

Draft Term Sheet
Non-Convertible Debentures ("NCD")

3rd March 2017

This Term Sheet is a summary of the key terms and conditions in relation to non-convertible debentures (NCDs). It is a condition that the Issuer will appoint Phoenix Law as its legal advisor in relation to the issuance of the NCD.

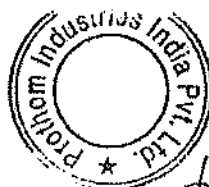
This document does not constitute a legally binding agreement or offer under any applicable law.

1.	Type of Instrument	Non-Convertible Debentures ("NCD")
2.	Issuer	Prothom Industries India Private Limited ("Issuer")
3.	Arranger / Servicing agent for the NCD	Jain Sons Finance Limited ("IntelleGrow")
4.	Purchaser of NCD	AAV Sarl (Luxembourg), through its Indian Custodian Deutsche Bank AG, Mumbai Branch.
5.	Purpose	For working capital
6.	Disbursements	On Deemed Date of Allotment, in full
7.	Deemed Date of Allotment	10-Mar-2017
8.	Principal Amount	INR 6,00,00,000
9.	Currency Denomination	INR
10.	Maturity Date	12 June 2020
11.	Principal Redemption	08 April 2020: 50% of the Principal Amount 12 June 2020: 50% of the Principal Amount
12.	Interest Rate	13.05% p.a. (fixed) Day count fraction : ACT / ACT Subject to gross-up for withholding tax (currently at a rate of 10%)
13.	Interest Payment Dates	Semi-annually, i.e. 12 June and 12 December in each year In relation to each Interest Payment Date and in relation to each date when any other payment is due by the Issuer under the NCDs (each, a "Relevant Payment Date"), the Issuer undertakes to courier to the Purchaser (or its designated agent, as confirmed in writing by the Purchaser), within 1 Business Day after a Relevant Payment Date, the duly completed and signed Form 15 CA/CB. A scan of such duly completed and signed Form 15 CA/CB shall be sent to the Purchaser

Signature

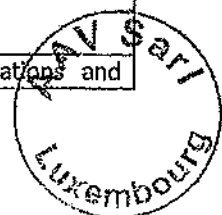


		on the Relevant Payment date by e-mail.
14.	Guarantee	Personal Guarantee of: a. Arun Chandrachud b. Soniya Chandrachud c. Samarjit Bose d. Somorita Bose
15.	Credit Rating	The Issuer is required to obtain a credit rating of the NCD by ICRA Limited.
16.	Costs	All other ancillary costs relating to issuance of debentures such as legal advice (including legal opinion), credit rating, trusteeship fees, stamp duties and any other costs shall be borne directly by the Issuer.
17.	Early Redemption	No early redemption is possible.
18.	Default Interest	2% p.a. above the prevailing interest rate to be calculated on principal, interest and any other payment due and unpaid under the NCDs.
19.	Collateral	<p>The Issuer shall create security, by way of [hypothecation] over a cash account held by the issuer with an Eligible Bank, for the benefit of Debenture Trustee which shall have a credit of at least 7% of the Principal Amount of the NCD (the "Cash Collateral").</p> <p>The Issuer shall create and register the Cash Collateral on the Deemed Date of Allotment and perfect it not later than 20 calendar days after the Deemed Date of Allotment.</p> <p>The Cash Collateral shall be available solely for payment of amounts due by the Issuer under the NCD. To this effect, at the request of the Issuer, the Cash Collateral may be applied (to the extent necessary) by the Debenture Trustee to pay for amounts due under the NCD (an "Authorised Application").</p> <p>Following an Authorised Application, the Issuer shall undertake to top-up the Cash Collateral to the required level within not less than [10 business days] following an Authorised Application.</p> <p>"Eligible Bank" means any bank (authorised and regulated as such by the RBI) with a credit rating of not less than [AA-].</p> <p>"Debenture Trustee" means Catalyst Trusteeship Limited</p>
20.	Negative Pledge (Asset Cover)	The Issuer shall undertake to have, at any time, unencumbered assets of a notional amount of not less than the amounts due under the NCD.
21.	Ranking	Obligations by the Issuer under the NCDs shall rank pari passu with all other unsecured obligations of the Issuer from the date of allotment.
22.	Conditions	- No event or potential event of default;



