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**IMPORTANT: If you are not an intended recipient, please delete this electronic transmission from your system immediately. You must read the following disclaimer before continuing.** The following disclaimer applies to the Second Supplemental Consent Solicitation and Information Memorandum dated 2 April 2020 following this disclaimer page (the “**Second Supplemental Consent Solicitation and Information Memorandum**”) and you are therefore advised to read this disclaimer page carefully before accessing, reading or making any other use of the Second Supplemental Consent Solicitation and Information Memorandum (as well as any documents incorporated by reference in this Second Supplemental Consent Solicitation and Information Memorandum). In accessing the Second Supplemental Consent Solicitation and Information Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from The Bank of New York Mellon, London Branch as the tabulation and exchange agent (the “**Tabulation and Exchange Agent**”) as a result of such acceptance.

**NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF, AN OFFER TO BUY, OR A SOLICITATION OF AN OFFER TO SELL, SECURITIES IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. ACCESS HAS BEEN LIMITED SO THAT IT SHALL NOT CONSTITUTE DIRECTED SELLING EFFORTS (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT) IN THE UNITED STATES OR ELSEWHERE. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO THE FOREGOING RESTRICTIONS, YOU WILL BE UNABLE TO RECEIVE ANY OF THE SECURITIES DESCRIBED THEREIN. THE SECOND SUPPLEMENTAL CONSENT SOLICITATION AND INFORMATION MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY PERSON IN THE UNITED STATES OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE SECOND SUPPLEMENTAL CONSENT SOLICITATION AND INFORMATION MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.**

**Confirmation of your representation:** You have been sent the Second Supplemental Consent Solicitation and Information Memorandum at your request and on the basis that:

- (a) you are a holder or a beneficial owner of U.S.\$546,916,000 Step Up Convertible Bonds due 2019 issued on 15 July 2014 (the “**Existing Bonds**”) by Suzlon Energy Limited (the “**Company**”);
- (b) you are a person to whom it is lawful to send the Second Supplemental Consent Solicitation and Information Memorandum or make an invitation to participate in the Proposed Exchange Offer (each as defined in the Original Consent Solicitation and Information Memorandum), as the case may be, under applicable laws, and are an Existing Bondholder (as defined herein) who is not within the United States (within the meaning of Regulation S under the Securities Act); and
- (c) you consent to delivery of the Second Supplemental Consent Solicitation and Information Memorandum by electronic transmission to you.

The Second Supplemental Consent Solicitation and Information Memorandum has been sent to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Company, the Tabulation and Exchange Agent, The Bank of New York Mellon, London Branch, as trustee for the Existing Bonds, The Bank of New York Mellon, London Branch as trustee for the New Bonds or any person who controls, or any director, officer, employee, agent or affiliate of, any such person accepts any liability or responsibility whatsoever in respect of any difference between the Second Supplemental Consent Solicitation and Information Memorandum distributed to you in electronic form and any hard copy version.

In accordance with the provisions of applicable Indian regulations, only investors that are residents of Financial Action Task Force (“**FATF**”) or International Organization of Securities Commission’s (“**IOSCO**”) compliant jurisdictions and Multilateral and Regional Financial Institutions where India is a member country are eligible to purchase the New Bonds (defined below) issued by the Issuer. By accessing this Second Supplemental Consent Solicitation and Information Memorandum you shall be deemed to have represented to us that you are a resident of a FATF or an IOSCO compliant jurisdiction. This Second Supplemental Consent Solicitation and Information Memorandum has not been and will not be filed, produced or published as an offer document (whether a prospectus in respect of a public offer or an information memorandum or private placement offer cum application letter or other offering material in respect of any private placement under the Companies Act, 2013, or rules framed thereunder, each as amended, or any other applicable Indian laws) with any Registrar of Companies in India (“**RoC**”) or the Securities and Exchange Board of India (“**SEBI**”) or the Reserve Bank of India (“**RBI**”) or any other statutory or regulatory body of like nature in India, save and except for any information from any part of this Second Supplemental Consent Solicitation and Information Memorandum which is (i) mandatorily required to be disclosed or filed in India under any applicable Indian laws, including, but not limited to, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, as amended, and under the listing agreement with any Indian stock exchange pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, or (ii) pursuant to the sanction of any regulatory and adjudicatory body in India.

You are otherwise reminded that the Second Supplemental Consent Solicitation and Information Memorandum has been sent to you on the basis that you are a person into whose possession the Second Supplemental Consent Solicitation and Information Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are resident and/or located and you may not, nor are you authorised to, deliver the Second Supplemental Consent Solicitation and Information Memorandum to any other person. If this is not the case or if you do not agree to the terms contained in this notice, you must delete the electronic transmission in which the Second Supplemental Consent Solicitation and Information Memorandum is attached and destroy any printed copies of the Second Supplemental Consent Solicitation and Information Memorandum. If you have recently sold or otherwise transferred your entire holding(s) of the Existing Bonds, you should immediately forward the Second Supplemental Consent Solicitation and Information Memorandum to the purchaser, transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee, but if and only if you are permitted to do so by applicable law, and subject to the restrictions set out in this section. Save for the above, the Second Supplemental Consent Solicitation and Information Memorandum should not be distributed, published or reproduced (in whole or in part) or disclosed to any other persons and is, and its contents are, confidential.

**Restrictions: Nothing in this electronic transmission constitutes an offer of, an offer to buy, or a solicitation of an offer to sell, securities.**

**The distribution of the Second Supplemental Consent Solicitation and Information Memorandum in certain jurisdictions may be restricted by law. This Second Supplemental Consent Solicitation and Information Memorandum is not intended to be distributed in the United States (within the meaning of Regulation S under the Securities Act). Persons into whose possession the Second Supplemental Consent Solicitation and Information Memorandum comes are required by the Company to inform themselves about, and to observe, any such restrictions.**

**This Second Supplemental Consent Solicitation and Information Memorandum (as well as any documents incorporated by reference in this Second Supplemental Consent Solicitation and Information Memorandum) contains important information that should be read carefully before any decision is taken with respect to the Consent Solicitation (as defined herein) and/or the Proposed Exchange Offer (as defined in the Original Consent Solicitation and Information Memorandum).** If any holder of the Existing Bonds is in any doubt as to the action it should take, it is recommended to seek its own financial advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Any individual or company whose Existing Bonds are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to participate in the Consent Solicitation.

**You are responsible for protecting against viruses and other destructive items:** Your receipt of this electronic transmission is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Second Supplemental Consent Solicitation and Information Memorandum dated 2 April 2020

**NOT FOR DISTRIBUTION TO ANY PERSON RESIDENT OR LOCATED IN THE REPUBLIC OF INDIA OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES.**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

This Second Supplemental Consent Solicitation and Information Memorandum (as well as any documents incorporated by reference in this Second Supplemental Consent Solicitation and Information Memorandum) contains important information that should be read carefully before any decision is made to participate in the Consent Solicitation (as defined herein). If Existing Bondholders are in any doubt as to the action they should take, they are recommended to seek their own financial advice, including in respect of any tax consequences, immediately from their stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

The Proposed Exchange Offer is not being made to Existing Bondholders (as defined herein) in any jurisdiction in which the making of the Proposed Exchange Offer would not be in compliance with the laws or regulations of such jurisdiction. No action has been or will be taken in any jurisdiction in relation to the Consent Solicitation or the Proposed Exchange Offer that would permit a public offering of securities. However, Suzlon Energy Limited (the “**Company**” or the “**Issuer**”, as the context may require) may, in its sole discretion, take such actions as it may deem necessary to extend the Proposed Exchange Offer to persons in any such jurisdiction.

The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or with any securities regulatory authority of any state or other jurisdiction of the United States. Subject to certain exceptions, the securities referred to herein may not be offered, sold, pledged or otherwise transferred within the United States (within the meaning of Regulation S under the Securities Act (“**Regulation S**”)) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. This document is not intended to be distributed in the United States (within the meaning of Regulation S). Accordingly, the securities referred to herein are being offered only to Existing Bondholders outside the United States (within the meaning of Regulation S) in offshore transactions that comply with Regulation S. There will be no public offer of securities described herein in the United States. **The New Bonds may not be offered or placed directly or indirectly in India or to, or for the account or benefit of, any resident of India. See “Notice to Bondholders” in the Original Consent Solicitation and Information Memorandum (as defined below).**

Nothing in this Second Supplemental Consent Solicitation and Information Memorandum constitutes an offer of, an offer to buy, or a solicitation of an offer to sell, securities. The distribution of this Second Supplemental Consent Solicitation and Information Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this Second Supplemental Consent Solicitation and Information Memorandum comes are required by the Company to inform themselves about, and to observe, any such restrictions. Any individual or company whose Existing Bonds are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if they wish to accept the Consent Solicitation or participate in the Proposed Exchange Offer. None of the Company, the Trustee, the Tabulation and Exchange Agent or the Principal Agent (as defined in the Original Consent Solicitation and Information Memorandum) (or their respective directors, employees or affiliates) makes any recommendation as to whether or not Existing Bondholders should vote in favour of all or any of the Extraordinary Resolution (as defined in the Original Consent Solicitation and Information Memorandum).

#### **SUZLON ENERGY LIMITED**

*(incorporated in the Republic of India with limited liability under the Indian Companies Act, 1956 with Corporate Identity Number L40100GJ1995PLC025447.)*

**CONSENT SOLICITATION FOR THE EXTRAORDINARY RESOLUTION TO THE HOLDERS (THE “EXISTING BONDHOLDERS”) OF U.S.\$546,916,000 STEP UP CONVERTIBLE BONDS DUE 2019 ISSUED ON 15 JULY 2014 (ISIN: XS1081332527 and XS1081332873) (THE “EXISTING BONDS”) (THE “CONSENT SOLICITATION”)**

This Second Supplemental Consent Solicitation and Information Memorandum is supplemental to, forms part of and should be read in conjunction with, the Consent Solicitation and Information Memorandum dated 26 March 2020 (the “**Original Consent Solicitation and Information Memorandum**”) as supplemented by the Supplemental Consent Solicitation and Information Memorandum dated 31 March 2020 (the “**Supplemental Consent Solicitation and Information Memorandum**”) and, together with the Original Consent Solicitation and Information Memorandum and this Second Supplemental Consent Solicitation and Information Memorandum, the “**Consent Solicitation and Information Memorandum**”).

Terms defined in the Original Consent Solicitation and Information Memorandum (as supplemented by the Supplemental Consent Solicitation and Information Memorandum) have the same meaning when used in this Second Supplemental Consent Solicitation and Information Memorandum. All references in the Original Consent Solicitation and Information Memorandum (as supplemented by the Supplemental Consent Solicitation and Information Memorandum) to the “Consent Solicitation and Information Memorandum” shall be construed as references to the Original Consent Solicitation and Information Memorandum as supplemented by the Supplemental Consent Solicitation and Information Memorandum and as further supplemented by this Second Supplemental Consent Solicitation and Information Memorandum, taken together.

To the extent of any inconsistency between the provisions of the Supplemental Consent Solicitation and Information Memorandum and this Second Supplemental Consent Solicitation and Information Memorandum, the latter shall prevail.

#### **Amendments to the Original Consent Solicitation and Information Memorandum**

- (1) Each of (x) paragraph (d) under the heading “*Proposed Exchange Offer – Option A and Option B – Conditions Precedent*” on pages x and xi of the Original Consent Solicitation and Information Memorandum (as supplemented by the Supplemental Consent Solicitation and Information Memorandum); and (y) paragraph (d) under the heading “*Conditions Precedent*” on page 21 of the Original Consent Solicitation and Information Memorandum (as supplemented by the Supplemental Consent Solicitation and Information Memorandum), shall be deemed to be replaced with the following:

- “(d) The Debt Resolution Plan must have been approved by, and be legally binding upon, the Issuer and the Group Lenders, and the delivery by the Issuer to the Trustee (on behalf of the Existing Bondholders) and the Principal Agent of a certificate appending **any one of the following** (in each case confirming that (A) the Group Lenders have granted their formal sanction to the Debt Resolution Plan in terms of the inter-creditor agreement entered into among the Group Lenders (the “ICA”); and (B) the Issuer and the Group Lenders have effected and implemented the Debt Resolution Plan (other than the implementation of the Bonds Restructuring) within the parameters of the terms set out in the Consent Solicitation and Information Memorandum):
- (i) one or more letters duly issued by the Group Lenders collectively representing at least 75 per cent. by value (including fund and non-fund based facilities outstanding) as at 30 September 2019 or such other date as is mutually agreed between the Group Lenders and the Issuer (such date, the “**Reconciliation Date**”) and 60 per cent. of the Group Lenders; or
  - (ii) a letter from the lead bank of the Group Lenders under the terms of the ICA (the “**Lead Bank**”); or
  - (iii) minutes of one or more meetings of the Group Lenders issued by the Lead Bank (and copied to all the Group Lenders);
- (dd) The Issuer shall have procured the investment of no less than ₹375 Crores in the Issuer by way of a subscription for Shares or instruments convertible into, or exchangeable for, Shares;”

- (2) Each of (x) paragraph (f) under the heading “*Proposed Exchange Offer – Option A and Option B – Conditions Precedent*” on page xi of the Original Consent Solicitation and Information Memorandum; and (y) paragraph (f) under the heading “*Conditions Precedent*” on page 21 of the Original Consent Solicitation and Information Memorandum, shall be deemed to be replaced with the following:

"(f) The Issuer having paid such fee amounts as have been mutually agreed between it and Kirkland & Ellis LLP (“**K&E**”) pursuant to an engagement letter dated 31 March 2020; and"

- (3) Immediately following each of (x) paragraph (g) under the heading “*Proposed Exchange Offer – Option A and Option B – Conditions Precedent*” on page xi of the Original Consent Solicitation and Information Memorandum; and (y) paragraph (g) under the heading “*Conditions Precedent*” on page 21 of the Original Consent Solicitation and Information Memorandum, the following language shall be deemed to be inserted:

"Provided that each of the Conditions Precedent set out above may only be waived by the Issuer with the written approval of the Ad-Hoc Committee of Existing Bondholders, and further provided that the Condition Precedent in paragraph (g) above may only be waived by the Trustee. In this context, "**Ad-Hoc Committee of Existing Bondholders**" means the ad-hoc committee of Existing Bondholders consisting of funds managed by Arkkan Capital, Clearwater Capital Partners and Tor Investment Management that collectively hold 30.8% of the aggregate outstanding principal amount of the Existing Bonds and that are represented by Kirkland & Ellis LLP. "

- (2) The “*Amended Terms and Conditions of the Existing Bonds*” as originally annexed to the Original Consent Solicitation and Information Memorandum as Annexure IIA and as replaced by Appendix 1 to the Supplemental Consent Solicitation and Information Memorandum, shall hereby be deemed to be further replaced in its entirety with Appendix A hereto, and all references to the “*Amended Conditions*” or “*Annexure IIA*” in the Original Consent Solicitation and Information Memorandum shall be construed accordingly.

**APPENDIX A**

**AMENDED TERMS AND CONDITIONS OF THE EXISTING BONDS**

## AMENDED TERMS AND CONDITIONS OF THE EXISTING BONDS

*The Terms and Conditions of the Bonds shall be amended by amending and restating the Terms and Conditions with the Terms and Conditions set out below (deletions are shown as a ~~strike through~~; additions are shown in underline). A full legend explaining changes is set out at the end of these Terms and Conditions.*

*The following, other than the words in italics, is the text of such amended Terms and Conditions of the Bonds which will appear on the reverse of each of the definitive certificates evidencing the Bonds.*

The issue of U.S.\$546,916,000 Step Up Convertible Bonds due 2019 (the “**Bonds**”, which term shall include, unless the context requires otherwise, any further Bonds issued in accordance with Condition 16 and consolidated and forming a single series with the Bonds) of Suzlon Energy Limited (the “**Issuer**”), was authorised by resolutions of the Board of Directors of the Issuer on 3 May 2014 and by the shareholders of the Issuer on 20 September 2013. The Bonds are constituted by a trust deed ~~(as dated 15 July 2014, as amended and supplemented by the first supplemental trust deed dated 11 December 2014 (and as further~~ amended or supplemented from time to time) (the “**Trust Deed**”) ~~dated on or about 15 July 2014 and, each~~ made between the Issuer and The Bank of New York Mellon, London Branch as trustee for the holders of the Bonds (the “**Trustee**”, which term shall, where the context so permits, include all other persons for the time being acting as trustee or trustees under the Trust Deed). The Issuer has entered into a paying, conversion and transfer agency agreement (as amended or supplemented from time to time, (the “**Agency Agreement**”) dated ~~on or about~~ 15 July 2014 with The Bank of New York Mellon, London Branch as principal paying and conversion agent (the “**Principal Agent**”), The Bank of New York Mellon SA/NV, Luxembourg Branch (formerly known as The Bank of New York Mellon (Luxembourg) S.A.) as registrar (the “**Registrar**”) and transfer agent and the other paying, conversion and transfer agents appointed under it (each a “**Paying Agent**”, “**Conversion Agent**”, “**Transfer Agent**” (references to which shall include the Registrar) and together with the Registrar and the Principal Agent, the “**Agents**” (which shall, where applicable, include the Singapore Agent (as defined in Condition 18)) relating to the Bonds. References to the “**Principal Agent**”, “**Registrar**” and “**Agents**” below are references to the principal agent, registrar and agents for the time being for the Bonds.

The statements in these terms and conditions (these “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed. Unless otherwise defined, terms used in these Conditions have the meaning specified in the Trust Deed.

Copies of the Trust Deed and of the Agency Agreement are available for inspection during normal business hours at the registered office of the Trustee being at the date hereof at One Canada Square, ~~40<sup>th</sup> Floor~~, London, E14 5AL, United Kingdom and at the specified offices of each of the Agents. The Bondholders are entitled to the benefit of the Trust Deed and are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement applicable to them.

