <p>“Security Trustee” means Beacon Trusteeship Limited appointed as the security trustee acting <i>inter alia</i> for the benefit of the NCD Holders;</p> <p>“Security Trustee Agreement” means the security trustee agreement executed on August 05, 2017 <i>inter alia</i> amongst the Company, ICO, Debenture Trustee, and the Security Trustee and amended and restated on 6 September 2017;</p> <p>“Security Interest” means any mortgage, charge, pledge, assignment, hypothecation, security interest, title retention, preferential right, trust arrangement, right of set-off, counterclaim or banker’s lien, privilege or priority of any kind having the effect of security, any designation of loss payees or beneficiaries or any similar arrangement under or with respect to any insurance policy or any preference of one creditor over another arising by operation of law;</p> <p>“Security Providers” means</p> <ul style="list-style-type: none"> (i) the Company in respect of the Charged Properties; (ii) the Mortgagors, (iii) the Pledgors, (iv) the MCL Pledgors, and (v) any other person creating a Security Interest in terms of the Transaction Documents to secure the Obligations or maintain the Required Cover; <p>“Secured Parties” means collectively the Debenture Trustee, the Security Trustee and the NCD Holders and “Secured Party” means each one of them;</p> <p>“Security Trustee” means Beacon Trusteeship Limited appointed as the security trustee acting <i>inter alia</i> for the benefit of the NCD Holders;</p> <p>“Strategic/PE Investment” means any investment into the Company by an entity or person not being a member or an affiliate of the Promoter Group or the NCD Holders which invests by way of subscription or purchase of either equity shares or securities convertible into equity</p>
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	<p>shares of the Company;</p> <p>"Taxes" means any tax, levy, impost, duty, cess or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) and includes all present and future taxes (whether direct or indirect taxes), and rates imposed, levied, collected, withheld or assessed by any Governmental Authority or other taxing authority in India and any interest, additional taxation penalty, surcharge, cess or fine in connection therewith; and "Tax" and "Taxation" shall be construed accordingly;</p> <p>"Tax Act" means the Income Tax Act, 1961, and all rules and regulations framed thereunder;</p> <p>"Tax Deduction" means a deduction or withholding for or on account of Tax from a payment under the Transaction Documents;</p> <p>"Transaction Documents" means:</p> <ol style="list-style-type: none"> the Debenture Trust Deed; the Offer Letter; the Debenture Trustee Agreement; the Demand Promissory Note; the Guarantee; Security Trustee Agreement; Payment Account Agreement the Security Documents; and any other documents relating to the Debenture Trust Deed or the NCDs that may be executed from time to time and designated as a Transaction Document by the Debenture Trustee and the Company; <p>"Valuation Report" means the Annual Valuation Report for the last twelve month period ending on June 30, 2017.</p>
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ANNEX A

ILLUSTRATION OF CALCULATION OF INVESTOR RETURN

Particulars	Formula	Unit	Value	Remarks
Entry Date	A		30-Jun-17	
Initial Valuation of the Company by Price Waterhouse Coopers as on Entry Date	B	Rs. crs	600.00	Assumed
No of shares outstanding as on Entry Date	C	No	21,484,086	
LTM Consolidated audited Profit After Tax as on Entry Date	D	Rs. crs	30.00	Assumed
LTM Consolidated Earning per share as on Entry Date	$E = D * 10000000 / C$	Rs.	13.96	
Price per share (SSLL ₀)	$F = B * 10000000 / C$	Rs.	279.28	
Implied P/E multiple	$G = F / E$	x times	20.00	
Scenario I: No IPO scenario				
Final Redemption Date	H		31-Jul-22	
Relevant Date = Last date of trailing calendar quarters as on the Final Redemption Date	I		30-Jun-22	
LTM consolidated audited Profit After Tax as on the Relevant Date	J	Rs. crs	60.00	Assumed
No of shares outstanding on the Relevant Date	K	No	21,484,086	Assumed
LTM Consolidated Earning per share as on Relevant Date	$L = J * 10000000 / K$	Rs.	27.93	
P/E multiple	$M = G$	x times	20.00	
Price per share (SSLL _t)	$N = L * M$	Rs.	558.55	
Tenure	$O = (I - A) / 365$	years	5.00	
SSLL CAGR	$P = (N/F)^{(1/O)} - 1$	%	14.86%	
Upside Share	$Q = 30\% * \text{Max}\{\text{Min}\{P, 20\%\}, 0\} + 10\% * \text{Max}\{P - 20\%, 0\}$	%	4.46%	
Assured IRR	R	%	16.00%	
Investor Return	$S = \text{Min}\{Q + R, 22\%\}$	%	20.46%	



Particulars	Formula	Unit	Value	Remarks
Scenario II: IPO scenario				
Final Redemption Date	T		31-Dec-21	
90 days VWAP of SSL's shares listed on recognised stock exchange	U	Rs	500.00	Assumed
Tenure	$V = (T - A)/365$	years	4.51	
SSL CAGR	$W = (U/F)^{(1/V)} - 1$	%	13.79%	
Upside Share	$X = 30\% * \text{Max}\{\text{Min}\{W, 20\}, 0\} + 10\% * \text{Max}\{W - 20, 0\}$	%	4.14%	
Assured IRR	Y	%	15.00%	
Investor Return	$Z = \text{Min}\{X + Y, 22\}$	%	19.14%	

