

ANNEXURE A

TERMS AND CONDITIONS OF THE DEBENTURES

PART I

1. GENERAL TERMS AND CONDITIONS

1.1 Status

The Debentures constitute direct, unconditional and unsecured obligations of the Company and shall at all times rank *pari passu* in preference to the existing unsecured liabilities and debts of the Company.

1.2 Register of Debentures

- (a) So long as any Debenture remains outstanding, the Company shall establish and maintain a register of debentures ("**Register of Debenture Holders**") in accordance with this clause 1.2.
- (b) The Register of Debenture Holders shall be located at the registered office of the Company and shall contain particulars of the Debentures issued and outstanding from time to time. The Company shall enter the particulars of the issue of the Debentures and of the Debenture Holders on the Register of Debenture Holders.
- (c) The following particulars shall be entered on the Register of Debenture Holders in respect of each Debenture, the Debenture Holder and each subsequent or additional Debenture Holder:
 - 1. the name and address of and a contact person for the Debenture Holder;
 - 2. the issue date of the Debentures held by the Debenture Holder; and
 - 3. the principal amount of the Debentures held by the Debenture Holder.
- (d) The following additional provisions shall also apply in relation to the Register of Debenture Holders:
 - 1. Any change of name, address or contact person of the Debenture Holder shall forthwith be notified to the Company in writing by it and thereupon the Company shall alter the appropriate Register of Debenture Holders accordingly;
 - 2. Each Debenture Holder and any person authorised in writing by it shall be entitled at all reasonable times during office hours to inspect the Register of Debenture Holders and (at the cost of the Debenture Holder) to take copies of and extracts from the same;
 - 3. The Company shall comply with all statutory requirements necessary to be fulfilled in respect of the Register of Debenture Holders and shall keep or retain access to all details comprising the Register of Debenture Holders for at least 10 (ten) years after the date of entry of the same; and

4. The Company shall not make any changes on the Register of Debenture Holders which is contrary to the terms contained herein or which is in any manner prejudicial to the interests of the Debenture Holders.

1.3 Variation of Debenture Holders' rights

Until the Debenture Holders have affirmatively voted for such variation or provided their consent in writing for such variation, modification and/or abrogation, the rights, privileges and conditions attached to the Debentures may not be varied, modified or abrogated pursuant to any Board or Shareholders resolution passed by the Company to this effect.

1.4 Dematerialization of the Debentures

The Debentures issued will be dematerialized and the Company upon receipt of the application money shall directly transfer the Debentures to the Debenture Holders' depository participant accounts and each such Debenture Holders name shall reflect in the register of beneficial owner maintained by the relevant depository.

1.5 Payment of Subscription Price in Instalments

The application money to the extent of 25% (twenty Five percent) of the subscription price (*which means and includes the application money, allotment money and any call money payable in instalments as may be applicable*) shall be paid at the time of application for the Debentures and the balance 75% (Seventy Five percent) of the subscription price, shall be paid as allotment money or call money in next four years in equal tranches, within 30 (thirty) days of issuance of each notice given to the Debenture Holders for payment of the pending balance call money. The notice for payment of the balance amount as mentioned above can be issued by the Company in next four years from the date of allotment.

1.6 Conflict

In the event of any conflict between these terms and conditions contained in this **Annexure A**, and the terms and conditions contained in any other document, these terms and conditions shall prevail.

1.7 Acknowledgement of Liability

The Company hereby acknowledges its liability to the Debenture Holders in respect of the Debentures in accordance with these terms and conditions. The Debenture Holders from time to time shall have the benefit of, be entitled to enforce, be bound by, and are deemed to have notice of all obligations, liabilities, agreements, undertakings, covenants, warranties and other provisions in the Agreement.

2. TRANSFERABILITY OF DEBENTURES

Transfer of Debentures

The Debenture Holders shall have the right to assign, transfer, charge, pledge or create any other encumbrance on any or all of the Debentures (whether in physical or dematerialised form) and the Directors shall have no right to veto, object to or otherwise delay the same notwithstanding anything to the contrary in the Articles of Association of the Company. The Company shall approve any such transfer and register (or cause to be registered) any such transfer in its Register of Debenture Holders

or register of members (as applicable).

3. INTEREST

The Debentures shall bear an interest/coupon rate of 11% (eleven percent) per annum on the subscription price payable quarterly i.e. at the end of every June, September, December & March till conversion of the Debentures into Equity Shares of the Company as per terms of Part II of this Annexure A.

4. NON-PAYMENT OF CALL MONEY

The Debenture Holders shall be required to pay the balance call money within 30 (thirty) days of issuance of each notice given to the Debenture Holders for payment of such pending balance call money till the entire subscription price has been paid. In the event the Debenture Holders do not pay the balance call money in accordance with clause 1.5 above, the Debentures after completion of 3 (three) years and before expiry of 5 (Five) years from the Issuance Date (*as defined below*) shall be converted to Equity Shares of the Company in proportion and to the extent of the amount of the call money paid in accordance with the terms of conversion provided in Part II of this Annexure A.

5. ALLOTMENT, ISSUANCE AND DELIVERY OF DEBENTURES

The entire process of allotment, issuance and delivery of the Debentures to the Debenture Holders on the Issuance Date as agreed between the Debenture Holders and the Company shall be completed within 2 (Two) months from the passing of the Board Resolution.

PART II

CONVERSION TERMS OF DEBENTURES

1. DEFINED TERMS

In these terms of issuance of the Debentures ("**Terms**"), the following terms shall have the following meanings assigned to them:

- 1.1 **Conversion Price** means the price payable for the Equity Shares to be issued upon conversion of the Debentures;
- 1.2 **Conversion Ratio** means 1:1 (i.e. 1 Debenture: 1 Equity Shares);
- 1.3 **Equity Shares** shall mean Equity shares of the Company of the face value of INR 10/- (Indian Rupees ten only) each; and
- 1.4 **Issuance Date** means the date of allotment of the Debentures.