*The Issuer entered into a Second Supplemental Trust Deed (as defined below) with the Trustee and, on the date upon which the Bondholders’ Resolution (as defined below) (approving certain amendments to these Conditions and the Trust Deed as set out in a notice of meeting issued on 13 March 2020 by the Issuer, as supplemented by the Consent Solicitation and Information Memorandum dated 26 March 2020, together with the Supplemental Consent Solicitation and Information Memorandum dated 31 March 2020 and the Second Supplemental Consent Solicitation and Information Memorandum dated 2 April 2020) was passed, the Second Supplemental Trust Deed became effective in accordance with its terms in order to give effect to such Bondholders’ Resolution.*

[For the avoidance of doubt, the Bondholder Options \(defined below\) as set out in these Conditions shall at all times remain subject to the fulfillment of the Conditions Precedent \(defined below\).](#)

## **1 Status**

The Bonds constitute direct, unsubordinated, unconditional and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to Condition 4, at all times rank at least equally with all of its other present and future direct, unsubordinated, unconditional and unsecured obligations.

## **2 Form, Denomination and Title**

### **2.1 Form and Denomination**

The Bonds are issued in registered form in the denomination of U.S.\$1,000 each and integral multiples thereof. A bond certificate (each a “**Certificate**”) will be issued to each Bondholder in respect of its registered holding of Bonds. Each Bond and each Certificate will be numbered serially with an identifying number, which will be recorded on the relevant Certificate and in the Register (as defined in Condition 3.1) of Bondholders which the Issuer will procure to be kept by the Registrar.

### **2.2 Title**

Title to the Bonds passes only by transfer and registration in the register of Bondholders as described in Condition 3. The holder of any Bond will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder. In these Conditions “**Bondholder**” and (in relation to a Bond) “**holder**” means the person in whose name a Bond is registered.

## **3 Transfers of Bonds; Issue of Certificates**

### **3.1 Register**

The Issuer will cause to be kept at the specified office of the Registrar and in accordance with the terms of the Agency Agreement a register on which shall be entered the names and addresses of the holders of the Bonds and the particulars of the Bonds held by them and of all transfers of the Bonds (the “**Register**”).

Each Bondholder shall be entitled to receive only one Certificate in respect of its entire holding of Bonds.

### **3.2 Transfers**

Subject to Conditions 3.5 and 3.6 and the terms of the Agency Agreement, a Bond may be transferred or exchanged by delivery of the Certificate issued in respect of that Bond, with the form of transfer on the back duly completed and signed by the holder or his attorney duly authorised in writing, to the specified office of the Registrar or any of the Transfer Agents. No transfer of title to a Bond will be valid unless and until entered on the Register.

### 3.3 Delivery of New Certificates

- 3.3.1** Each new Certificate to be issued upon a transfer or exchange of Bonds will, within seven business days (at the place of the relevant specified office) of receipt by the Registrar or, as the case may be, any other relevant Transfer Agent of the original Certificate and the form of transfer duly completed and signed, be made available for collection at the specified office of the Registrar or such other relevant Transfer Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder entitled to the Bonds (but free of charge to the holder) to the address specified in the form of transfer. The form of transfer is available at the specified office of the Principal Agent.
- 3.3.2** Where only part of a principal amount of the Bonds (being that of one or more Bonds) in respect of which a Certificate is issued is to be transferred, exchanged, converted or redeemed, a new Certificate in respect of the Bonds not so transferred, exchanged, converted or redeemed will, within seven business days of delivery of the original Certificate to the Registrar or other relevant Agent, be made available for collection at the specified office of the Registrar or such other relevant Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder of the Bonds not so transferred, exchanged, converted or redeemed (but free of charge to the holder) to the address of such holder appearing on the Register.
- 3.3.3** For the purposes of these Conditions (except for Condition ~~4.3, Condition 7~~, [Condition 8.2](#), Condition 8.5 and Condition 8.7), “**business day**” shall mean a day other than a Saturday or Sunday on which banks are open for business in the city in which the specified office of the Registrar (if a Certificate is deposited with it in connection with a transfer or conversion) or the Agent with whom a Certificate is deposited in connection with a transfer or conversion, is located.

### 3.4 Formalities Free of Charge

Registration of a transfer of Bonds and issuance of new Certificates will be effected without charge by or on behalf of the Issuer or any of the Agents, but upon (i) payment (or the giving of such indemnity as the Issuer or any of the Agents may require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer; and (ii) the Issuer or the relevant Transfer Agent being satisfied that the regulations concerning transfer of Bonds have been complied with.

### 3.5 Restricted Transfer Periods

No Bondholder may require the transfer of a Bond to be registered (i) during the period of seven days ending on (and including) the due date for any principal on the Bonds; (ii) after a Conversion Notice (as defined in Condition 6.2) has been delivered with respect to a Bond; (iii) after [an Account Holder Instruction \(as defined in Condition 8.2\) has been delivered with respect to a Bond by such Bondholder](#); (iv) [after an election or deemed election of Option A \(as defined in Condition 8.2\) or an election of Option B \(as defined in Condition 8.2\) has been made with respect to a Bond by such Bondholder](#); (v) after a Relevant Event Put Exercise Notice (as defined in Condition 8.4) has been deposited in respect of such a Bond; ~~(vi)~~ after a Delisting Put Notice (as defined in Condition 8.5) has been deposited in respect of such a Bond; ~~(vii)~~ after the Non-Permitted Conversion Price Adjustment Event Purchase Right (as defined in Condition 8.7) has been exercised in respect of such Bonds; or ~~(viii)~~ during the period of seven days ending on (and including) any record date in respect of any payment of interest on the Bonds, each such period being a “**Restricted Transfer Period**”.

### 3.6 Regulations

All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer of Bonds scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Trustee and the Registrar. A copy of the current regulations will be mailed (free of charge to the holder and at the Issuer's expense) by the Registrar to any Bondholder upon request.

## 4 Negative Pledge ~~and Security~~

### 4.1 So long as any Bond remains outstanding (as defined in the Trust Deed):

- (i) the Issuer will not create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest ("**Security**") upon the whole or any part of its undertaking, assets or revenues, present or future, to secure any International Investment Securities (as defined below), or to secure any guarantee or indemnity in respect of any International Investment Securities;
- (ii) the Issuer will procure that no Subsidiary (as defined below) or other person creates or permits to subsist any Security upon the whole or any part of the undertaking, assets or revenues, present or future, of that Subsidiary or other person to secure any of the Issuer's or any Subsidiary's International Investment Securities, or to secure any guarantee of or indemnity in respect of any of the Issuer's or any Subsidiary's International Investment Securities; and
- (iii) the Issuer will procure that no other person gives any guarantee of, or indemnity in respect of, any of the Issuer's or any Subsidiary's International Investment Securities,

unless, at the same time or prior thereto, the Issuer's obligations under the Bonds and the Trust Deed (a) are secured equally and rateably therewith to the satisfaction of the Trustee, or (b) have the benefit of such other security, guarantee, indemnity or other arrangement as the Trustee in its absolute discretion shall deem to be not materially less beneficial to the Bondholders or as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders.

~~Provided however that, the following Security shall be excluded from the terms of this Condition 4.1:~~

- ~~(i) the Second Lien (as defined below);~~
- ~~(ii) Provided however that, the Issuer or any Subsidiary may create or permit to subsist Security upon the whole or any part of its undertaking, assets or revenues, present or future to secure a guarantee or indemnity or credit enhancement provided by a non-Group (as defined in the Trust Deed) third party in respect of International Investment Securities issued by the Issuer or any Subsidiary for the purpose of using the proceeds from any such issuance in ~~the following order:~~~~

~~or towards the repayment or prepayment of the Bonds or (a) first, in or towards the repayment or prepayment of any of its existing senior debt or debt with an original maturity prior to the Maturity Date (as defined in Condition 8.1) with a new maturity beyond the Maturity Date provided that such repayment or prepayment is to the CDR (as defined in Condition 6.3) lenders under the CDR Scheme (as defined below) (such debt, the "CDR Debt") in order to meet the Security Conditions (as defined below) or the refinancing of such CDR Debt~~

~~(provided that such refinancing does not impair the Bondholders' rights to a springing Second Lien as set out in Condition 4.2 below); and~~

~~(b) **secondly**, in or towards the repayment or prepayment of any of its existing senior debt or debt with an original maturity prior to the Maturity Date with a new maturity beyond the Maturity Date (such debt, the "Other Senior Debt") or the refinancing of such Other Senior Debt (provided that such refinancing does not impair the Bondholders' rights to a springing Second Lien as set out in Condition 4.2 below).~~

~~4.2 [Reserved]~~

~~4.3 [Reserved]~~

~~4.4 [Reserved]~~

~~(iii) any funds made available to the Issuer or any of its Subsidiaries by any member of the Servion Group (as defined below), from the proceeds of an issuance of International Investment Securities by a member of the Servion Group, raised by creating or permitting to subsist Security upon the whole or any part of the undertaking, assets or revenues, present or future of such member of the Servion Group to secure a guarantee or indemnity or credit enhancement provided by a non-Group third party in respect of such International Investment Securities, for the purpose of the Issuer or its Subsidiaries using the proceeds from any such issuance in the following order:~~

~~(a) **first**, in or towards the repayment or prepayment of any of its CDR Debt in order to meet the Security Conditions or the refinancing of such CDR Debt (provided that such refinancing does not impair the Bondholders' rights to a springing Second Lien as set out in Condition 4.2 below); and~~

~~(b) **secondly**, in or towards the repayment or prepayment of any of its Other Senior Debt or the refinancing of such Other Senior Debt (provided that such refinancing does not impair the Bondholders' rights to a springing Second Lien as set out in Condition 4.2 below).~~

~~4.2 Subject to receipt of regulatory approvals, the Issuer shall execute a springing second lien (the "**Second Lien**") in favour of a suitably qualified security trustee of national or international repute appointed by the Issuer (in prior consultation with the Trustee) (the "**Security Trustee**") acting on behalf of the Bondholders over all the domestic assets of the Issuer and its Indian Subsidiaries (as defined below) that are secured for the benefit of the Issuer's Secured Lenders (as defined below) in accordance with the requirements of the master restructuring agreement dated 28 March 2013 in respect of the CDR Scheme and any other financing documents signed by non-CDR lenders in accordance with Condition 4.3 and, subject to (a) the written consent of the Secured Lenders, and (b) the Issuer:~~

~~(i) prepaying of an amount of approximately U.S\$1.158 billion to the CDR lenders under the CDR Scheme; and~~

~~(ii) achieving a minimum Asset Coverage Ratio (as defined below) in excess of 1.33:1.~~

~~((i) and (ii) together, the "**Security Conditions**").~~

~~4.3 Subject to the Conditions set out in Condition 4.2 being fulfilled (without prejudice to Condition 4.1.4), the springing Second Lien will be implemented as follows:~~

- ~~(i) the Issuer shall notify the Monitoring Institution and the Trustee in writing within 5 business days of the Security Conditions having been complied with;~~
- ~~(ii) the Issuer shall also inform the Trustee of the receipt of the written approval of the Secured Lenders within 5 business days of receipt of the same; and~~
- ~~(iii) the Issuer shall create the Second Lien within 90 days from the date on which all the Conditions set out in Condition 4.2 have been satisfied (the “**Springing Second Lien Implementation Date**”).~~

~~4.4 On or prior to the Springing Second Lien Implementation Date, the Security Trustee and the Secured Lenders or any duly authorised agent of the Secured Lenders will enter into an intercreditor agreement in form and substance satisfactory to all the parties thereto (the “**Intercreditor Agreement**”).~~

~~The Intercreditor Agreement, which will be governed by Indian law, will establish the subordination of the security held pursuant to the Second Lien only to the first ranking security held by the Secured Lenders and which may be amended from time to time to add other Secured Lenders or parties representing such Secured Lenders. The Intercreditor Agreement will not include (i) any financial covenants in relation to the Issuer for the benefit of the Bondholders; (ii) any covenants in relation to security except as set out in these Conditions; or (iii) any voting rights for Bondholders in relation to any determination, consent or waiver to be made by the Secured Lenders with respect to the secured assets.~~

For the purposes of these Conditions:

~~“**Indian GAAP**” means generally accepted accounting principles in India, including the Indian Accounting Standards prescribed under Section 133 of the (Indian) Companies Act, 2013 (as amended) read with the (Indian) Companies (Indian Accounting Standards) Rules, 2015 (as amended).~~

~~“**Asset Coverage Ratio**” means the result, expressed as a fraction, obtained by dividing the aggregate of tangible fixed assets (excluding revaluation reserves) and capital work-in-progress and current assets, which have been secured on first *pari passu* charge basis, by the aggregate loans (both fund based and non-fund based) (which are secured on first *pari passu* charge basis against such tangible fixed assets and capital work-in-progress and current assets), of the Issuer and its Indian Subsidiaries. The book value of the assets shall be calculated on the basis of the latest annual audited financial statements submitted by the Issuer and its Indian Subsidiaries to the Monitoring Institution in accordance with generally accepted accounting principles in India (“**Indian GAAP**”) and the Asset Coverage Ratio shall accordingly be tested annually.~~

~~“**business day**” shall mean a day on which commercial banks are open for business in New York City, London and Mumbai.~~

~~“**Indian Subsidiaries**” means, collectively, Suzlon Structures Limited, Suzlon Power Infrastructure Limited, Suzlon Generators Limited, Suzlon Gujarat Wind Park Limited, SE Electricals Limited, Suzlon Wind International Limited and SE Blades Limited or any other entity, each of which, together with the Issuer, are, or become, borrowers under the master restructuring agreement dated 28 March 2013 entered into with the CDR lenders (the “**CDR Scheme**”).~~

~~“**International Investment Securities**” means any present or future indebtedness in the form of, or represented by, bonds, debentures, notes or other investment securities which (i) are~~

denominated in a currency other than Rupees or are by their terms payable, or confer a right to receive payment, in any currency other than Rupees, or are denominated or payable in Rupees and more than 50% of the aggregate principal amount thereof is initially distributed outside India, and (ii) are for the time being, or are intended to be or capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over the counter or other securities market.

~~“Monitoring Institution” means the bank appointed as the monitoring institution under the CDR Scheme.~~

~~“Secured Lenders” means the CDR lenders and any senior lenders that have the benefit of the security over the assets of the Issuer and its Indian Subsidiaries.~~

~~“Senvion Group” means Senvion SE and its subsidiaries.~~

“**Subsidiary**” means any company or other business entity of which the Issuer owns or controls (either directly or through one or more other subsidiaries) more than 50% of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or other business entity or any company or other business entity which the Issuer recognises in its consolidated accounts as a subsidiary, jointly controlled entity or associated company under Indian law, regulations or generally accepted accounting principles from time to time, or which should have its accounts consolidated with those of the Issuer.

~~Provided that, for the purpose of this Condition 4, no member of the Senvion Group will be considered a Subsidiary.~~

## 5 Interest

### 5.1 Interest Rate

The Bonds bear interest (i) at the rate of 3.25% per annum, from (and including) 15 July 2014 (the “**Closing Date**”) up to (but excluding) 16 January 2016, calculated by reference to the principal amount thereof and payable semi-annually in arrear on 16 July and 16 January in each year (each an “**Interest Payment Date**”), commencing with the Interest Payment Date falling on 16 January 2015 (the “**First Interest Payment Date**”) and the last payment of interest at such rate will be made on 16 January 2016, in respect of the period from (and including) the Closing Date to (but excluding) 16 January 2016; and (ii) at the rate of 5.75% per annum, from (and including) 16 January 2016 to the Maturity Date, calculated by reference to the principal amount and payable semi-annually in arrear on each Interest Payment Date, commencing with the Interest Payment Date falling on 16 July 2016 except that the last payment of interest will be made on the Maturity Date in respect of the period from (and including) 16 January 2019 to (but excluding) the Maturity Date, and such final payment of interest will amount to U.S.\$~~1,004.29~~28.75 per U.S.\$1,000 principal amount of Bonds.

The amount of interest payable in respect of any period which is shorter than an Interest Period shall be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

“**Interest Period**” means the payment period beginning on (and including) the Closing Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

## 5.2 Accrual of Interest

Each Bond will cease to bear interest (i) where the Conversion Right shall have been exercised by a Bondholder, from the Interest Payment Date immediately preceding the relevant Conversion Date or, if none, the Closing Date (subject in any such case as provided in Condition 6.2.4) or (ii) where the Mandatory Conversion has occurred with respect to such Bond in accordance with Condition 8.2A and the requirements of Condition 8.2A have been fulfilled; or (iii) where the Bond Exchange has occurred with respect to such Bond in accordance with Condition 8.2B and the requirements of Condition 8.2B have been fulfilled or (iv) where such Bond is redeemed or repaid pursuant to Condition 8 or Condition 10, from the due date for redemption or repayment thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused, in which event interest will continue to accrue as provided in these Conditions.

## 6 Conversion

### 6.1 Conversion Right

#### 6.1.1 Conversion Period

- (i) Subject as hereinafter provided, Bondholders have the right to convert their Bonds into Shares at any time during the Conversion Period referred to below. The right of a Bondholder to convert any Bond into Shares is called the **“Conversion Right”**.

Subject to and upon compliance with the provisions of this Condition, the Conversion Right attaching to any Bond may be exercised, at the option of the holder thereof, at any time (subject to Condition 6.1.1(ii)) on and after 25 August 2014 up to the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on 9 July 2019 (but, except as provided in Conditions 6.1.4 and 10, in no event thereafter) or if such Bond shall have been called for redemption before the Maturity Date, then up to the close of business (at the place aforesaid) on a date no later than seven business days (at the place aforesaid) prior to the date fixed for redemption thereof (the **“Conversion Period”**).