Signature

	Precedent to NCDs purchase	<ul style="list-style-type: none"> - Compliance with all representation and warranties; - Satisfactory Due Diligence; - Execution of all relevant transaction documents; - A rating shall have assigned to the NCDs of not less than B+ by ICRA; - Satisfactory independent legal opinion by Phoenix Law regarding enforceability and capacity of Issuer of NCDs.
23.	Events of Default	<p>Upon an event of default, the NCDs can (at the discretion of the holder of the NCDs) be declared immediately repayable</p> <p>The Events of Default shall include the following:</p> <ul style="list-style-type: none"> - Failure to Pay; - Breach of Covenant; - Misrepresentation; - Breach of Agreement; - Cross-Default; (Including but not limited to failure to pay the Review Fees) - Material Adverse Change; - Liquidation / Bankruptcy; - Creditor's Process / Court Judgment; - Unlawfulness.
24.	Financial Covenants	<p>The Issuer shall maintain at all times:</p> <ul style="list-style-type: none"> - Positive earnings before interest, depreciation and tax - A debt service coverage ratio above 1 times - A financial leverage of not more than 3 times (debt to equity)
25.	Reporting Covenants	<p>The Issuer shall provide to the Purchaser of the NCD (unless delegated by the Purchaser of the NCD to a third party):</p> <ul style="list-style-type: none"> - Quarterly monitoring report in accordance with Annex 1, on each of [30 March, 30 June, 30 September, and 30 December] of each year; - Quarterly unaudited and annual audited financial statements by 30th September Annually the Issuer shall provide social impact data reporting as may be requested by the Servicer. - Any other information requested by Intellegrow from time to time.
26.	Negative Covenants	<p>The Issuer will not, without prior written consent of the Purchaser:</p> <ul style="list-style-type: none"> - Undertake any merger, consolidation or reorganization; - Enter into a single transaction or a series of transactions (whether related or not) to sell, lease, transfer or otherwise dispose of all or substantially all of its assets; - Allow for a change of control event in relation to its shareholders (change of control event defined as an event whereby existing shareholders are diluted below 67% of voting rights);
27.	Taxation	All payments by the Issuer to the Purchaser shall be made net of all taxes.
28.	Representations and	The NCDs contract will contain customary representations and



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AAV Sarl

	Warranties	warranties, appropriate for facilities of this nature, including but not limited to valid incorporation, approved listing within stipulated timeline, capacity of authority, pari passu ranking, and no default, which shall be deemed to be made on signing of the NCDs contract and repeated implicitly on the first utilization date, subsequent utilization dates and Interest Payment Dates.
29.	Other covenants	As are customary for transactions of this nature and as specifically prescribed by AAV SarL (Luxembourg).
30.	Governing Law	Indian Law
31.	Jurisdiction	The courts and tribunals of Mumbai, India

If you agree upon these terms as mentioned above, please return a duly signed copy to us.

For AAV SarL (Luxembourg)

Accepted and agreed by:

Name:

Philippe Juy

Title:

Manager



For Prothom Industries India Private Limited

Accepted and agreed by:

Name:

Title:



AAV Sàrl

Annex: Form of quarterly monitoring report

- (a) Revenues (YTD)
- (b) Expenses (YTD)
- (c) Profits (YTD)
- (d) Aggregate Equity
- (e) Net Worth
- (f) Aggregate Borrowings
- (g) Trade payables
- (h) Provisions
- (i) Other liabilities
- (j) Fixed assets
- (k) Investments
- (l) Aggregate of inventories, capital work in progress, and receivables
- (m) Cash and bank balances
- (n) Other assets
- (o) Assets in local currency
- (p) Assets in foreign currency
- (q) Liabilities in foreign currency
- (r) Equity and liabilities in local currency
- (s) Cumulated income from operations (YTD)
- (t) Cumulated income from investments (YTD)
- (u) Cumulated Other Operating Income (YTD)
- (v) Cumulated Financial expenses (YTD)
- (w) Cumulated Personnel expenses (YTD)
- (x) Cumulated Administrative and Other Operating expenses (YTD)
- (y) Cumulated Depreciation and Amortisation expenses (YTD)
- (z) Cumulated Non-operating income (YTD)
- (aa) Cumulated Non-operating expense (YTD)
- (bb) Cumulated FX gain / loss (YTD)
- (cc) Cumulated Taxes on net income (YTD)
- (dd) Cumulated Write offs (YTD)
- (ee) Number of employees
- (ff) Number of new employees hired this quarter
- (gg) Is there any open breach of covenant or event of default on any loan agreement, or any document or instrument relating to the issuance of convertible or non-convertible securities, or any breach of compliance with regulatory requirements prescribed by the relevant Government Authority
- (hh) If the answer to the question in (gg) above is yes, please indicate if waivers have been obtained for all the breaches
- (ii) Confirmation as to compliance with the financial covenants, the information covenants, the reporting covenants and any other obligations of the Issuer in the Transaction Documents to which it is a party
- (jj) Such other information or details as may be required by the Servicer