2. INSTRUMENT AND PRICE

The instrument shall be called '**unsecured compulsorily convertible debenture Series III**' or '**CCD III**'. The Debentures shall have a par value of INR 60/- (Indian Rupees Sixty only) and shall be issued at par.

3. COUPON

The Debentures shall carry a coupon of 11% (Eleven percent) per annum on the subscription price (payable quarterly i.e. at the end every financial quarter).

4. REDEMPTION

The Debentures shall not be subject to redemption under any circumstances.

5. CONVERSION

- 5.1. The Debentures shall convert before the expiry of 5 (Five) years from the Issuance Date.
- 5.2. The number of Equity Shares to be issued upon conversion of the Debentures shall be determined as follows:
 - 5.2.1. 01(One) Equity Shares for every 1 (one) Debenture shall be issued upon conversion;
 - 5.2.2. The Company shall not issue any fractional shares upon conversion of the Debentures. After applying the Conversion Price, the surplus if any, available on the Debentures shall be refunded to the Debenture Holders;
 - 5.2.3. Notwithstanding anything contained herein, if the Company has issued any Equity Shares (other than pursuant to exercise of stock options) at a price lower than the price paid per

Debenture by a Debenture Holder, then the Conversion Price shall be adjusted on a full ratchet basis; and

- 5.2.4. Conversion pursuant to this paragraph 5 shall not require the approval or consent of the Debenture Holders. Upon share certificates being issued to the Debenture Holders in relation to the Equity Shares issued upon conversion, the certificates in relation to the Debentures shall be of no effect and shall in any event be returned to the Company.

6. ADJUSTMENTS

There shall be a pro-rata adjustment in the Conversion Price if the Company completes a sub-division or consolidation of Equity Shares or completes a bonus issuance in relation to the Equity Shares. In order to give effect to this paragraph 6, the Company shall notify each Debenture Holder of the impact of any such sub-division, consolidation or bonus issuance immediately following such event.

SIZE OF THE PRESENT OFFER

The size of the present offer is INR 102,60,00,000 (Indian Rupees One Hundred and two crores and Sixty lakhs only). The issue shall comprise of 1,71,00,000 (One Crore Seventy Lacs) unsecured compulsorily convertible debentures Series III of INR 60/- (Indian Rupees Sixty Only) per Debenture, as per the break-up provided here below:

Sl. No.	Name of the proposed Allottee	Category / Class	Address	Number of unsecured compulsorily convertible debentures proposed to be offered	Amount to be invested by the Investor (in INR)
1.	Shashikiran Shetty	Individual	5th Floor, Avashya House, CST Road, Kalina, Santacruz (East) Mumbai Mumbai 400098	18,75,000	11,25,00,000
2.	Panna Infracon Projects LLP	Body Corporate	5th Floor, Avashya House, CST Road, Kalina, Santacruz (East) Mumbai Mumbai 400098	44,62,500	26,77,50,000
3.	Aria Commercials LLP	Body Corporate	Navneet Bhavan, Near Shardashram Society, Bhavani Shankar Road, Dadar(West), Mumbai 400028	61,50,000	36,90,00,000
4.	Mohinder Pal Bansal	Individual	1403/B, Casa Grande Tower - 1, Opp. Peninsula Complex, Senapati Bapat Marg, Lower Parel Mumbai - 400013	3,41,250	2,04,75,000
5.	Ankur Bansal	Individual	1403/B, Casa Grande Tower - 1, Opp. Peninsula Complex, Senapati Bapat Marg, Lower Parel Mumbai - 400013	3,41,250	2,04,75,000
6.	Blacksoil Infra Tech LLP	Body Corporate	1203, Lodha Supremus, Senapati Bapat Marg Lower Parel (West) Mumbai 400013	5,625	3,37,500
7.	Mohinder Pal Bansal HUF	HUF	1403/B, Casa Grande Tower - 1, Opp. Peninsula Complex, Senapati Bapat Marg, Lower Parel Mumbai - 400013	5,625	3,37,500
8.	Virendra Gala	Individual	18-8, Agicha House, 1st Floor, Flat No : 3 & 4, Rafi Ahmed Kidwai Road, Wadala (West) Mumbai - 400031	22,31,250	13,38,75,000
9.	Mahavir Dwellers Pvt. Ltd	Body Corporate	Flat No. 1, Ground Floor, Anil Villa, Plot No. 592 Jame Jamshed Road, Matunga (C.Rly.) Mumbai Mumbai City MH 400019 IN	37,500	22,50,000

10.	VBG Reality LLP	Body Corporate	Flat No. 1, Ground Floor, Anil Villa, Plot No. 592 Jame Jamshed Road, Matunga (C.Rly.) Mumbai Mumbai City MH 400019 IN	14,81,250	8,88,75,000
11.	Jatin Chokshi	Individual	5th Floor, Avashya House, CST Road, Kalina, Santacruz (East) Mumbai Mumbai 400098	45,000	27,00,000
12.	Kaiwan Kalyaniwalla	Individual	8 Hamam Street, Fort, Mumbai.	45,000	27,00,000
13.	Dilip Meghji Furia	Individual	Navneet Bhavan, Bhavani Shankar Road, Dadar (West), Mumbai - 400028	15,000	9,00,000
14.	Blacksoil Realty Investment LLP	Body Corporate	1203, Lodha Supremus, Senapati Bapat Marg Lower Parel (West) Mumbai 400013	63,750	38,25,000
Total				1,71,00,000	1,02,60,00,000