- (ii) Conversion Rights may not be exercised in relation to any Bond (a) during the period ~~(each, a “Closed Period”)~~ commencing on: ~~(a)~~ the date falling 21 days prior to the date of the Issuer’s annual general shareholders’ meeting and ending on the date of that meeting, (b) during the period commencing on the date falling 30 days prior to an extraordinary shareholders’ meeting and ending on the date of that meeting, (c) during the period commencing on the date that the Issuer notifies BSE Limited (the **“BSE”**) or National Stock Exchange of India Limited (the **“NSE”** and together with the BSE, the **“Indian Exchanges”**) of the record date for determination of the shareholders entitled to receipt of dividends, subscription of shares due to capital increase or other benefits, and ending on the record date for the distribution or allocation of the relevant dividends, rights and benefits; (d) ~~on such date and for~~ during such period as determined by Indian law applicable from time to time that the Issuer is required to close its stock transfer books; ~~or~~ (e) in circumstances where the exercise of the Conversion Right would fall during the period commencing on a record date in respect of any payment of interest on the Bonds and ending on the relevant Interest Payment Date (both days inclusive); (f) prior to the date which is the earlier to occur of the Cut-off Date (as defined in Condition 8.2), or, in the event

that the Mandatory Conversion Record Date (as defined in Condition 8.2) has occurred prior to the Cut-off Date, the Long Stop Date (as defined in Condition 8.2) or (g) prior to the date which is the earlier to occur of the Cut-off Date (as defined in Condition 8.2), or, in the event that the Bond Exchange Date (as defined in Condition 8.2) has occurred prior to the Cut-off Date, the Bond Exchange Date, each such period referred to in (a) to (g) above, a “Closed Period”. The Issuer will give notice of any such period to the Trustee, the Bondholders and the Conversion Agent at the beginning of each such period.

The Issuer shall provide to the Trustee, the Bondholders and the Conversion Agent notice of any meeting of the Issuer’s board of directors which is convened to consider the declaration of any dividends, subscription of shares due to capital increase or other benefits, at the same time notice of such meeting is announced in India.

Conversion Rights may not be exercised (a) in respect of a Bond where the Bondholder shall have exercised its right to require the Issuer to redeem such Bond pursuant to Condition 8.4 or 8.5; ~~or~~ (b) in respect of a Bond where the Mandatory Conversion has occurred in accordance with Condition 8.2A and the requirements of Condition 8.2A have been fulfilled; (c) in respect of a Bond where the Bond Exchange has occurred in accordance with Condition 8.2B and the requirements of Condition 8.2B have been fulfilled, or (d) except as provided in Condition 6.1.4 and Condition 10, in each case following the giving of notice by the Trustee pursuant to Condition 10.

The number of Shares to be issued on conversion of a Bond will be determined by dividing the principal amount of the Bond to be converted (translated into Rupees at the fixed rate of ₹60.225 = U.S.\$1.00 (the “**Fixed Exchange Rate**”)) by the Conversion Price in effect at the Conversion Date (both as hereinafter defined).

A Conversion Right may only be exercised in respect of one or more Bonds. If more than one Bond held by the same holder is converted at any one time by the same holder, the number of Shares to be issued upon such conversion will be calculated on the basis of the aggregate principal amount of the Bonds to be converted.

Upon exercise of Conversion Rights in relation to any Bond and the fulfilment by the Issuer of all its obligations in respect thereof, the relevant Bondholder shall have no further rights in respect of such Bond and the obligations of the Issuer in respect thereof shall be extinguished.

#### **6.1.2 Fractions of Shares:**

Fractions of Shares will not be issued on conversion and no cash adjustments will be made in respect thereof. Notwithstanding the foregoing, in the event of a consolidation or reclassification of Shares by operation of law or otherwise occurring after the Closing Date which reduces the number of Shares outstanding, the Issuer will upon conversion of Bonds pay in cash (in U.S. dollars by means of a U.S. dollar cheque drawn on a bank in New York City) a sum equal to such portion of the principal amount of the Bond or Bonds evidenced by the Certificate deposited in connection with the exercise of Conversion Rights, aggregated as provided in Condition 6.1.1, as corresponds to any fraction of a Share not issued if such sum exceeds U.S.\$10.00 (which sum shall be translated into U.S. dollars at the **Fixed Exchange Rate**). Any such sum shall be paid

not later than 14 business days in Mumbai after the relevant Conversion Date by transfer to a U.S. dollar account with a bank in New York City specified in the relevant Conversion Notice.

However, if upon mandatory conversion pursuant to Condition 8.2 or if the Conversion Right in respect of more than one Bond is exercised at any one time such that shares to be issued on conversion are to be registered in the same name, the number of such shares to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being converted and rounded down to the nearest whole number of Shares.

### 6.1.3 Conversion Price and Conversion Ratio:

~~The~~(i) Subject to (ii) below, the price at which Shares will be issued upon conversion, as adjusted from time to time, (the “**Initial Conversion Price**”) will initially be ₹15.46 per Share but will be subject to adjustment in the manner provided in Condition 6.3. The “**Initial Conversion Ratio**” is equal to the principal amount of the Bonds divided by the Initial Conversion Price translated into U.S. dollars at the Exchange Rate.

~~The~~“(ii) With effect from the Bonds Amendment Date, and subject to the fulfilment of the Conditions Precedent, the price at which Shares will be issued upon conversion, as adjusted from time to time, (the “**Amended Conversion Price**”) will initially be ₹6.77 per Share but will be subject to adjustment in the manner provided in Condition 6.3. The “**Amended Conversion Ratio**” is equal to the principal amount of the Bonds divided by the ~~then~~Amended Conversion Price translated into U.S. dollars at the ~~Fixed~~Exchange Rate.

(iii) The Issuer proposes to issue, through preferential allotment, Shares in favour of the Promoter Group and the Investor Group (each as defined in the Consent Solicitation and Information Memorandum) aggregating up to Rs. 4,000 million, pursuant to a general meeting of its shareholders proposed to be held on 7 April 2020 or an adjourned or rescheduled such meeting, or other similar corporate action for this purpose (the “**Promoter Preferential Allotment**”).

Notwithstanding anything contained herein, in the event the price per Share at which the Promoter Preferential Allotment takes place (the “**Promoter Preferential Allotment Share Price**”) is:

- (a) Rs. 2.45 or more, no change shall be made to the Amended Conversion Price set out in Condition 6.1.3(ii); and
- (b) less than Rs. 2.45, the Amended Conversion Price set out in Condition 6.1.3(ii) shall be reduced by Rs. 0.02763 (rounded to the nearest two decimal places) for every reduction of 1 paise in the Promoter Preferential Allotment Share Price below Rs. 2.45.

As used in these Conditions, the “**Conversion Price**” means the Initial Conversion Price or the Amended Conversion Price, as is applicable on the Conversion Date (as defined in Condition 6.2.1) in respect of the exercise of a Conversion Right attaching to any Bond in accordance with Condition 6.1. If the Conditions Precedent have not been fulfilled on the Conversion Date applicable to the exercise of a Conversion Right attaching to any Bond then the Initial Conversion Price will apply to the exercise of the Conversion Right in respect of that Bond.

#### 6.1.4 Revival and/or survival after Default:

Notwithstanding the provisions of Condition 6.1.1, if (a) the Issuer shall default in making payment in full in respect of any Bond which shall have been called for redemption on the date fixed for redemption thereof, (b) any Bond has become due and payable prior to the Maturity Date by reason of the occurrence of any of the events referred to in Condition 10 or (c) any Bond is not redeemed on the Maturity Date in accordance with Condition 8.1, the Conversion Right attaching to such Bond will revive and/or will continue to be exercisable up to, and including, the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on the date upon which the full amount of the moneys payable in respect of such Bond has been duly received by the Principal Agent or the Trustee and notice of such receipt has been duly given to the Bondholders and, notwithstanding the provisions of Condition 6.1.1, any Bond in respect of which the Certificate and Conversion Notice are deposited for conversion prior to such date shall be converted on the relevant Conversion Date (as defined in Condition 6.2.1 (iii)) notwithstanding that the full amount of the moneys payable in respect of such Bond shall have been received by the Principal Agent or the Trustee before such Conversion Date or that the Conversion Period may have expired before such Conversion Date.

#### 6.1.5 Meaning of “Shares”:

As used in these Conditions, the expression “**Shares**” means (1) shares of the class of share capital of the Issuer which, at the date of the Trust Deed, are designated as equity shares of the Issuer with full voting rights, together with shares of any class or classes resulting from any subdivision, consolidation or re- classification of those shares, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Issuer; and (2) fully-paid and non- assessable shares of any class or classes of the share capital of the Issuer authorised after the date of the Trust Deed which have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or winding-up of the Issuer; provided that, subject to the provisions of Condition 11, shares to be issued on conversion of the Bonds means only “**Shares**” as defined in sub-clause (1) above.

## 6.2 Conversion Procedure

### 6.2.1 Conversion Notice:

- (i) To exercise the Conversion Right attaching to any Bond, the holder thereof must complete, execute and deposit at his own expense between 9.00 a.m. and 3.00 p.m. (local time on any business day) at the specified office of any Conversion Agent a notice of conversion (a “**Conversion Notice**”) in duplicate in the form (for the time being current) obtainable from the specified office of each Agent, together with (a) the relevant Certificate; and (b) certification by the Bondholder, in the form obtainable from any Conversion Agent, as may be required under the laws of the Republic of India or the jurisdiction in which the specified office of such Conversion Agent shall be located. A Conversion Notice deposited outside the hours of 9.00 a.m. to 3.00 p.m. or on a day which is not a business day at the place of the specified office of the relevant Conversion Agent shall for all purposes be deemed to have been deposited with that Conversion Agent during the normal business hours on the next business day following such business day. Any Bondholder who deposits a Conversion Notice during a Closed Period will not be permitted to convert the

Bonds into Shares (as specified in the Conversion Notice) until the next business day after the end of that Closed Period, which (if all other conditions to conversion have been fulfilled) will be the Conversion Date for such Bonds notwithstanding that such date may fall outside of the Conversion Period. A Bondholder exercising its Conversion Right for Shares will be required to open a depository account with a depository participant under the Depositories Act, 1996 of India (the “**1996 Depositories Act**”), for the purposes of receiving the Shares.

- ~~(ii) The holder of any Bond which is to be mandatorily converted pursuant to Condition 8.2 shall deliver a Conversion Notice relating to its holding of Bonds and deposit it, together with the relevant Certificate and in the manner aforesaid, no later than the business day before the end of the Mandatory Conversion Notice Period (as defined in Condition 8.2) for the Bonds.~~
- (iii)** The conversion date in respect of a Bond (the “**Conversion Date**”) must fall at a time when the Conversion Right attaching to that Bond is expressed in these Conditions to be exercisable (subject to the provisions of Condition 6.1.4) and will be deemed to be the date of the surrender of the Certificate in respect of such Bond and delivery of such Conversion Notice and, if applicable, any payment to be made or indemnity given under these Conditions in connection with the exercise of such Conversion Right. A Conversion Notice once delivered shall be irrevocable and may not be withdrawn unless the Issuer consents to such withdrawal.

Conversion Rights may only be exercised in respect of the whole of the principal amount of a Bond.

#### **6.2.2 Stamp Duty etc.:**

A Bondholder delivering a Certificate in respect of a Bond for conversion must pay directly to the relevant authorities any taxes and capital, stamp, issue and registration duties arising on conversion (other than any taxes or capital or stamp duties payable in India and, if relevant, in the place of the Alternative Stock Exchange (as defined below), by the Issuer in respect of the allotment and issue of Shares and listing of the Shares on the Indian Exchanges on conversion) (the “**Taxes**”) and such Bondholder must pay all, if any, taxes arising by reference to any disposal or deemed disposal of a Bond in connection with such conversion. The Issuer will pay all other expenses arising on the issue of Shares on conversion of the Bonds and all charges of the Agents and the share transfer agent for the Shares (“**Share Transfer Agent**”) in connection with conversion. The Trustee and the Agent are under no obligation to determine whether a Bondholder or the Issuer is liable to pay or has paid any taxes including stamp, issue, registration or similar taxes and duties or the amounts payable (if any) in connection with this Condition 6.2.2 and shall not be liable for any failure by any Bondholder or the Issuer to make such payment to the relevant authorities or determine the sufficiency or insufficiency of any amount so paid.

#### **6.2.3 Delivery of Shares:**

- (i) Upon exercise by a Bondholder of its Conversion Right for Shares, the Issuer will, on or with effect from the relevant Conversion Date, ~~enter the name of the relevant Bondholder or his/their nominee in the register of members of the Issuer in respect of such number of Shares to be issued upon conversion (notwithstanding any retroactive adjustment of the Conversion Price referred~~

~~to below prior to the time it takes effect) and will,~~ as soon as practicable, and in any event not later than 40 days after the Conversion Date, cause the relevant securities account of the Bondholder exercising his Conversion Right or of his/their nominee, to be credited with such number of relevant Shares to be issued upon conversion (notwithstanding any retroactive adjustment of the Conversion Price referred to below prior to the time it takes effect) and shall further cause the name of the concerned Bondholder or its nominee to be registered accordingly, in the record of the beneficial holders of shares, maintained by the depository registered under the 1996 Depositories Act with whom the Issuer has entered into a depository agreement and, subject to any applicable limitations then imposed by Indian laws and regulations, shall procure the Share Transfer Agent to, as soon as practicable, and in any event within 14 business days in Mumbai of the Conversion Date, despatch or cause to be despatched to the order of the person named for that purpose in the relevant Conversion Notice at the place and in the manner specified in the relevant Conversion Notice (uninsured and the risk of delivery at any such place being that of the converting Bondholder), a U.S. dollar cheque drawn on a branch of a bank in New York City in respect of any cash payable pursuant to Condition 6.1.2 required to be delivered on conversion and such assignments and other documents (if any) as required by law to effect the transfer thereof.

The crediting of the Shares to the relevant securities account of the converting Bondholder will be deemed to satisfy the Issuer's obligation to pay the principal, premium (if any) and interest (including default interest (if any)) on the Bonds.

~~(ii) In the case of Bonds mandatorily converted in accordance with Condition 8.2 in respect of which Conversion Notices have not been received by a Conversion Agent or the Principal Agent on the business day immediately following the Mandatory Conversion Notice Period, the Issuer will, as soon as reasonably practicable thereafter, register, or procure the registration of, an agent of the Issuer, located in Mumbai in accordance with Condition 8.2, as holder of the relevant number of Shares in the Issuer's share register and will make a certificate or certificates for the relevant Shares available for collection at the office of the Issuer's share registrar (as specified herein), together (in either case) with any other securities, property or cash required to be delivered upon conversion and such assignments and other documents (if any) as may be required by law to effect the transfer thereof.~~

- (iii) If the Conversion Date in relation to any Bond shall be after the record date for any issue, distribution, grant, offer or other event as gives rise to the adjustment of the Conversion Price pursuant to Condition 6.3, but before the relevant adjustment becomes effective under the relevant Condition (a "**Retroactive Adjustment**"), upon the relevant adjustment becoming effective the Issuer shall procure the issue to the converting Bondholder (or in accordance with the instructions contained in the Conversion Notice (subject to applicable exchange control or other laws or other regulations)), such additional number of Shares ("**Additional Shares**") as, together with the Shares issued or to be issued on conversion of the relevant Bond, is equal to the number of Shares which would have been required to be issued on conversion of such Bond if the relevant adjustment to the Conversion Price had been made and become effective as at such Conversion Date immediately after the relevant record date

and in such event and in respect of such Additional Shares references in Conditions 6.2.3(i) and (iii) to the Conversion Date shall be deemed to refer to the date upon which the Retroactive Adjustment becomes effective (notwithstanding that the date upon which it becomes effective falls after the end of the Conversion Period).

- (iviii) The Shares issued upon conversion of the Bonds will in all respects rank *pari passu* with the Shares in issue on the relevant Conversion Date (except for any right excluded by mandatory provisions of applicable law) and such Shares shall be entitled to all rights the record date for which falls on or after such Conversion Date to the same extent as all other fully-paid and non-assessable Shares of the Issuer in issue as if such Shares had been in issue throughout the period to which such rights relate. A holder of Shares issued on conversion of Bonds shall not be entitled to any rights the record date for which precedes the relevant Conversion Date.
- (vii) Save as provided in Condition 6.2.2, no payment or adjustment shall be made on conversion for any interest which otherwise would have accrued on the relevant Bonds since the last Interest Payment Date preceding the Conversion Date relating to such Bonds (or, if such Conversion Date falls before the first Interest Payment Date, since the Closing Date).

#### 6.2.4 Interest on Conversion:

If any notice requiring the redemption of any of the Bonds is given pursuant to Condition 8.2 on or after the fifteenth business day prior to a record date (a “**Share Distribution Record Date**”) which has occurred since the last Interest Payment Date (or in the case of the first Interest Period, since the Closing Date) in respect of any distribution payable in respect of the Shares where such notice specifies a date for redemption falling on or prior to the date which is 14 days after the Interest Payment Date next following such Share Distribution Record Date, interest shall accrue at the rate provided in Condition 5.1 on Bonds in respect of which Conversion Rights shall have been exercised and in respect of which the Conversion Date falls after such Share Distribution Record Date and on or prior to the Interest Payment Date next following such Share Distribution Record Date, in each case from and including the preceding Interest Payment Date (or, if such Conversion Date falls before the first Interest Payment Date, from the Closing Date) to but excluding such Conversion Date. The Issuer shall pay any such interest by not later than 14 days after the relevant Conversion Date by transfer to a U.S. dollar account maintained by the payee with a bank in New York City in accordance with instructions given by the relevant Bondholder in the relevant Conversion Notice.

#### 6.3 Adjustments to Conversion Price

The Conversion Price will be subject to adjustment in the following events set out in Condition 6.3.1 to Condition 6.3.14, except, in each case, for an event that occurs pursuant to the implementation of the Debt Resolution Plan (as defined in Condition 10) by the Issuer.

