

SUMMARY TERM SHEET

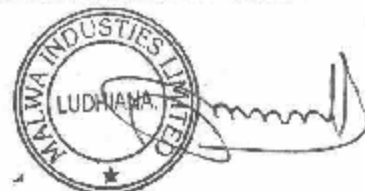
Issuer	Malwa Industries Limited
Issue Size	330000 No. of Debentures of Rs. 1000/- each.
Objects of the Issue	Conversion of Debts into NCDs
Instrument	Debentures
Nature and status of Bonds	Non-convertible Redeemable Zero Coupon Secured Debentures
Issuance Mode	Demat
Convertibility	Non-Convertible
Trading Mode	Not Listed
Credit Rating	NA
Face Value	1000
Premium/ Discount on Issue	NA
Issue Price	1000/-
Premium/ Discount on redemption	NA
Maturity	Redemption in three equal Installments of Rs. 11,00,00,000/- each
Redemption/ Maturity Date	31.03.2024, 31.03.2025 & 31.03.2026/ Final Maturity Date is 31-03-2026
Lock-in Period	NA
Minimum Application	NA
Put Option	NA
Call Option	The Company shall redeem NCDs issued to ARCIL, by way of redemption in three equal installments in FY24, FY25 and FY26 on due dates. In case of NCDs redeemed out of takeout financing in advance of the maturity date, ARCIL shall consider providing suitable discount on such prepayments on NPV basis (Discount factor not higher than 9% p.a.)



Call Option Price	NA
Call Notification Time	NA
Coupon Rate	Zero Coupon Rate
Step Up/ Step Down Coupon Rate	NA
Coupon Payment Frequency	NA
Coupon / Interest Payment Date	NA
Coupon Type	NA
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc)	NA
Default Interest Rate	Any Outstanding Amounts due on the Debentures and/or principal redemption and/or any other payment to be made by the Company in connection with the Debentures shall, in case the same be not paid on the respective due dates, carry interest at the rate of 18% (eighteen percent) per annum per month compounded monthly on the defaulted amount computed from the respective due dates till the date on which the payments are made. In the event the Outstanding Amounts are not paid (including compounded interest as aforesaid) within 30 (thirty) days from the respective due dates, the Borrower shall pay to the Subscriber further interest by way of liquidated damages at the rate of 2% (two percent) per annum over and above the interest rate of 18% p.a. till the date of actual payment.
Day Count Basis	In all cases in which it shall be necessary to compute the amount of Coupon or any other charges which shall have accrued under this Agreement the Coupon will be computed on an actual by 365 days a year basis
Interest on Application Money	NA
Listing	The Debentures are not currently proposed to be either rated by any rating agency or listed on any stock exchange. However, the Company shall ensure that the Debentures to be rated by such rating agencies identified by the Subscriber and listed on such stock exchanges as identified by the Subscriber, if so required.



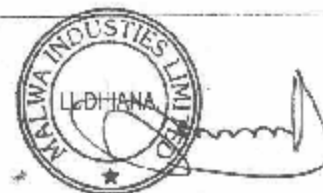
	by the Subscriber.
Trustees	NA
Depository	NDSL
Registrars	Link Intime India Private Limited
Settlement	Payment of the principal amount of each of the Debentures and interest thereon shall be made by real time gross settlement, cheque or such other manner as may be acceptable to the Subscriber.
Business Day Convention	If any payment date is not a Business Day, payment shall be made on the immediately preceding Business Day, with interest up to and including the due date.
Record Date	25/06/2019
Payment Mode	Consideration other than Cash
Eligible Investors	NA
Non-Eligible classes of Investors	NA
Transaction Documents	Debenture Subscription Agreement
Conditions precedent to subscription of Bonds	<ol style="list-style-type: none"> 1. Certified true copy of the constitutional documents of the Company. 2. A certified true copy of a resolution of the board of directors of the Company and/ or the relevant Obligor: <ol style="list-style-type: none"> (i) approving the terms of, and the transactions contemplated by, the Debenture Documents to which it is a party and resolving that it execute the Debenture Documents to which it is a party; (ii) authorising a specified person or persons, on its behalf, to execute, sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with the Debenture Documents to which it is a party. 3. Copy of any of the following proof of identity and residence of directors / authorised signatories of the Company: <ol style="list-style-type: none"> (i) Passport;



	<p>(ii) Ration Card;</p> <p>(iii) Driving License;</p> <p>(iv) Voter's Identity Card; and</p> <p>(v) Permanent Account Number Card or Acknowledged Copy of Income Tax Return with Permanent Account Number mentioned in the acknowledgment.</p> <p>4. A special resolution of shareholders approving the issuance of the Debentures in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014; and</p> <p>5. A special resolution of shareholders under and in accordance with Section 180(1)(a) and Section 180(1)(c) of the Act, for issuance and allotment of the Debentures and creation of security in terms of the Debenture Documents.</p> <p>6. A specimen of the signature of each person authorised by the resolution referred to in paragraph 2 above.</p> <p>7. Self-attested photographs of each person authorised by the resolution referred to in paragraph 2 above.</p> <p>8. Latest shareholding pattern of the Company.</p> <p>9. Certificate(s) of chartered accountant certifying that the borrowing limits of the Company</p> <p>10. Duly executed Security Documents.</p> <p>11. Certified true copy of the latest audited and unaudited financial statements of the Company.</p> <p>12. Such other conditions precedent as may be deemed necessary and mutually agreed between the Company and the Subscriber.</p>
<p>Conditions subsequent to subscription of Bonds</p>	<p>1. Within 15 (fifteen) days from the Allotment Date (or such later deadline as the Subscriber may agree, the Company shall supply to the Subscriber (in a form and substance satisfactory to the Subscriber) the following evidence and/or documents:</p> <p>(A) evidence that this Agreement together with the Security Documents has been duly executed and all formalities, registrations etc. that are required to be complied with and all stamp, registration duties and charges that are required to be paid in connection therewith have been complied with or paid to</p>



	<p>the satisfaction of the Subscriber;</p> <p>(B) perfection of security in relation to the Mortgaged Properties;</p> <p>evidence that all formalities and other steps required by the Subscriber to be taken in relation to this Clause have been satisfied and taken;</p> <p>2. The Company shall within 30 (thirty) days from the Allotment Date (or such later deadline as the Subscriber may agree) amend the articles of the Company to amend its Articles of Association and Memorandum of Association so as to authorise the Company to do all acts, matters and things as required in this Agreement to the satisfaction of the Subscriber, if required;</p> <p>3. Registration of mortgage with Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI), if applicable;</p> <p>4. Information to be provided to Information Utility under Insolvency and Bankruptcy Code, 2016;</p> <p>5. The Company shall at its own cost do any act or execute any document (in the form and substance required by the Subscriber) which the Subscriber may require in relation to anything referred to in this Clause, including anything to perfect any Security Interest the subject of any document referred to in.</p>
Cross Default	The Company represents and warrants that no cross guarantee or cross default agreements have been executed by it.
Role and Responsibilities of Trustees	NA
Governing Law and Jurisdiction	Indian Companies Act, 2013 and rule made thereunder and Jurisdiction is Luchiana (Punjab)
Additional Covenants	
Applicable RBI Guidelines	NA
Prohibition on Purchase/ Funding of Bonds	NA



Issue Opening Date	NA
Issue Closing Date	NA
Pay In Dates	NA
Deemed Date of Allotment	05/07/2019