~~Provided however, that no adjustment will be made to the Conversion Price for a CDR Preferential Issue:~~

~~“CDR” means corporate debt restructuring.~~

~~“CDR Preferential Issue” means issuances of Shares or compulsorily convertible debentures (“CCDs”) to the CDR lenders undertaken pursuant to the terms of the master restructuring agreement dated 28 March 2013 between the CDR lenders, the Issuer, the Indian Subsidiaries, the Issuer (as the borrowers’ agent) and the State Bank of India (as the monitoring institution), which amount and/or number of Shares or CCDs shall not exceed the amount and/or the number of Shares or CCDs set out below and shall not have an issue price of less than ₹18.51:~~

<del>Details</del>	<del>Amount (₹ in million)</del>	<del>No. of Shares or CCDs (approximately) (in million)</del>
<del>CDR lenders .....</del>	<del>4,500</del>	<del>243.2</del>

**6.3.1 Free distribution, bonus issue, division, consolidation and re-classification of Shares:**

*Adjustment:* If the Issuer shall (a) make a free distribution of Shares (other than by way of a dividend in Shares), (b) make a bonus issue of its Shares, (c) divide its outstanding Shares, (d) consolidate its outstanding Shares into a smaller number of Shares, or (e) re-classify any of its Shares into other securities of the Issuer, then the Conversion Price shall be appropriately adjusted so that the holder of any Bond, the Conversion Date in respect of which occurs after the coming into effect of the adjustment described in this Condition 6.3.1, shall be entitled to receive the number of Shares and/or other securities of the Issuer which such holder would have held or have been entitled to receive after the happening of any of the events described above had such Bond been converted immediately prior to the happening of such event (or, if the Issuer has fixed a prior record date for the determination of shareholders entitled to receive any such free distribution or bonus issue of Shares or other securities issued upon any such division, consolidation or re-classification, immediately prior to such record date), but without prejudice to the effect of any other adjustment to the Conversion Price made with effect from the date of the happening of such event (or such record date) or any time thereafter.

*Effective date of adjustment:* An adjustment made pursuant to this Condition 6.3.1 shall become effective immediately on the relevant event referred to above becoming effective or, if a record date is fixed therefor, immediately after such record date; provided that in the case of a free distribution or bonus issue of Shares which must, under applicable laws of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before being legally paid or made, and which is so approved after the record date fixed for the determination of shareholders entitled to receive such distribution or issue, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date.

**6.3.2 Declaration of dividend in Shares:**

*Adjustment:* If the Issuer shall issue Shares as a dividend in Shares or make a distribution of Shares which is treated as a capitalisation issue for accounting purposes under Indian GAAP (including, but not limited to, capitalisation of capital reserves and employee stock bonus), then the Conversion Price in effect when such dividend and/or distribution is declared (or, if the Issuer has fixed a prior record date for the determination of shareholders entitled to receive such dividend and/or distribution, on such record date) shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N}{N+n} \right]$$

where:

- NCP = the Conversion Price after such adjustment.
- OCP = the Conversion Price before such adjustment.
- N = the number of Shares outstanding, at the time of issuance of such dividend and/or distribution (or at the close of business in Mumbai on such record date as the case may be).
- n = the number of Shares to be distributed to the shareholders as a dividend and/or distribution.

*Effective date of adjustment:* An adjustment made pursuant to this Condition 6.3.2 shall become effective immediately on the relevant event referred to in this Condition 6.3.2 becoming effective or, if a record date is fixed therefor, immediately after such record date; provided that in the case of a dividend in Shares which must, under applicable laws of India, be submitted for approval to a general meeting of shareholders of the Issuer or be approved at a meeting of the Board of Directors of the Issuer before being legally paid or made, and which is so approved after the record date fixed for the determination of shareholders entitled to receive such dividend, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date.

### 6.3.3 Concurrent adjustment events:

If the Issuer shall declare a dividend in, or make a free distribution or bonus issue of, Shares which dividend, issue or distribution is to be paid or made to shareholders as of a record date which is also:

- (a) the record date for the issue of any rights or warrants which requires an adjustment of the Conversion Price pursuant to Conditions 6.3.5, 6.3.6 or 6.3.7;
- (b) the day immediately before the date of issue of any securities convertible into or exchangeable for Shares which requires an adjustment of the Conversion Price pursuant to Condition 6.3.9;
- (c) the day immediately before the date of grant, offer or issue of any Shares which requires an adjustment of the Conversion Price pursuant to Condition 6.3.10 or, if applicable, the record date for determination of stock dividend entitlement as referred to in Condition 6.3.10;
- (d) the day immediately before the date of issue of any rights, options or warrants which requires an adjustment of the Conversion Price pursuant to Condition 6.3.11; or
- (e) determined by the Issuer and notified to the Trustee in writing to be the relevant date for an event or circumstance which requires an adjustment to the Conversion Price pursuant to Condition 6.3.13.

then (except where such dividend, bonus issue or free distribution gives rise to a retroactive adjustment of the Conversion Price under Conditions 6.3.1 and 6.3.2) no adjustment of the Conversion Price in respect of such dividend, bonus issue or free distribution shall be made under Conditions 6.3.1 and 6.3.2, but in lieu thereof an adjustment shall be made under Conditions 6.3.5, 6.3.6, 6.3.7, 6.3.9, 6.3.10, 6.3.11 or 6.3.13 (as the case may require) by including in the denominator of the fraction described therein the aggregate number of Shares to be issued pursuant to such dividend, bonus issue or free distribution.

#### 6.3.4 Capital Distribution:

*Adjustment:*

- (i) If the Issuer shall pay or make to its shareholders any Dividend (as defined below), then the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{CMP - fmv}{CMP} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

CMP = the Current Market Price (as defined in Condition 6.3.15 below) per Share on the date on which the relevant Dividend is first publicly announced.

fmv = the portion of the Fair Market Value (as defined below), with such portion being determined by dividing the Fair Market Value of the aggregate Dividend by the number of Shares entitled to receive the relevant Dividend (or, in the case of a purchase of Shares or any receipts or certificates representing shares by or on behalf of the Issuer, by the number of Shares in issue immediately prior to such purchase), of the Dividend distribution attributable to one Share.

*Effective date of adjustment:* Any adjustment pursuant to this Condition 6.3.4 shall become effective immediately after the record date for the determination of shareholders entitled to receive the relevant Dividend; provided that (a) in the case of such a Dividend which must, under applicable law of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before such Dividend may legally be made and is so approved after the record date fixed for the determination of shareholders entitled to receive such Dividend, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date and (b) if the Fair Market Value of the relevant Dividend cannot be determined until the record date fixed for the determination of shareholders entitled to receive the relevant Dividend, such adjustment shall, immediately upon such Fair Market Value being determined, become effective retroactively to immediately after such record date.

If such Dividend is not so paid, the Conversion Price shall again be adjusted to be the Conversion Price which would then be in effect if such Dividend had not been approved.

For the purposes of this Condition:

**“Dividend”** means any dividend or distribution of cash or other property or assets or evidences of the Issuer’s indebtedness, whenever paid or made and however described provided that:

- (a) where a cash Dividend is announced which is to be, or may at the election of a shareholder or shareholders be, satisfied by the issue or delivery of Shares or other property or assets, or where a capitalisation of profits or reserves is announced which is to be, or may at the election of a shareholder or shareholders be, satisfied by the payment of a Dividend, then for the purposes of this definition the Dividend in question shall be treated as a Dividend of (i) such cash Dividend or (ii) the Fair Market Value (on the date of announcement of such Dividend or date of capitalisation (as the case may be) or, if later, the date on which the number of Shares (or amount of property or assets, as the case may be) which may be issued or delivered is determined) of such Shares or other property or assets if such Fair Market Value is greater than the Fair Market Value of such cash Dividend;
- (b) any tender or exchange offer falling within Condition 6.3.12 and any issue or distribution of Shares falling within Condition 6.3.2 shall be disregarded; and
- (c) a purchase or redemption of ordinary share capital by or on behalf of the Issuer shall not constitute a Dividend unless, in the case of purchases of Shares by or on behalf of the Issuer, the Volume Weighted Average Price per Share (before expenses) on any one day in respect of such purchases exceeds the Current Market Price per Share by more than 5% either (1) on that day (or if such day is not a Trading Day, the immediately preceding Trading Day), or (2) where an announcement (excluding for the avoidance of doubt for these purposes, any general authority for such purchases or redemptions approved by a general meeting of shareholders of the Issuer or any notice convening such a meeting of shareholders) has been made of the intention to purchase Shares at some future date at a specified price, on the Trading Day immediately preceding the date of such announcement, in which case such purchase shall be deemed to constitute a Dividend (but not a cash Dividend) to the extent that the aggregate price paid (before expenses) in respect of such Shares purchased by or on behalf of the Issuer exceeds the product of (i) the Current Market Price per Share determined as aforesaid and (ii) the number of Shares so purchased.

**“Fair Market Value”** means, with respect to any property on any date, the fair market value of that property as determined in good faith by an Independent Financial Institution provided, that (i) the Fair Market Value of a cash Dividend paid or to be paid shall be the amount of such cash Dividend; (ii) the Fair Market Value of any other cash amount shall be equal to such cash amount; (iii) where shares, options, warrants or other rights are publicly traded in a

market of adequate liquidity (as determined by the Independent Financial Institution) the fair market value of such shares, options, warrants or other rights shall equal the arithmetic mean of the daily closing prices of such options, warrants or other rights during the period of five trading days on the relevant market commencing on the first such trading day such shares, options, warrants or other rights are publicly traded; and in the case of (i) translated into Rupees (if declared or paid in a currency other than Rupees) at the rate of exchange used to determine the amount payable to shareholders who were paid or are to be paid or are entitled to be paid the cash Dividend in Rupees; and in any other case, converted into Rupees (if expressed in a currency other than Rupees) at such rate of exchange as may be determined in good faith by an Independent Financial Institution to be the spot rate ruling at the close of business on that date (or if no such rate is available on that date the equivalent rate on the immediately preceding date on which such a rate is available).

**“Independent Financial Institution”** means an independent or commercial bank of international repute selected by the Issuer (at the expense of the Issuer) and notified to the Trustee in writing.

**“Volume Weighted Average Price”** or **“VWAP”** means, in respect of a Share on any Trading Day, or series of Trading Days, the order book volume-weighted average price appearing on or derived from Bloomberg (or any successor service) page SUEL IN or such other source as shall be determined to be appropriate by an Independent Financial Institution on such Trading Day, or series of Trading Days, provided that on any Trading Day where such price is not available or 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.

**“cash Dividend”** means (i) any Dividend which is to be paid in cash and (ii) any Dividend determined to be a cash Dividend pursuant to paragraph (a) of the definition **“Dividend”**, and for the avoidance of doubt, a Dividend falling within paragraph (c) of the definition **“Dividend”** shall be treated as not being a cash Dividend.

### **6.3.5** Rights Issues to Shareholders:

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares rights entitling them to subscribe for or purchase Shares, which expression shall include those Shares that are required to be offered to employees and persons other than shareholders in connection with such grant, issue or offer:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date mentioned below and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer which is fixed after the record date mentioned below and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration,

then the Conversion Price in effect (in a case within (a) above) on the record date for the determination of shareholders entitled to receive such rights or (in a case within (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$\text{NCP} = \text{OCP} \times \left[ \frac{N + v}{N + n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within (a) above) on such record date or (in a case within (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares initially to be issued upon exercise of such rights at the said consideration being (aa) the number of Shares which underwriters have agreed to underwrite as referred to below or, as the case may be, (bb) the number of Shares for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in (a) or, as the case may be, (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective immediately after the latest date for the submission of applications for such Shares by shareholders entitled to the same pursuant to such rights or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

*Rights not taken up by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of rights entitling them to subscribe for or purchase Shares, any Shares which are not subscribed for or purchased by the persons entitled thereto are underwritten by other persons prior to the latest date for the submission of applications for such Shares, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares of rights entitling them to subscribe for or purchase Shares, any such Shares which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have

transferred such rights) who have submitted applications for such Shares as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

### 6.3.6 Warrants issued to Shareholders:

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares warrants entitling them to subscribe for or purchase Shares:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date for the determination of shareholders entitled to receive such warrants and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer which is fixed after the record date mentioned above and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration, then the Conversion Price in effect (in a case within (a) above) on the record date for the determination of shareholders entitled to receive such warrants or (in a case within (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within (a) above) on such record date or (in a case within (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares initially to be issued upon exercise of such warrants at the said consideration which, where no applications by shareholders entitled to such warrants are required, shall be based on the number of warrants issued. Where applications by shareholders entitled to such warrants are required, the number of such Shares shall be calculated based upon (aa) the number of warrants which underwriters have agreed to underwrite as referred to below or, as the case may be, (bb) the number of warrants for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such

Current Market Price per Share specified in (a) or, as the case may be, (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective (i) where no applications for such warrants are required from shareholders entitled to the same, upon their issue and (ii) where applications by shareholders entitled to the same are required as aforesaid, immediately after the latest date for the submission of such applications or (if later) immediately after the Issuer fixes the said consideration but in all cases retroactively to immediately after the record date mentioned above.

*Warrants not subscribed for by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of warrants entitling them to subscribe for or purchase Shares in the circumstances described in (a) and (b) of this Condition 6.3.6, any warrants which are not subscribed for or purchased by the shareholders entitled thereto are underwritten by others prior to the latest date for the submission of applications for such warrants, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares of warrants entitling them to subscribe for or purchase Shares, any warrants which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred the right to purchase such warrants) who have submitted applications for such warrants as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

### **6.3.7** Issues of rights or warrants for equity-related securities to Shareholders:

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares rights or warrants entitling them to subscribe for or purchase any securities convertible into or exchangeable for Shares:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date mentioned below and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer (determined as aforesaid) which is fixed after the record date mentioned below and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration,

then the Conversion Price in effect (in a case within (a) above) on the record date for the determination of shareholders entitled to receive such rights or warrants or (in a case within (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within (a) above) on such record date or (in a case within (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares initially to be issued upon exercise of such rights or warrants and conversion or exchange of such convertible or exchangeable securities at the said consideration being, in the case of rights, (aa) the number of Shares initially to be issued upon conversion or exchange of the number of such convertible or exchangeable securities which the underwriters have agreed to underwrite as referred to below or, as the case may be, (bb) the number of Shares initially to be issued upon conversion or exchange of the number of such convertible or exchangeable securities for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa) and which, in the case of warrants, where no applications by shareholders entitled to such warrants are required, shall be based on the number of warrants issued. Where applications by shareholders entitled to such warrants are required, the number of such Shares shall be calculated based upon (x) the number of warrants which underwriters have agreed to underwrite as referred to below or, as the case may be, (y) the number of warrants for which applications are received from shareholders as referred to below save to the extent already adjusted for under (x).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in (a) or, as the case may be, (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective (a) where no applications for such warrants are required from shareholders entitled to the same, upon their issue and (b) where applications by shareholders entitled to the warrants are required as aforesaid and in the case of convertible or exchangeable securities by shareholders entitled to the same pursuant to such rights, immediately after the latest date for the submission of such applications or (if later) immediately after the Issuer fixes the said consideration; but in all cases retroactively to immediately after the record date mentioned above.

*Rights or warrants not taken up by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of rights or warrants entitling them to subscribe for or

purchase securities convertible into or exchangeable for Shares in the circumstances described in this Condition 6.3.7, any convertible or exchangeable securities or warrants which are not subscribed for or purchased by the shareholders entitled thereto are underwritten by others prior to the latest date for the submission of applications for such convertible or exchangeable securities or warrants, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares or rights or warrants entitling them to subscribe for or purchase securities convertible into or exchangeable for Shares, any convertible or exchangeable securities or warrants which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred such rights or the right to purchase such warrants) who have submitted applications for such convertible or exchangeable securities or warrants as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

#### **6.3.8 Other distributions to Shareholders:**

*Adjustment:* If the Issuer shall distribute to the holders of Shares of capital stock of the Issuer (other than Shares), assets (excluding any Dividends), evidences of its indebtedness or rights or warrants to subscribe for or purchase Shares or securities (excluding those rights and warrants referred to in Conditions 6.3.5, 6.3.6 and 6.3.7), then the Conversion Price in effect on the record date for the determination of shareholders entitled to receive such distribution shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{CMP - fmv}{CMP} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

CMP = the Current Market Price per Share on the record date for the determination of shareholders entitled to receive such distribution.

fmv = the fair market value (as determined by an Independent Financial Institution or, if pursuant to applicable law of India such determination is to be made by application to a court of competent jurisdiction, as determined by such court or by an appraiser appointed by such court) of the portion of the equity share capital shares of capital stock, assets, rights or warrants so distributed applicable to one Share less any consideration payable for the same by the relevant shareholder.

*Effective date of adjustment:* Such adjustment shall become effective immediately after the record date for the determination of shareholders entitled to receive such

distribution. Provided that (a) in the case of such a distribution which must, under applicable law of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before such distribution may legally be made and is so approved after the record date fixed for the determination of shareholders entitled to receive such distribution, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date and (b) if the fair market value of the shares of capital stock, assets, rights or warrants so distributed cannot be determined until after the record date fixed for the determination of shareholders entitled to receive such distribution, such adjustment shall, immediately upon such fair market value being determined, become effective retroactively to immediately after such record date.

**6.3.9 Issue of convertible or exchangeable securities other than to Shareholders:**

*Adjustment:* If the Issuer shall issue any securities convertible into or exchangeable for Shares (other than the Bonds, or in any of the circumstances described in Condition 6.3.7 and Condition 6.3.11) or grant such rights in respect of any existing securities and the consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) shall be less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the issue of such securities is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the date of issue of such convertible or exchangeable securities shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of such issue.
- n = the number of Shares to be issued upon conversion or exchange of such convertible or exchangeable securities at the initial conversion or exchange price or rate.
- v = the number of Shares which the aggregate consideration receivable by the Issuer would purchase at such Current Market Price per Share.

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India corresponding to the calendar day at the place of issue on which such convertible or exchangeable securities are issued.

**6.3.10 Other issues of Shares:**

*Adjustment:* If the Issuer shall issue any Shares (other than Shares issued upon conversion or exchange of any convertible or exchangeable securities (including the Bonds) issued by the Issuer or upon exercise of any rights or warrants granted, offered

or issued by the Issuer or in any of the circumstances described in any preceding provision of this Condition 6.3) for cash, for a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the issue of such Shares is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the issue of such additional Shares shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of issue of such additional Shares.
- n = the number of additional Shares issued as aforesaid.
- v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share.

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India of the issue of such additional Shares.

### 6.3.11 Issue of equity-related securities:

*Adjustment:* If the Issuer shall grant, issue or offer options, warrants or rights (excluding those rights and warrants referred to in Conditions 6.3.5, 6.3.6, 6.3.7 and 6.3.8) to subscribe for or purchase Shares or securities convertible into or exchangeable for Shares and the consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) shall be less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the offer, grant or issue of such rights, options or warrants is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the date of the offer, grant or issue of such rights, options or warrants shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of such issue.
- n the number of Shares to be issued on exercise of such rights or warrants and (if applicable) conversion or exchange of such convertible or exchangeable securities at the said consideration.
- v the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share.

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India corresponding to the calendar day at the place of issue on which such rights or warrants are issued.

#### 6.3.12 Tender or exchange offer:

*Adjustment:* In case a tender or exchange offer made by the Issuer or any Subsidiary for all or any portion of the Shares shall expire and such tender or exchange offer shall involve the payment by the Issuer or such Subsidiary of consideration per Share having a Fair Market Value at the last time (the “**Expiration Date**”) tenders or exchanges could have been made pursuant to such tender or exchange offer (as it shall have been amended) that exceeds the Current Market Price per Share, as of the Expiration Date, the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N \times CMP}{fmv + [(N - n) \times CMP]} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- N = the number of Shares outstanding (including any tendered or exchanged Shares) on the Expiration Date.
- CMP = Current Market Price per Share as of the Expiration Date.
- fmv = the Fair Market Value of the aggregate consideration payable to the holders of Shares based on the acceptance (up to a maximum specified in the terms of the tender or exchange offer) of all Shares validly tendered or exchanged and not withdrawn as of the Expiration Date (the Shares deemed so accepted up to any such maximum, being referred to as the “**Purchased Shares**”).
- n = the number of Purchased Shares.

*Effective date of adjustment:* Such adjustment shall become retroactively effective immediately prior to the opening of business on the day following the Expiration Date.

*Tender or exchange offer not completed:* If the Issuer is obligated to purchase Shares pursuant to any such tender or exchange offer, but the Issuer is permanently prevented by applicable law from effecting any such purchase or all such purchases are rescinded, the Conversion Price shall again be adjusted to be the Conversion Price which would then be in effect if such tender or exchange offer had not been made.

**6.3.13** Analogous events and modifications:

If (a) the rights of conversion or exchange, purchase or subscription attaching to any options, rights or warrants to subscribe for or purchase Shares or any securities convertible into or exchangeable for, or which carry rights to subscribe for or purchase Shares are modified (other than pursuant to and as provided in the terms and conditions of such options, rights, warrants or securities as originally issued) or (b) the Issuer determines that any other event or circumstance has occurred which has or would have an effect on the position of the Bondholders as a class compared with the position of the holders of all the securities (and options and rights relating thereto) of the Issuer, taken as a class which is analogous to any of the events referred to in Conditions 6.3.1 to 6.3.12, then, in any such case, the Issuer shall promptly notify the Trustee in writing thereof and the Issuer shall consult with an Independent Financial Institution as to what adjustment, if any, should be made to the Conversion Price to preserve the value of the Conversion Right of Bondholders and will make any such adjustment. All costs, charges, liabilities and expenses incurred in connection with the appointment, retention, consultation and remuneration of any Independent Financial Institution appointed under the Conditions shall be borne by the Issuer.

**6.3.14** Simultaneous issues of different classes of Shares:

In the event of simultaneous issues of two or more classes of share capital comprising Shares or rights or warrants in respect of, or securities convertible into or exchangeable for, two or more classes of share capital comprising Shares, then, for the purposes of this Condition, the formula:

$$NCP = OCP \times \left[ \frac{N + v}{N + n} \right]$$

shall be restated as:

$$NCP = OCP \times \left[ \frac{N + v1 + v2 + v3}{N + n1 + n2 + n3} \right]$$

where v1 and n1 shall have the same meanings as “v” and “n” but by reference to one class of Shares, v2 and n2 shall have the same meanings as “v” and “n” but by reference to a second class of Shares, v3 and n3 shall have the same meanings as “v” and “n” but by reference to a third class of Shares and so on.

**6.3.15** Certain Definitions:

For the purposes of these Conditions:

the “**Closing Price**” of the Shares for each Trading Day shall be the last reported transaction price of the Shares on the BSE for such day or, if no transaction takes place on such day, the average of the closing bid and offered prices of Shares for such day as furnished by a leading independent securities firm licensed to trade on the BSE selected from time to time by the Issuer and notified to the Trustee in writing for the purpose.

**“Current Market Price”** per Share on any date means the average of the daily Closing Prices of the relevant Shares for the five consecutive Trading Days (as defined below) ending on and including the Trading Day immediately preceding such date. If the Issuer has more than one class of share capital comprising Shares, then the relevant Current Market Price for Shares shall be the price for that class of Shares the issue of which (or of rights or warrants in respect of, or securities convertible into or exchangeable for, that class of Shares) gives rise to the adjustment in question.

If during the said five Trading Days or any period thereafter up to but excluding the date as of which the adjustment of the Conversion Price in question shall be effected, any event (other than the event which requires the adjustment in question) shall occur which gives rise to a separate adjustment to the Conversion Price under the provisions of these Conditions, then the Current Market Price as determined above shall be adjusted in such manner and to such extent as an Independent Financial Institution shall in its absolute discretion deem appropriate and fair to compensate for the effect thereof.

**“Trading Day”** means a day when the BSE is open for business, but does not include a day when (a) no such last transaction price or closing bid and offered prices is/are reported and (b) (if the Shares are not listed or admitted to trading on such exchange) no such closing bid and offered prices are furnished as aforesaid.

If the Shares are no longer listed on the BSE but are still listed on the NSE, references in the above definitions to the BSE shall be deemed to be the NSE, and if the Shares are no longer listed on the BSE or the NSE and have been listed on another stock exchange as required by Condition 6.4.1, references in the above definitions to the BSE will be taken as references to the Alternative Stock Exchange.

#### **6.3.16** Consideration receivable by the Issuer:

For the purposes of any calculation of the consideration receivable by the Issuer pursuant to Conditions 6.3.5, 6.3.6, 6.3.7, 6.3.9, 6.3.10 and 6.3.11 above, the following provisions shall be applicable:

- (a) in the case of the issue of Shares for cash, the consideration shall be the amount of such cash;
- (b) in the case of the issue of Shares for a consideration in whole or in part other than cash, the consideration other than cash shall be deemed to be the fair value thereof as determined by an Independent Financial Institution or, if pursuant to applicable law of India such determination is to be made by application to a court of competent jurisdiction, as determined by such court or an appraiser appointed by such court, irrespective of the accounting treatment thereof;
- (c) in the case of the issue (whether initially or upon the exercise of rights or warrants) of securities convertible into or exchangeable for Shares, the consideration received by the Issuer for such securities and (if applicable) rights or warrants plus the additional consideration (if any) to be received by the Issuer upon (and assuming) the conversion or exchange of such securities at the initial conversion or exchange price or rate and (if applicable) the exercise of such rights or warrants at the initial subscription or purchase price (the consideration in each case to be determined in the same manner as provided in this Condition 6.3.16) and the consideration per Share receivable

by the Issuer shall be such aggregate consideration divided by the number of Shares to be issued upon (and assuming) such conversion or exchange at the initial conversion or exchange price or rate and (if applicable) the exercise of such rights or warrants at the initial subscription or purchase price;

- (d) in the case of the issue of rights or warrants to subscribe for or purchase Shares, the aggregate consideration receivable by the Issuer shall be deemed to be the consideration received by the Issuer for any such rights or warrants plus the additional consideration to be received by the Issuer upon (and assuming) the exercise of such rights or warrants at the initial subscription or purchase price (the consideration in each case to be determined in the same manner as provided in this Condition 6.3.16) and the consideration per Share receivable by the Issuer shall be such aggregate consideration divided by the number of Shares to be issued upon (and assuming) the exercise of such rights or warrants at the initial subscription or purchase price;
- (e) if any of the consideration referred to in any of the preceding paragraphs of this Condition 6.3.16 is receivable in a currency other than Rupees, such consideration shall (in any case where there is a fixed rate of exchange between the Rupees and the relevant currency for the purposes of the issue of the Shares, the conversion or exchange of such securities or the exercise of such rights or warrants) be translated into Rupees for the purposes of this Condition 6.3.16 at such fixed rate of exchange and shall (in all other cases) be translated into Rupees at the mean of the exchange rate quotations (being quotations for the cross rate through U.S. dollars if no direct rate is quoted) by a leading bank in India for buying and selling spot units of the relevant currency by telegraphic transfer against Rupees on the date as of which the said consideration is required to be calculated as aforesaid;
- (f) in the case of the issue of Shares (including, without limitation, to employees under any employee bonus or profit sharing arrangements) credited as fully paid out of retained earnings or capitalisation of reserves at their par value, the aggregate consideration receivable by the Issuer shall be deemed to be zero (and accordingly the number of Shares which such aggregate consideration receivable by the Issuer could purchase at the relevant Current Market Price per Share shall also be deemed to be zero); and
- (g) in making any such determination, no deduction shall be made for any commissions or any expenses paid or incurred by the Issuer.

#### **6.3.17 Cumulative adjustments:**

If, at the time of computing an adjustment (the “**later adjustment**”) of the Conversion Price pursuant to any of Conditions 6.3.2, 6.3.5, 6.3.6, 6.3.9, 6.3.10 and 6.3.11 above, the Conversion Price already incorporates an adjustment made (or taken or to be taken into account pursuant to the proviso to Condition 6.3.18) to reflect an issue of Shares or of securities convertible into or exchangeable for Shares or of rights or warrants to subscribe for or purchase Shares or securities, to the extent that the number of such Shares or securities taken into account for the purposes of calculating such adjustment exceeds the number of such Shares in issue at the time relevant for ascertaining the number of outstanding Shares for the purposes of computing the later adjustment, such excess Shares shall be deemed to be outstanding for the purposes of making such computation.

**6.3.18** Minor adjustments:

No adjustment of the Conversion Price shall be required if the adjustment would be less than 1% of the then current Conversion Price; provided that any adjustment which by reason of this Condition 6.3.18 is not required to be made shall be carried forward and taken into account (as if such adjustment had been made at the time when it would have been made but for the provisions of this Condition 6.3.18) in any subsequent adjustment. All calculations under this Condition 6.3 shall be made to the nearest ₹0.01 with ₹0.005 being rounded up to the next ₹0.01. Except as otherwise set out in Condition 6.3.19, the Issuer may reduce the Conversion Price (but is not obliged to do so) at any time in its absolute discretion, subject to compliance with all applicable Indian laws.

**6.3.19** Minimum Conversion Price:

Notwithstanding the provisions of this Condition, the Issuer covenants that:

- (a) the Conversion Price shall not be reduced below the par value of the Shares (₹2 at the date hereof) as a result of any adjustment made hereunder unless under applicable law then in effect Bonds may be converted at such reduced Conversion Price into legally issued, fully-paid and non-assessable Shares; and
- (b) it will not take any corporate or other action which might result in the Conversion Price being reduced pursuant to Conditions 6.3.1 to 6.3.14 above the level permitted by applicable Indian laws and regulations from time to time (if any) or (ii) applicable Indian regulatory authorities.

**6.3.20** Reference to “fixed”:

Any references herein to the date on which a consideration is “fixed” shall, where the consideration is originally expressed by reference to a formula which cannot be expressed as an actual cash amount until a later date, be construed as a reference to the first day on which such actual cash amount can be ascertained.

**6.3.21** Upward adjustment:

No adjustment involving an increase in the Conversion Price will be made, except in the case of a consolidation of the Shares, as referred to in Condition 6.3.1.

**6.3.22** Trustee not obliged to monitor:

The Trustee shall not be under any duty to monitor whether any event or circumstance has happened or exists under this Condition 6.3 and will not be responsible to Bondholders for any loss arising from any failure by it to do so.

The Trustee and the Agents shall be under no obligation to calculate, determine or verify the number of Shares to be issued upon conversion of the Bonds or verify the Issuer's or the Independent Financial Institution's determination of such number of Shares or method used in such determination and neither the Trustee nor the Agents shall be responsible to Bondholders or any other person for any loss arising from any failure to do so or for any delay of the Issuer or the Independent Financial Institution in making such determination or any erroneous determination by the Issuer or the Independent Financial Institution.

#### 6.3.23 Approval of Trustee:

The Issuer shall within 3 days of the adjustment event send the Trustee a certificate setting out particulars relating to adjustment of the Conversion Price. The Issuer shall also cause a notice containing the same information to be sent to Bondholders, such notice to be provided to the Trustee in writing before it is given to Bondholders.

#### 6.3.24 Independent Financial Institution:

If the Issuer fails to select an Independent Financial Institution when required in this Condition 6.3, the Trustee may (at its absolute discretion) select such an Independent Financial Institution at the expense of the Issuer.

#### 6.3.25 Depository Receipts:

If the Issuer shall have outstanding a depository receipt facility programme or facility in respect of its Shares (a “**DR Facility**”) on the date of conversion of any Bonds, then, subject to the terms and conditions of the relevant facility or programme and to applicable laws and regulations and to such amendments to these Conditions as the Issuer and the Trustee shall consider to be appropriate, each Bondholder will have the right in respect of the exercise of Conversion Rights to elect (a “**DR Election**”) that the Shares to be issued on conversion be represented by depository receipts (“**DRs**”) and to receive DRs instead of such Shares. A DR Election shall be made in the relevant Conversion Notice in such form as the Issuer may require. The number of DRs to be issued on exercise of Conversion Rights in respect of which the relevant Bondholder shall have duly made a DR Election shall be determined by dividing the principal amount of the relevant Bond to be converted by the Conversion Price in effect on the relevant Conversion Date and dividing the resulting number by the number of Shares represented by each DR on such Conversion Date.

Fractions of a DR will not be issued and neither will a Share (where at the relevant time a DR represents more than one Share) or any fraction of a Share be issued and no cash payment or adjustment will be made in respect thereof. However, if the Conversion Right in respect of more than one Bond is exercised at any one time such that DRs are to be issued to the same person, the number of such DRs to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being so converted and rounded down to the nearest whole number of DRs.

Where DRs are to be issued, the Issuer will, as soon as practicable, and in any event not later than 30 days after the relevant Conversion Date (i) cause the name of the depository in respect of the relevant DR Facility (the “**DR Depository**”), or its custodian, to be registered in the record of the depositors maintained by the depository registered under the 1996 Depositories Act with whom the Issuer has entered into a depository agreement and (ii) cause the relevant number of DRs to be issued by the DR Depository pursuant to the relevant DR Facility to the relevant Bondholder or his/their nominee.

DRs will be issued in book-entry form or in certificated form as provided in the relevant DR Facility, and may bear such legends and be subject to such restrictions on transfer as the Issuer shall determine to be necessary to comply with applicable laws and regulations.

A Bondholder exercising Conversion Rights and making a DR Election must deliver at its expense to the specified office of any Conversion Agent all and any certificates and other documents as may be required pursuant to the relevant DR Facility in respect of the deposit of the relevant Shares pursuant to such DR Facility.

The Issuer will pay all expenses, charges and fees of the custodian for the DR Depository and of the DR Depository in connection with the deposit of the relevant Shares and issue of the DRs on conversion.

If a Retroactive Adjustment shall occur in relation to the exercise of Conversion Rights in relation to any Bond in respect of which a DR Election shall have been duly made, the Issuer shall, conditional upon the relevant adjustment becoming effective procure that there shall be issued to the relevant Bondholder (or in accordance with instructions contained in the Conversion Notice) such additional number DRs (if any) (the “**Additional DRs**”) as, together with the DRs issued or to be issued on conversion of the relevant Bond is equal to the number of DRs which would have been required to be issued on conversion of such Bond (together with any fraction of a DR not so issued) if the relevant adjustment to the Conversion Price had been made and become effective on and as of the relevant Conversion Date.

DRs issued upon conversion of the Bonds will in all respects rank *pari passu* with all other DRs under the relevant DR Facility then in issue on the relevant Conversion Date, except that the DRs or, as the case may be, the Additional DRs so issued will not rank for any right where the record date or other due date for the establishment of entitlement in respect of the Shares represented by such DRs or, as the case may be, Additional DRs falls prior to the relevant Conversion Date.

If the Issuer determines that it would be contrary to applicable laws or regulations or would be contrary to the terms of the relevant DR Facility (including any provisions thereof relating to the deposit of Shares) to issue Shares to be represented by DRs upon conversion of Bonds in respect of which a DR Election shall have been made, such DR Election shall be ineffective and there shall be issued to such Bondholder (or as specified in the relevant Conversion Notice) Shares as if such DR Election had not been made.

The Issuer is under no obligation to establish and/or maintain any depository facility or programme in respect of the Shares or, if it does, to enable the Shares to be eligible for deposit pursuant thereto. The Issuer shall be entitled to impose such conditions and restrictions on the deposit of Shares pursuant to any such facility or programme as it may determine, and may agree with the Trustee such changes to these Conditions as may be appropriate in respect of or relating to the deposit of Shares pursuant to any such facility or programme.

#### **6.3.26 Employee Share Option Scheme:**

No adjustment will be made to the Conversion Price where Shares or options to subscribe or acquire Shares are issued, offered, allotted, appropriated, modified or granted to or for the benefit of employees or former employees (including directors) of the Issuer or its Subsidiaries or any associated company of the Issuer (as set out in the relevant employee stock option plan), or persons related to such employees or former employees (including directors) or former employees, directly or indirectly, pursuant to any employee stock option scheme or plan approved by shareholders in general meeting and otherwise adopted in accordance with and complying with all applicable provisions of relevant Indian laws and regulations and official guidelines of any relevant

governmental or official body except to the extent that such issues in any period of 12 months amount to, or entitle such persons to receive Shares in excess of 3% of the average number of Shares outstanding during such period of 12 months.

## 6.4 Undertakings

**6.4.1** The Issuer has undertaken in the Trust Deed, *inter alia*, that so long as any Bond remains outstanding, save with the approval of an Extraordinary Resolution of the Bondholders or with the prior written consent of the Trustee where, in the opinion of the Trustee, it is not materially prejudicial to the interests of Bondholders to give such approval:

- (i) it will use its best endeavours (a) to obtain and maintain a listing of the Bonds on the Singapore Exchange Securities Trading Limited (the "**Singapore Stock Exchange**"), (b) to maintain a listing for all the issued Shares on the Indian Exchanges, (c) to obtain and maintain a listing for all the Shares issued on the exercise of the Conversion Rights attaching to the Bonds on the Indian Exchanges, and (d) if the Issuer is unable to obtain or maintain such listings, or maintenance of such listings is unduly onerous to obtain and maintain a listing for all the Bonds and the Shares issued on the exercise of the Conversion Rights, on an alternative stock exchange as the Issuer may from time to time (with the prior written consent of the Trustee) determine (the "**Alternative Stock Exchange**") and will forthwith give notice to the Bondholders in accordance with Condition 17 below of the listing or delisting of the Shares or the Bonds (as a class) by any of such stock exchanges;
- (ii) it will reserve, free from any other pre-emptive or other similar rights, out of its authorised but unissued ordinary share capital the full number of Shares liable to be issued on conversion of the Bonds without breaching any foreign ownership restrictions in India applicable to the Shares and will ensure that all such Shares will be duly and validly issued as fully-paid;
- (iii) it will pay the expenses of the issue or delivery of, and all expenses of obtaining listing for, Shares arising on conversion of the Bonds;
- (iv) it will not make any reduction of its ordinary share capital or any uncalled liability in respect thereof or of any share premium account or capital redemption reserve fund (except, in each case, as permitted by law);
- (v) it will not make any offer, issue or distribute or take any action the effect of which would be to reduce the Conversion Price below the par value of the Shares of the Issuer, provided always that the Issuer shall not be prohibited from purchasing its Shares to the extent permitted by law;
- (vi) it will not take any corporate or other action pursuant to Conditions 6.3.1 to 6.3.14 that would cause the Conversion Price to be adjusted to a price which would render conversion of the Bonds into Shares at such adjusted Conversion Price to be in contravention of applicable law or subject to approval from the Reserve Bank of India, the Ministry of Finance of the Indian Government and/or any other governmental/regulatory authority in India. The Issuer also covenants that prior to taking any action which would cause an adjustment to the Conversion Price, the Issuer shall provide the Trustee with an opinion of a legal counsel in India of international repute, stating that the Conversion Price as proposed to be adjusted pursuant to such action, is in conformity with

applicable law and that the conversion of the Bonds to the Shares at such adjusted Conversion Price would not require approval of the Reserve Bank of India, the Ministry of Finance of the Indian Government and/or any other governmental/regulatory authority in India (the “**Price Adjustment Opinion**”). To the extent that an event triggering an adjustment to the Conversion Price occurs and the Issuer is unable to provide the Trustee with a Price Adjustment Opinion, the Issuer shall give notice to Bondholders of their Non-Permitted Conversion Price Adjustment Event Repurchase Right, as defined in and pursuant to Condition 8.7;

- (vii) it will not acquire or retire for value any Shares;
- (viii) [except to the extent required pursuant to the Debt Resolution Plan \(as defined in Condition 10\)](#), it will not retire for value prior to its repayment or maturity date any loans and/or securities *pari passu* with or subordinated to the Bonds (provided that, for the purpose of this Condition 6.4.1, the Bonds will be presumed to be in unsecured form throughout their term); and
- (ix) it will not declare or pay any dividends or make any payments or repayments of any kind to its shareholders, for so long as any Bonds are outstanding.

**6.4.2** The Issuer undertakes that so long as any Bond remains outstanding it shall provide to the Trustee:

- ~~(a) on an annual basis and in addition to its regular stock exchange reporting requirements, the details of amounts prepaid to the CDR lenders and the Asset Coverage Ratio in order to enable the Trustee to monitor the Security Conditions;~~
- (a) [\[Reserved\]](#);
- (b) (i) its semi-annual financial information prepared in accordance with ~~Clause 41 of the listing agreements entered into with the Indian Exchanges~~[the Securities and Exchange Board of India \(Listing Obligations and Disclosure Requirements\) Regulations, 2015, as amended](#) in respect of each semi-annual fiscal period within 3 months of the end of the relevant semi-annual fiscal period, and (ii) its annual report containing audited financial statements in respect of each fiscal year within 6 months from the end of the relevant fiscal year reported on by the auditors and prepared in accordance with Indian GAAP and if so requested, certified by two directors of the Issuer (in each case in English language); and
- (c) a copy of all publicly available notices, statements and documents which are issued to its Shareholders or its creditors as soon as practicable (but not later than 30 days) after their date of issue.

**6.4.3** The Issuer has also given certain other undertakings in the Trust Deed for the protection of the Conversion Rights.

## **6.5** Notice of Change in Conversion Price

The Issuer shall give notice to the Bondholders in accordance with Condition 17 and, for so long as the Bonds are listed on the Singapore Stock Exchange and the rules of the Singapore Stock Exchange so require, the Issuer shall also give notice to the Singapore Stock Exchange,

of any change in the Conversion Price. Any such notice relating to a change in the Conversion Price shall set forth the event giving rise to the adjustment, the Conversion Price prior to such adjustment, the adjusted Conversion Price and the effective date of such adjustment.

## 6.6 Conversion upon Change of Control

If a Change of Control (as defined below) shall have occurred during the Conversion Period, the Issuer shall give notice of that fact to the Bondholders (the “**Change of Control Notice**”) in accordance with Condition 17 within seven days after it becomes aware of such Change of Control. Following the giving of a Change of Control Notice, upon any exercise of Conversion Rights such that the relevant Conversion Date falls within 30 days following a Change of Control, or, if later, 30 days following the date on which the Change of Control Notice is given to Bondholders (such period, the “**Change of Control Conversion Period**”), the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = \frac{OCP}{1 + (CP \times c/t)}$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2. For the avoidance of doubt, OCP for the purposes of this Condition 6.6 shall be the Conversion Price applicable on the relevant Conversion Date in respect of any conversion pursuant to this Condition 6.6.

Conversion Premium (“CP”)	=	10% expressed as a fraction.
c	=	the number of days from and including the first day of the Change of Control Conversion to but excluding 16 July 2019
t	=	the number of days from and including 15 July 2014 to but excluding 16 July 2019

provided that the Conversion Price shall not be reduced pursuant to this Condition 6.6 above the level permitted by applicable Indian laws and regulations from time to time (if any).

If the last day of a Change of Control Conversion Period shall fall during a Closed Period, the Change of Control Conversion Period shall be extended such that its last day will be the fifteenth day following the last day of a Closed Period.

For the purposes of this Condition 6.6 and Condition 8.4,

“**control**” means (a) the acquisition or control of more than 50% of the Voting Rights of the issued share capital of the Issuer or (b) the right to appoint and/or remove all or the majority of the members of the Issuer’s Board of Directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise;

a “**Change of Control**” occurs when, [other than pursuant to the Debt Resolution Plan \(as defined in Condition 10\)](#):

- (a) any person or persons (excluding the Promoter Group), acting together, acquires control, directly or indirectly, of the Issuer; or

- (b) the Issuer consolidates with or merges into or sells or transfers all or substantially all of the Issuer's assets to any other person or persons, acting together;

a "person" includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity) but does not include the Issuer's Board of Directors or any other governing board and does not include the Issuer's 100% owned direct or indirect Subsidiaries;

"Promoter Group" means Tulsi R. Tanti, Tanti Holdings [Private Limited](#), Gita T. Tanti, Tulsi R. Tanti (as karta of Tulsi Ranchhodbhai HUF), Tulsi R. Tanti (as karta of Ranchhodbhai Ramjibhai HUF) ~~and~~ jointly by Tulsi R. Tanti, Vinod R. Tanti and Jitendra R. Tanti, Vinod R. Tanti, Jitendra R. Tanti, Sangita V. Tanti, Lina J. Tanti, Girish R. Tanti, Rambhaben Ukabhai, Vinod R. Tanti (as karta of Vinod Ranchhodbhai HUF), Jitendra R. Tanti (as karta of Jitendra Ranchhodbhai HUF), Pranav T. Tanti, Nidhi T. Tanti, Radha G. Tanti, Aarav G. Tanti ~~(through guardian Girish R. Tanti)~~, Aanya G. Tanti ~~(through guardian Girish R. Tanti)~~, Rajan V. Tanti, Brij J. Tanti, Trisha J. Tanti, Girish R. Tanti (as karta of Girish Ranchhodbhai HUF), ~~Suruchi Holdings Private Limited, Sugati Holdings Private Limited and~~ Samanvaya Holdings Private Limited, [The Tanti Trust and Sanyogita P. Tanti](#); and

"Voting Rights" means the right generally to vote at a general meeting of Shareholders of the Issuer (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

## 7 Payments

### 7.1 Principal and Interest

- (i) Payment of principal, interest and premium (if any) will be made by transfer to the registered account of the Bondholder or by U.S. dollar cheque drawn on a bank in New York City mailed to the registered address of the Bondholder if it does not have a registered account, in each case, in accordance with provisions of the Agency Agreement. Such payment will only be made after surrender of the relevant Certificate at the specified office of any of the Agents. If an amount which is due on the Bonds is not paid in full, the Registrar will annotate the Register with a record of the amount (if any) paid.
- (ii) Interest on the Bonds due on an Interest Payment Date will be paid on the due date for the payment of interest to the holder shown on the Register at the close of business on the 15th day before the due date for the payment of interest (the "Interest Record Date"). Payments of interest on each Bond will be made by transfer to the registered account of the Bondholder or by U.S. dollar cheque drawn on a bank in New York City mailed to the registered address of the Bondholder if it does not have a registered account, in each case, in accordance with the terms of the Agency Agreement.

### 7.2 Registered Accounts

For the purposes of this Condition, a Bondholder's "registered account" means the U.S. dollar account maintained by or on behalf of it with a bank in New York City, details of which appear on the Register at the close of business on the second business day (as defined below) before the due date for payment, and a Bondholder's registered address means its address appearing on the Register at that time.

### 7.3 Applicable Laws

All payments are subject in all cases to any applicable laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9. No commissions or expenses shall be charged to the Bondholders in respect of such payments.

### 7.4 Payment Initiation

Where payment is to be made by transfer to a registered account, payment instructions (for value on the due date or, if that is not a business day (as defined below), for value on the first following day which is a business day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (at the risk and, if mailed at the request of the holder otherwise than by ordinary mail, expense of the holder) on the due date for payment (or, if it is not a business day, the immediately following business day) or, in the case of a payment of principal, if later, on the business day on which the relevant Certificate is surrendered at the specified office of an Agent.

### 7.5 Default Interest and Delay in Payment

- (i) If the Issuer fails to pay any sum in respect of the Bonds when the same becomes due and payable under these Conditions, interest shall accrue on the overdue sum at the rate of 5.94% per annum (being the yield to maturity plus default interest) from the due date. Such default interest shall accrue on the basis of the actual number of days elapsed and a 360-day year.

*RBI regulations may require the Issuer to obtain the prior approval of the RBI before making any such default interest payments. Such approval may or may not be forthcoming.*

- (ii) Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a business day, if the Bondholder is late in surrendering its Certificate (if required to do so) or if a cheque mailed in accordance with this Condition arrives after the due date for payment.

### 7.6 Business Day

In this Condition, “**business day**” means a day other than a Saturday or Sunday on which commercial banks are open for business in Mumbai, New York City and London and, in the case of the surrender of a Certificate, in the place where the Certificate is surrendered.

## 8 Redemption, purchase and cancellation

As at 13 March 2020 (being the date of the notice of meeting issued by the Issuer in relation to the Bonds Restructuring (as defined below)), the principal amount outstanding under the Bonds was U.S.\$172,002,000 (the “**Notice Date Outstanding Principal**”).

As at the later of (i) the Share Completion Date (as defined below); and (ii) the Bond Exchange Date (as defined below), the entire principal amount outstanding of the Bonds shall be marked down and cancelled by the Principal Agent.

**For the avoidance of doubt, the Share Completion Date and the Bond Exchange Date shall at all times remain subject to the fulfillment of the Conditions Precedent (as defined below).**

## 8.1 Maturity

Unless previously redeemed, converted or purchased and cancelled as provided herein, the Issuer will redeem the Bonds at their principal amount on 16 July 2019 (the “**Maturity Date**”) together with accrued interest, if any, calculated in accordance with Condition 5.1. The Issuer may not redeem the Bonds at its option prior to that date except as provided in Condition 8.2 or 8.3 below (but without prejudice to Condition 10).

## 8.2 Mandatory Conversion or Bond Exchange at the Option of the ~~Issuer~~Bondholders

~~8.2.1 On or at any time after the date falling 15 July 2016, and on or prior to 15 January 2018 (the “**First Phase**”), the Issuer may, having given not less than 30 nor more than 60 days’ notice to the Bondholders, the Trustee and the Principal Agent (such notice the “**Mandatory Conversion Notice**” and such period the “**Mandatory Conversion Notice Period**”) which notice shall be irrevocable, mandatorily convert the Bonds in part (but subject to not converting more than U.S.\$182,305,333.33) pursuant to a single Mandatory Conversion Notice, into Shares at the then prevailing Conversion Price. The Issuer may deliver a Mandatory Conversion Notice only if the Volume Weighted Average Price (converted into U.S. dollars at the Prevailing Rate) of the Shares on each day during a period of not less than 30 Trading Days prior to the date on which such Mandatory Conversion Notice is delivered, was at least 175% of the applicable Conversion Price (converted into U.S. dollars at the Fixed Exchange Rate). Such notice may not be given more than 14 days after the end of such period of 30 Trading Days.~~

~~8.2.2 On or at any time after 15 January 2018 and on or prior to 17 May 2019 (the “**Second Phase**”), the Issuer may, having provided a Mandatory Conversion Notice in accordance with the Mandatory Conversion Notice Period to the Bondholders, the Trustee and the Principal Agent, which notice shall be irrevocable, mandatorily convert the Bonds in part (but subject to not converting more than U.S.\$182,305,333.33) pursuant to a single Mandatory Conversion Notice, into Shares at the then prevailing Conversion Price. The Issuer may deliver a Mandatory Conversion Notice only if the Volume Weighted Average Price (converted into U.S. dollars at the Prevailing Rate) of the Shares on each day during a period of not less than 30 Trading Days prior to the date on which such Mandatory Conversion Notice is delivered, was at least 150% of the applicable Conversion Price (converted into U.S. dollars at the Fixed Exchange Rate). Such notice may not be given more than 14 days after the end of such period of 30 Trading Days.~~

~~If the Issuer exercises its option to exercise the mandatory conversion more than once during the term of the Bonds, there must be a six month period between the delivery of any two Mandatory Conversion Notices.~~

~~In the case of mandatory conversion in accordance with this condition, the Bonds to be converted will be converted on a *pro rata* basis (which will result in the face value of each Bond being marked down in part) or otherwise in accordance with the rules of Euroclear and Clearstream, Luxembourg in the case of mandatory conversion of the Bonds represented by Global Certificates.~~

~~Any Mandatory Conversion Notice shall specify (i) the expiry date of the Mandatory Conversion Notice Period; (ii) the Cut-Off Date (as defined herein); (iii) a confirmation that the conditions to a mandatory conversion in accordance with this Condition have been satisfied; and (iv) the then applicable Conversion Price. The Mandatory Conversion Notice shall also specify further details of the conversion, including instructions to Bondholders regarding the time period in which Bondholders must~~

~~deposit and surrender their respective Certificates and the duly signed and completed Conversion Notice at the specified office of the relevant Conversion Agent or the Principal Agent.~~

~~The Issuer's right to mandatorily convert under this Condition 8.2 does not affect a holder's right to exercise its Conversion Right hereunder (which shall remain in full force and effect during the Mandatory Conversion Notice Period) provided that in no event shall the Conversion Date fall after the date for mandatory conversion hereunder. Upon the expiry of the Mandatory Conversion Notice Period, the Issuer will be bound (subject to and in accordance with Condition 6) to convert the Bonds to which such notice relates into Shares and the date of expiry of such period shall be deemed to be the Conversion Date. The holders of the Bonds to be so converted shall be deemed to have exercised their Conversion Rights and the provisions of Condition 6 apply *mutatis mutandis*.~~

~~If on the business day immediately following the Mandatory Conversion Notice Period (the "**Cut-Off Date**"), Conversion Notices have not been received by the relevant Conversion Agent or the Principal Agent in respect of any Bonds outstanding ("**Relevant Bonds**"), the Relevant Bonds shall be converted into Shares in accordance with these Conditions at the applicable Conversion Price and such Shares shall be delivered to an agent of the Issuer located in Mumbai (the "**Share Agent**"). Certificates for such Shares will be issued by the Issuer in the name of an agent of the Issuer and deposited at the office of the Share Agent and the Issuer will be responsible for all fees and charges for the issue of such Certificate or Certificates. All of the Shares delivered, or to be delivered, on such conversion shall be sold by, or on behalf of, the Share Agent as soon as practicable, and (subject to any necessary consents being obtained, and to the deduction by the Share Agent of any amount which it determines to be payable in respect of its liability to taxation and the payment of any capital, stamp, transfer, issue or registration duties (if any) and any costs incurred by the Share Agent in connection with the transfer, delivery and sale thereof) the net proceeds of sale together with accrued interest (if any) payable under Condition 6, and any cash in lieu of fractions and any other amount payable by the Issuer in respect of the relevant exercise in respect of the Relevant Bonds (the "**Net Proceeds**") shall be held by the Share Agent for the benefit of the Bondholders so entitled and distributed rateably to the holders of such Relevant Bonds.~~

~~Immediately following the sale of Shares by the Share Agent, the Issuer shall forthwith notify Bondholders of such sale and provide details of the Net Proceeds available for distribution to Bondholders so entitled. The Issuer's obligation to pay the principal and interest on the Bonds shall not be satisfied unless and until the relevant Shares or Net Proceeds (as applicable) attributable to the Bonds converted pursuant to Condition 8.2 shall have been delivered to the applicable Bondholder.~~

~~The Trustee shall not be required to take any steps to ascertain or verify whether any of the events described in Conditions 8.2.1 and 8.2.2 has occurred. The Trustee and the Issuer shall have no responsibility to any person for the manner in which such sale is effected or if the aggregate sale proceeds fall short of the principal amount of the Relevant Bonds. The Trustee shall have no liability in respect of the exercise or non-exercise of the right of the Issuer to mandatorily convert any Bonds pursuant to this Condition 8.2 or the timing of such exercise or in respect of any such sale of Shares whether for the timing of any such sale or the price at which any such Shares are sold, or the inability to sell any such Shares or otherwise.~~

On or at any time prior to the date of the Bondholder's Meeting, each Bondholder shall elect to require the Issuer to redeem in whole, but not in part, such Bondholder's Bonds in exchange for either of the following:

- (i) Shares, subject to and in accordance with the terms of the Consent Solicitation and Information Memorandum and the provisions relating to Mandatory Conversion set out under Condition 8.2A below (the "Option A"); or
- (ii) U.S.\$ denominated Convertible Bonds due 2032 to be issued by the Issuer (the "New Bonds"), subject to and in accordance with the terms of the Consent Solicitation and Information Memorandum and the provisions under Condition 8.2B below (the "Option B", and, together with Option A, the "Bondholder Options", and each a "Bondholder Option").

provided that if, and to the extent, any Bondholder fails to make the aforesaid election, it shall be deemed to have elected in favour of Option A subject to, and in accordance with, the provisions under Condition 8.2A below.

For the avoidance of doubt, voting instructions provided by Bondholders in accordance with the terms of the Consent Solicitation and Information Memorandum, which specify their respective election out of the two Bondholder Options shall be irrevocable and be deemed to satisfy the Bondholder's election requirement mentioned hereinabove. If, and to the extent, any Bondholder fails to provide its voting instructions, in accordance with the terms of the Consent Solicitation and Information Memorandum, or abstains from voting thereon, such failure or abstention shall be deemed to be an election by such Bondholder of Option A.

**For the avoidance of doubt, the Bondholder Options (defined above) as set out in these Conditions shall at all times remain subject to the fulfillment of the Conditions Precedent (as defined below).**

For the purposes of these Conditions, "Consent Solicitation and Information Memorandum" means the Consent Solicitation and Information Memorandum dated on or about 26 March 2020, together with the Supplemental Consent Solicitation and Information Memorandum dated 31 March 2020 and the Second Supplemental Consent Solicitation and Information Memorandum dated 2 April 2020, each issued by the Issuer in relation to the Bonds Restructuring (as defined below).

#### 8.2A Option A

The following shall apply if, and to the extent, Option A is elected or is deemed to have been elected by the relevant Bondholder(s) (with the provisions hereof being limited solely to the Bonds that are registered in the name of such Bondholder(s) and all references in this Condition 8.2A to "Bonds", "Bondholders" and "holders" being construed as references to such Bonds and Bondholders only). For the avoidance of doubt, no Bondholder that has elected for Option B shall have any rights or obligations under this Condition 8.2A whatsoever.

8.2A.1 On the Bonds Amendment Date, the Issuer must issue a written notice to the Trustee (on behalf of the Bondholders), the Bondholders, the Principal Agent and the Conversion Agent substantially in the form set out in Part 3 of Schedule 1 hereto (the "Account Holder Notification"). The Account Holder Notification must specify the Notification Date and must provide instructions regarding, *inter alia*, the completion of the Account Holder Instructions.

8.2A.2 During the period starting from the date on which all of the Conditions Precedent have been satisfied and ending on the Cut-off Date, the Issuer must issue a written irrevocable notice to the Trustee (on behalf of the Bondholders), the Bondholders, the Principal Agent and the Conversion Agent substantially in the form set out in Part 4 of Schedule 1 hereto (the “Mandatory Conversion Notice”). The Mandatory Conversion Notice must:

- (i) specify the Mandatory Conversion Record Date (as defined below);
- (ii) specify the Mandatory Conversion Exchange Rate (as defined below);
- (iii) specify the Mandatory Conversion Price (as defined below); and
- (iv) contain an accurate representation by the Issuer that all of the Conditions Precedent have been satisfied.

8.2A.3 On the Mandatory Conversion Record Date the Issuer shall, subject to receipt by the Conversion Agent of Account Holder Instructions, convert all of the outstanding Bonds into Shares in accordance with this Condition 8.2A (the “Mandatory Conversion”). Bonds in respect of which Account Holder Instructions have not been received by the Conversion Agent by the business day immediately following the Notification Date shall be cancelled on the Share Completion Date and the holders of such Bonds will receive limited rights under the Deed of Covenant (as defined below) in lieu of the Shares due to them.

8.2A.4 The price at which Shares will be issued upon Mandatory Conversion will be ₹6.77 per Share (the “Mandatory Conversion Price”). The exchange rate for conversion of U.S. dollars into Indian Rupees for the purposes of the Mandatory Conversion shall be U.S.\$1.00 = ₹60.225 (the “Mandatory Conversion Exchange Rate”).

The Issuer proposes to issue, through preferential allotment, Shares in favour of the Promoter Group and the Investor Group (each as defined in the Consent Solicitation and Information Memorandum) aggregating up to Rs. 4,000 million, pursuant to a general meeting of its shareholders proposed to be held on 7 April 2020 or an adjourned or rescheduled such meeting, or other similar corporate action for this purpose (the “Promoter Preferential Allotment”).

Notwithstanding anything contained herein, in the event the price per Share at which the Promoter Preferential Allotment takes place (the “Promoter Preferential Allotment Share Price”) is:

- (a) Rs. 2.45 or more, no change shall be made to the Mandatory Conversion Price set out in Condition 8.2A.4; and
- (b) less than Rs. 2.45, the Mandatory Conversion Price set out in Condition 8.2A.4 shall be reduced by Rs. 0.02763 (rounded to the nearest two decimal places) for every reduction of 1 paise in the Promoter Preferential Allotment Share Price below Rs. 2.45.

8.2A.5 The number of Shares to be issued on the Mandatory Conversion of a Bond will be determined by dividing the principal amount of the Bond to be converted (translated into Indian Rupees at the Mandatory Conversion Exchange Rate) by the Mandatory Conversion Price.

8.2A.6 Fractions of Shares will not be issued on such conversion and no cash adjustments will be made in respect thereof. However, if more than one Bond is held by the same holder, and the Shares to be issued upon Mandatory Conversion pursuant to this Condition 8.2A are to be registered in the same name, the number of Shares to be issued in respect thereof will be determined on the basis of the aggregate principal amount of the Bonds held by such Bondholder and rounded down to the nearest whole number of Shares.

8.2A.7 Any taxes or stamp duties payable in India in respect of the allotment of Shares and listing of the Shares on the Indian Exchanges pursuant to the Mandatory Conversion shall be payable by the Issuer. The Issuer will also pay all charges of the Agents and the Share Transfer Agent in connection with the Mandatory Conversion and all other expenses arising on the issue of Shares upon the Mandatory Conversion of the Bonds. A Bondholder must pay all, if any, taxes arising by reference to any disposal or deemed disposal of a Bond in connection with such conversion and must pay directly to the relevant tax authorities any taxes and stamp, issue and registration duties arising on such conversion.

8.2A.8 The Issuer will, on or with effect from the Mandatory Conversion Record Date, as soon as practicable and in any event not later than 45 business days after the Mandatory Conversion Record Date cause:

- (i) the relevant securities account of each Bondholder or its nominee to be credited with such number of relevant Shares as will be issued upon Mandatory Conversion; and
- (ii) the name of the concerned Bondholder or its nominee to be registered accordingly in the record of the depositories, maintained by the depository registered under the 1996 Depositories Act with whom the Issuer has entered into a depository agreement;

and shall take all such other steps necessary to complete the Mandatory Conversion (the date on which all obligations of the Issuer in respect of the Mandatory Conversion have been fulfilled, the “**Share Completion Date**”).

8.2A.9 The Shares issued upon the Mandatory Conversion of the Bonds will in all respects rank *pari passu* with the Shares in issue on the relevant Mandatory Conversion Record Date (except for any right excluded by mandatory provisions of applicable law) and such Shares shall be entitled to all rights the record date for which falls on or after such Mandatory Conversion Record Date to the same extent as all other fully-paid and non-assessable Shares of the Issuer in issue as if such Shares had been in issue throughout the period to which such rights relate. A holder of Shares issued on Mandatory Conversion of Bonds shall not be entitled to any rights the record date for which precedes the Mandatory Conversion Record Date.

8.2A.10 If, on the business day immediately following the Notification Date, Account Holder Instructions have not been received by the Conversion Agent in respect of any Bonds outstanding as at that date (the “**Relevant Bonds**”), the Relevant Bonds shall be cancelled on the Share Completion Date. However, the Issuer shall for a period of up to 12 months from the Share Completion Date maintain such authorised share capital to enable it to issue such Shares, at the Mandatory Conversion Price and at the Mandatory Conversion Exchange Rate, which correspond to the Relevant Bonds. To effect this, the Issuer shall execute a deed of covenant (the “**Deed of Covenant**”) in favour of the holders of the Relevant Bonds in respect of which Account Holder

Instructions have not been received by the business day immediately following the Notification Date (such holders, the “Residual Holders”). Under the Deed of Covenant, notwithstanding the cancellation of the Relevant Bonds, the Residual Holders shall have up to 12 months from the Share Completion Date to claim the relevant Shares from the Issuer, provided that they can demonstrate to the Issuer’s reasonable satisfaction that they were holders of Bonds as at the Share Completion Date. Residual Holders who fail to claim the Shares within 12 months from the Share Completion Date, shall be deemed to have forfeited their right to the Shares and no compensation or other amounts shall be due to them.

8.2A.11 On and with effect from the Share Completion Date, upon completion of the Mandatory Conversion in relation to any Bond and the fulfilment by the Issuer of all its obligations in respect thereof:

- (i) the Issuer will notify the Trustee, the Principal Agent, the Conversion Agent and the Bondholders in writing that the Share Completion Date has occurred and instruct the Principal Agent to markdown and cancel the Bonds;
- (ii) once cancelled, Bonds may not be reissued or resold;
- (iii) save for the Issuer’s obligations under the Deed of Covenant, no holder shall have any further rights in respect of a Bond held by it and all obligations of the Issuer in respect thereof shall be extinguished;
- (iv) all of the Issuer’s payment obligations (including any obligation of the Issuer to pay any outstanding principal amount and any accrued interest or any default interest in respect of the Bonds) will be deemed to have been fully satisfied, or waived by the Bondholders; and
- (v) any Events of Default or Potential Events of Default under the Trust Deed and the Conditions existing as at the Share Completion Date will be deemed to have been waived by the Bondholders.

The Trustee and the Agents shall be entitled to rely upon any notification and instruction received from the Issuer pursuant to this Condition 8.2A.11 without any obligation to inquire into or investigate the validity, accuracy or content thereof and neither the Trustee nor the Agents shall be liable to the Bondholders or any other person for so relying.

8.2A.12 In the event the Mandatory Conversion Record Date has not occurred on or prior to the Cut-Off Date, then:

- (i) the Mandatory Conversion Record Date shall be incapable of occurring;
- (ii) this Condition 8.2A and all other amendments to these Conditions (as approved by the Bondholders’ Resolution) shall cease to have effect (and the provisions of the Trust Deed and these Conditions shall operate without the effect of this Condition 8.2A and the other amendments to these Conditions (as approved by the Bondholders’ Resolution)); and
- (iii) all of the rights of Bondholders as Bondholders and all of the obligations of the Issuer under the Trust Deed and these Conditions are reinstated and shall continue in full force and effect as such rights and obligations existed on the day immediately prior to the Bonds Amendment Date.

8.2A.13 In the event the Issuer has not fulfilled all of its obligations in respect of the Mandatory Conversion, including delivery of the Shares as and when such Shares are required to be delivered in accordance with this Condition 8.2A, on or before the Long Stop Date, then:

- (i) the Share Completion Date shall be incapable of occurring;
- (ii) this Condition 8.2A and all other amendments to these Conditions (as approved by the Bondholders' Resolution) shall cease to have effect (and the provisions of the Trust Deed and these Conditions shall operate without the effect of this Condition 8.2A and the other amendments to these Conditions (as approved by the Bondholders' Resolution)); and
- (iii) all of the rights of Bondholders as Bondholders and all of the obligations of the Issuer under the Trust Deed and these Conditions are reinstated and shall continue in full force and effect as such rights and obligations existed on the day immediately prior to the Bonds Amendment Date.

8.2A.14 The Issuer will promptly notify the Trustee and the Bondholders in writing if any of the events in Conditions 8.2A.12 or 8.2A.13 have occurred.

8.2A.15 For the purposes of this Condition 8.2A:

"Account Holder Instruction" shall have the meaning as is assigned to such term in Part 3 of Schedule 1 hereto.

"Bonds Restructuring" means the amendments to these Conditions and the Trust Deed (including with respect to the Mandatory Conversion) approved by the Bondholders in, and in order to give effect to, the Bondholders' Resolution.

"Bondholder's Meeting" means the meeting of the Bondholders scheduled to be held at 12.00 p.m. (Singapore Time) on 6 April 2020, with references to "Bondholder's Meeting" to also include an adjourned Bondholder's meeting, if any.

"Bondholders' Resolution" means an Extraordinary Resolution (as defined in the Trust Deed) passed by the Bondholders at the Bondholder's Meeting approving, *inter alia*, the Bonds Restructuring.

"Bonds Amendment Date" means the date on which the Second Supplemental Trust Deed entered into between the Issuer and the Trustee in respect of the Bonds became effective in accordance with its terms, being on or about the date of the Bondholder's Meeting.

"business day" means a day other than a Saturday or Sunday on which commercial banks are open for business in New York City, Mumbai and London.

"Conditions Precedent" means the conditions as defined in and as set out in Part 1 of Schedule 1 hereto.

"Cut-off Date" means 31 July 2020 or such later date, subject to the Long Stop Date, as may be notified by the Issuer in writing to the Trustee and the Principal Agent (with the Trustee and the Principal Agent being able to conclusively rely and act on such notification without liability to the Bondholders or any other party).

“**Long Stop Date**” means 30 September 2020.

“**Mandatory Conversion Record Date**” means the date specified in the Mandatory Conversion Notice, being a date which occurs after the Notification Date and on which all of the Conditions Precedent have been fulfilled.

“**Notification Date**” means the date by which Bondholders must send the Account Holder Instructions to the Conversion Agent through the relevant clearing system(s), such date being no less than 10 business days from the Bonds Amendment Date, and no more than 15 business days from the Bonds Amendment Date.

“**Second Supplemental Trust Deed**” means the second supplemental trust deed which shall be supplemental to the Trust Deed entered into between the Issuer and the Trustee in order to give effect to the Bonds Restructuring.

#### 8.2B **Option B**

The following shall apply if, and to the extent, Option B is elected by the relevant Bondholder(s) (with the provisions hereof being limited solely to the Bonds that are registered in the name of such Bondholder(s) and all references in this Condition 8.2B to “Bonds”, “Bondholders” and “holders” being construed as references to such Bonds and Bondholders only). For the avoidance of doubt, no Bondholder that has elected, or is deemed to have elected, for Option A shall have any rights or obligations under this Condition 8.2B whatsoever.

8.2B.1 During the period starting from the date on which all of the Conditions Precedent have been satisfied and ending on the Cut-off Date, the Issuer shall issue the New Bonds (with the date of such issue being referred to as the “**Bond Exchange Date**”), in accordance with the terms of the Consent Solicitation and Information Memorandum, in favour of the relevant Bondholders (by way of private placement) whereupon each U.S.\$1,000 in principal amount of the Bonds held by such Bondholders, along with any accrued but unpaid interest on such principal amount up to (but not including) the Bond Exchange Date, shall be exchanged for the New Bonds with a face value of U.S.\$320 (the “**Bond Exchange**”).

8.2B.2 On and with effect from the Bond Exchange Date:

- (i) the Issuer will notify the Trustee, the Principal Agent, the Conversion Agent and the Bondholders in writing that the Bond Exchange Date has occurred and all of the Conditions Precedent have been satisfied and instruct the Principal Agent to markdown and cancel the Bonds;
- (ii) once cancelled, Bonds may not be reissued or resold;
- (iii) no holder shall have any further rights in respect of a Bond held by it and all obligations of the Issuer in respect thereof shall be extinguished;
- (iv) all of the Issuer’s payment obligations (including any obligation of the Issuer to pay any outstanding principal amount and any accrued interest or any default interest in respect of the Bonds) will be deemed to have been fully satisfied, or waived by the Bondholders; and

- (v) any Events of Default or Potential Events of Default under the Trust Deed and the Conditions existing as at the Bond Exchange Date will be deemed to have been waived by the Bondholders.

The Trustee and the Agents shall be entitled to rely upon any notification and instruction received from the Issuer pursuant to this Condition 8.2B.2 without any obligation to inquire into or investigate the validity, accuracy or content thereof and neither the Trustee nor the Agents shall be liable to the Bondholders or any other person for so relying.

8.2B.3 In the event the Bond Exchange Date has not occurred on or prior to the Cut-Off Date, then:

- (i) the Bond Exchange Date shall be incapable of occurring;
- (ii) this Condition 8.2B and all other amendments to these Conditions (as approved by the Bondholders' Resolution) shall cease to have effect (and the provisions of the Trust Deed and these Conditions shall operate without the effect of this Condition 8.2B and the other amendments to these Conditions (as approved by the Bondholders' Resolution)); and
- (iii) all of the rights of Bondholders as Bondholders and all of the obligations of the Issuer under the Trust Deed and these Conditions are reinstated and shall continue in full force and effect as such rights and obligations existed on the day immediately prior to the Bonds Amendment Date.

8.2B.4 The Issuer will promptly notify the Trustee and the Bondholders in writing if any of the events in Conditions 8.2B.3 have occurred.

8.2B.5 For the purposes of this Condition 8.2B, terms used but not defined hereinabove shall (unless the context requires otherwise) be deemed to have the same meanings as ascribed to such terms under Condition 8.2A.15.

### 8.3A Clean up option

**8.2.3** If at any time the aggregate principal amount of the Bonds outstanding is less than 10% of the aggregate principal amount originally issued (including any Bonds issued pursuant to Condition 16), the Issuer shall have the option to redeem such outstanding Bonds in whole but not in part at their Early Redemption Amount (as defined below) together with accrued but unpaid interest to such date, on the date fixed for redemption. The Issuer will give at least 30 days' but not more than 60 days' prior notice to the holders for such redemption.

### **8.3 Redemption for Taxation Reasons**

**8.3.1** At any time the Issuer may, having given not less than 30 nor more than 60 days' notice to the Bondholders (which notice shall be irrevocable) redeem all, and not some only, of the Bonds at their Early Redemption Amount together with accrued but unpaid interest to such date, on the date fixed for redemption ("**Tax Redemption Date**"), if (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice that the Issuer has or will become obliged to pay additional amounts in respect of payments of interest on the Bonds pursuant to Condition 9 as a result of any change in, or amendment to, the laws or regulations of India or any political subdivision or any authority thereof or therein having power to tax, or any change in the general

application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Closing Date, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee a certificate signed by two directors of the Issuer stating that the obligation referred to in (i) above cannot be avoided by the Issuer (taking reasonable measures available to it); and an opinion of independent legal or tax advisors of recognised international standing to the effect that such change or amendment has occurred (irrespective of whether such amendment or change is then effective) and the Trustee shall be entitled to accept such certificate and opinion as sufficient evidence thereof in which event it shall be conclusive and binding on the Bondholders.

**8.3.2** Upon the expiry of any such notice, the Issuer will be bound to redeem the Bonds at their Early Redemption Amount together with accrued but unpaid interest to such date, on the Tax Redemption Date.

**8.3.3** If the Issuer gives a notice of redemption pursuant to this Condition 8.3, each Bondholder will have the right to elect that his Bond(s) shall not be redeemed and that the provisions of Condition 9 shall not apply in respect of any payment of principal or interest to be made in respect of such Bond(s) which falls due after the relevant Tax Redemption Date whereupon no additional amounts shall be payable in respect thereof pursuant to Condition 9 and payment of all amounts shall be made subject to the deduction or withholding of the taxation required to be withheld or deducted by the Indian Government or any authority thereof or therein having power to tax. For the avoidance of doubt, any additional amounts which had been payable in respect of the Bonds as a result of the laws or regulations of the Indian Government or any authority thereof or therein having power to tax prior to the Closing Date will continue to be payable to such Bondholders. To exercise such right, the holder of the relevant Bond must complete, sign and deposit at the specified office of any Paying Agent a duly completed and signed notice of election (the "**Bondholder's Tax Election Notice**"), in the form for the time being current, obtainable from the specified office of any Paying Agent together with the Certificate evidencing the Bonds on or before the day falling 10 days prior to the Tax Redemption Date.

#### **8.4** Redemption for Change of Control

**8.4.1** Following the occurrence of a Relevant Event (as defined below) and to the extent permitted by applicable law, each Bondholder will have the right at such Bondholder's option to require the Issuer to redeem in whole but not in part such Bondholder's Bonds on the Relevant Event Put Date at their Early Redemption Amount together with accrued but unpaid interest to such date. To exercise such right, the relevant Bondholder must complete, sign and deposit at the specified office of any Paying Agent a duly completed and signed notice of redemption, in the form for the time being current, obtainable from the specified office of any Paying Agent ("**Relevant Event Put Exercise Notice**") together with the Certificate evidencing the Bonds to be redeemed by not later than 30 days following a Relevant Event, or, if later, 30 days following the date upon which notice thereof is given to Bondholders by the Issuer in accordance with Condition 17. The "**Relevant Event Put Date**" shall be the fourteenth day after the expiry of such period of 30 days as referred to above.

- 8.4.2** A Relevant Event Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Bonds which form the subject of the Relevant Event Put Exercise Notices delivered as aforesaid on the Relevant Event Put Date.
- 8.4.3** The Trustee shall not be required to take any steps to ascertain whether a Relevant Event or any event which could lead to the occurrence of a Relevant Event has occurred and shall not be responsible or liable to Bondholders for any loss arising from any failure by it to do so.
- 8.4.4** No later than seven days after becoming aware of a Relevant Event, the Issuer shall procure that notice regarding the Relevant Event shall be delivered to Bondholders (in accordance with Condition 17) stating: (i) the Relevant Event Put Date; (ii) the date of such Relevant Event and, briefly, the events causing such Relevant Event; (iii) the date by which the Relevant Event Put Exercise Notice (as defined above) must be given; (iv) the redemption amount and the method by which such amount will be paid; (v) the names and specified offices of all Paying Agents; (vi) briefly, the Conversion Right and the then current Conversion Price; (vii) the procedures that Bondholders must follow and the requirements that Bondholders must satisfy in order to exercise the Relevant Event Put Right or Conversion Right; and (viii) that a Relevant Event Put Exercise Notice, once validly given, may not be withdrawn.
- 8.4.5** For the purposes of this Condition 8:
- (i) a “**person**” includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity) but does not include the Issuer’s Board of Directors or any other governing board and does not include the Issuer’s 100% owned direct or indirect Subsidiaries;
  - (ii) “**Relevant Event**” occurs when there has been a Change of Control (as defined in Condition 6.6) in the Issuer; and
  - (iii) “**Early Redemption Amount**” of a Bond, for each U.S.\$1,000 principal amount of the Bonds, is determined so that it represents (i) in the case of a redemption of Bonds on the Maturity Date, 100% of the principal amount of such Bonds, or (ii) in the case of a redemption of the Bonds pursuant to Condition 8 or if the Bonds become due and payable pursuant to Condition 10, the amount which is determined to be the amount which, together with unpaid accrued interest from the immediately preceding Interest Payment Date, or, if none, the Closing Date, and after taking into account any interest paid in respect of such Bonds in preceding periods, represents for the Bondholder on the relevant date for determination of the Early Redemption Amount (the “**Determination Date**”) for the Bondholder a gross yield of 4.94% per annum calculated on a semi-annual basis. The applicable Early Redemption Amount for each U.S.\$1,000 principal amount of Bonds is calculated in accordance with the following formula, rounded (if necessary) to two decimal places with 0.005 being rounded upwards (provided that if the date fixed for redemption is a Interest Payment Date (as set out below), such Early Redemption Amount shall be as set out in the table below in respect of such Interest Payment Date):

$$\text{Early Redemption Amount} = \text{Previous Redemption Amount} \times (1 + r/2)^{d/p} - \text{AI}$$



Payment Date, from and including the Closing Date) to, but excluding, the Determination Date, calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

p = 180

AI = the accrued interest on a Bond in the principal amount of U.S.\$1,000 from and including the immediately preceding Bonds Interest Payment Date (or if the Determination Date is before the first Bonds Interest Payment Date, from and including the Closing Date) to but excluding the Determination Date, calculated on the basis of a 360 day year consisting of 12 months of 30 days each and in the case of an incomplete month, the number of days elapsed.

If the Early Redemption Amount payable in respect of any Bond upon its redemption pursuant to Condition 8 or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Bond shall be the Early Redemption Amount of such Bond as described above, as though references to the Determination Date had been replaced by references to the Tax Redemption Date or Put Date or Non-Permitted Conversion Price Adjustment Date, as applicable, and interest shall accrue at the rate provided for in Condition 5.1 on the principal amount of such Bond to such date. The calculation of the Early Redemption Amount in accordance with this Condition will continue to be made (as well after as before judgment) until the Tax Redemption Date or Put Date or Non-Permitted Conversion Price Adjustment Date, as applicable, unless such date falls on or after the Maturity Date, in which case the amount due and payable shall be 100% of the principal amount of the Bonds together with interest thereon (inclusive of interest payable pursuant to Condition 5) at the rate of 5.94% per annum from and including the Maturity Date to but excluding the Tax Redemption Date or Put Date or Non-Permitted Conversion Price Adjustment Date, as applicable.

## 8.5 Delisting Put Right

**8.5.1** In the event the Shares cease to be listed or admitted to trading on the BSE or NSE (a "**Delisting**"), each Bondholder shall have the right (the "**Delisting Put Right**"), at such Bondholder's option, to require the Issuer to redeem all (but not less than all) of such Bondholder's Bonds on the twentieth business day after notice has been given to Bondholders regarding the Delisting referred to under Condition 8.5.2 below or, if such notice is not given, the twentieth business day after the Delisting (the "**Delisting Put Date**") at their Early Redemption Amount together with accrued interest but unpaid to such date (the "**Delisting Put Price**").

**8.5.2** Promptly after becoming aware of a Delisting, the Issuer shall procure that notice regarding the Delisting Put Right shall be given to Bondholders (in accordance with Condition 17) stating:

- (i) the Delisting Put Date;

- (ii) the date of such Delisting and, briefly, the events causing such Delisting;
- (iii) the date by which the Delisting Put Notice (as defined below) must be given;
- (iv) the Delisting Put Price and the method by which such amount will be paid;
- (v) the names and specified offices of all Paying Agents;
- (vi) the Conversion Right and the then current Conversion Price;
- (vii) the procedures that Bondholders must follow and the requirements that Bondholders must satisfy in order to exercise the Delisting Put Right or Conversion Right; and
- (viii) that a Delisting Put Notice, once validly given, may not be withdrawn.

**8.5.3** To exercise its rights to require the Issuer to redeem its Bonds, the Bondholder must deliver a written irrevocable notice of the exercise of such right (a “**Delisting Put Notice**”), in the then current form obtainable from the specified office of any Paying Agent, to any Paying Agent on any business day prior to the close of business at the location of such Paying Agent on such day and which day is not less than 10 business days prior to the Delisting Put Date.

**8.5.4** A Delisting Put Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Bonds which form the subject of the Delisting Put Notices delivered as aforesaid on the Delisting Put Date.

**8.5.5** The Trustee shall not be required to take any steps to ascertain whether a Delisting or any event which could lead to the occurrence of a Delisting has occurred and shall not be responsible or liable to Bondholders for any loss arising from any failure by it to do so.

**8.5.6** For the purposes of this Condition 8.5, “**business day**” shall mean a day on which commercial banks are open for business in New York City, London and Mumbai.

## **8.6** Redemption Following Exercise of a Put Option

Upon the exercise of any put option specified in Condition 8.4 or 8.5, payment of the applicable redemption amount shall be conditional upon (i) the Issuer obtaining all approvals required by law and (ii) delivery of the Bondholder’s Certificate (together with any necessary endorsements) to any Paying Agent on any business day (in the location of the relevant Paying Agent) together with the delivery of any other document(s) required by these Conditions, and will be made promptly following the later of the date set for redemption and the time of delivery of such Certificate. If the Paying Agent holds on the Put Date (as defined below) money sufficient to pay the applicable redemption monies of Bonds for which notices have been delivered in accordance with the provisions hereof upon exercise of such right, then, whether or not such Certificate is delivered to the Paying Agent, on and after such Put Date, (a) such Bond will cease to be outstanding; (b) such Bond will be deemed paid; and (c) all other rights of the Bondholder shall terminate (other than the right to receive the applicable redemption monies). “**Put Date**” shall mean the Relevant Event Put Date or the Delisting Put Date, as applicable.

## **8.7** Non-Permitted Conversion Price Adjustment Event Repurchase Right

To the extent permitted by applicable law, unless the Bonds have been previously redeemed, converted or purchased and cancelled, if the Issuer is unable to provide the Trustee with a Price Adjustment Opinion as set forth in Condition 6.4.1 prior to the occurrence of an event triggering an adjustment to the Conversion Price (a “**Non- Permitted Conversion Price Adjustment Event**”), the Issuer shall, within 10 business days after the occurrence of the relevant event triggering such adjustment, notify the Bondholders and the Trustee of such Non-Permitted Conversion Price Adjustment Event, and each Bondholder shall have the right (the “**Non- Permitted Conversion Price Adjustment Event Repurchase Right**”), at such Bondholder’s option, to require the Issuer to repurchase all (or any portion of the principal amount thereof which is U.S.\$1,000 and any integral multiple thereof) of such Bondholder’s Bonds at a price equal to their Early Redemption Amount (the “**Non-Permitted Conversion Price Adjustment Event Repurchase Price**”), on the date set by the Issuer for such repurchase (the “**Non- Permitted Conversion Price Adjustment Date**”), which shall be not less than 30 days nor more than 60 days following the date on which the Issuer notifies the Bondholders of the Non-Permitted Conversion Price Adjustment.

For the purposes of this Condition 8.7, “**business day**” shall mean a day on which commercial banks are open for business in New York City, London and Mumbai.

## 8.8 ~~Future Equity Issuances~~ [Reserved]

~~The net proceeds of any equity or equity-linked issuance by the Issuer (“**Equity Issuance Proceeds**”) after the satisfaction of the Security Conditions will be utilised by the Issuer (subject to compliance with prevalent RBI regulations or subject to obtaining RBI approval) to make an offer to Bondholders to repurchase all or a part of their Bonds, on a *pro rata* basis, as follows:~~

- ~~8.8.1 if a fresh convertible bond offering or an offering of any other similar unsecured convertible instrument is undertaken by the Issuer at any time during the term of the Bonds, 100% to repurchase the Bonds at the Early Redemption Amount, if approved by the RBI or permitted under the applicable Indian regulations, or, failing which, such price that is lower than the Early Redemption Amount as the RBI may approve;~~
- ~~8.8.2 if a straight equity issuance is undertaken by the Issuer within six to twelve months from the Maturity Date, at least 75% to repurchase the Bonds at the Early Redemption Amount, if approved by the RBI or permitted under the applicable Indian regulations or, failing which, such price that is lower than the Early Redemption Amount as the RBI may approve; and~~
- ~~8.8.3 if a straight equity issuance is undertaken by the Issuer within six months from the Maturity Date, 100% to repurchase the Bonds at the Early Redemption Amount, if approved by the RBI or permitted under the applicable Indian regulations, or, failing which, such price that is lower than the Early Redemption Amount as the RBI may approve.~~

~~The Issuer shall utilise the Equity Issuance Proceeds to make an offer to the Bondholders to repurchase the Bonds on a *pro rata* basis in accordance with the applicable RBI regulations. If required, the Issuer shall seek approval of the RBI to utilise the Equity Issuance Proceeds.~~

~~On receipt of RBI approval to utilise the Equity Issuance Proceeds in the manner provided in this Condition 8.8, the Issuer shall, having given not less than 30 nor more than 60 days’ notice to Bondholders, the Trustee and the Principal Agent (which notice shall be irrevocable), repurchase the Bonds, in accordance with applicable regulations, in whole or in part. Upon the expiry of any such notice, the Issuer will be bound to repurchase the Bonds at the Early Redemption Amount, if approved by the RBI or permitted under the applicable Indian~~

~~regulations, or, failing which, such price that is lower than the Early Redemption Amount as the RBI may approve.~~

~~The offer to repurchase using the Equity Issuance Proceeds shall be made to all Bondholders and each Bondholder may accept such offer at its option.~~

~~If RBI approval is not obtained or if any Equity Issuance Proceeds remains after the Issuer's offer, the Equity Issuance Proceeds will be pre-approved by the CDR lenders for payment to Bondholders on the Maturity Date.~~

~~Upon receipt of the Equity Issuance Proceeds by the Issuer, they will be placed into an account secured for the benefit of the Bondholders. On the Maturity Date, the Equity Issuance Proceeds will be applied in redeeming the Bonds without the need for procuring CDR lenders' approval.~~

## **8.9 Purchases**

The Issuer or any of its Subsidiaries may, if permitted under the laws of India, at any time and from time to time purchase Bonds at any price in the open market or otherwise. The Issuer or the relevant Subsidiary is required to submit to the Registrar for cancellation any Bonds so purchased. If purchases are made by tender, the tender must be available to all Bondholders alike.

## **8.10 Cancellation**

All Bonds which are redeemed or converted or purchased by the Issuer or any of its Subsidiaries, or are the subject matter of the Deed of Covenant, will forthwith be cancelled. Certificates in respect of all Bonds cancelled will be forwarded to or to the order of the Registrar and such Bonds may not be reissued or resold.

## **8.11 Redemption Notices**

All notices to Bondholders given by or on behalf of the Issuer pursuant to this Condition will be given in accordance with Condition 17, and specify the Conversion Price as at the date of the relevant notice, the closing price of the Shares (as quoted on the BSE) as at the latest practicable date prior to the publication of the notice, the date for redemption, the manner in which redemption will be effected and the aggregate principal amount of the Bonds outstanding as at the latest practicable date prior to the publication of the notice.

No notice of redemption given under Condition ~~8.2 or Condition 8.38~~ shall be effective if it specifies a date for redemption which falls during a Closed Period or within 15 days following the last day of a Closed Period.

## **8.12 Multiple Notices**

If more than one notice of redemption (which shall include any notice given by the Issuer pursuant to Condition 8.2 or Condition 8.3, any Relevant Event Put Exercise Notice or Delisting Put Notice given by a Bondholder pursuant to Condition 8.4 or 8.5 and any relevant notice given by a Bondholder pursuant to Condition 8.7) is given pursuant to this Condition 8, the first of such notices to be given shall prevail.

## **9 Taxation**

### **9.1** All payments of principal, premium (if any) and interest (including default interest (if any)) made in respect of the Bonds by the Issuer will be made free from any restriction or Condition and

without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of India or any authority thereof or therein having power to tax, unless deduction or withholding of such taxes, duties, assessments or governmental charges is compelled by law.

- 9.2 Where such withholding or deduction is in respect of Indian withholding tax on premium or interest payments at the rate of up to 10.00% (plus applicable surcharge on such tax payable; ~~education cess~~ and ~~higher and secondary education cess~~ on ~~the income~~such tax and surcharge) the Issuer will increase the amount of ~~premium or~~ interest paid by it to the extent required so that the amount of ~~premium or~~ interest received by Bondholders (without prejudice to Condition 7.3) amounts to the relevant amount of the ~~premium or~~ interest payable pursuant to Condition 5 or 8.
- 9.3 In the event that any such withholding or deduction in respect of principal or any such additional withholding or deduction in excess of 10.00% (plus applicable surcharge on such tax payable; ~~education cess~~ and ~~higher and secondary education cess~~ on ~~the income~~such tax and surcharge) in respect of ~~premium or~~ interest is required, the Issuer will pay such additional amounts by way of principal, premium or interest as will result in the receipt by the Bondholders of the amounts which would otherwise have been receivable in the absence of such withholding or deduction, except that no such additional amount shall be payable in respect of any Bond:
- 9.3.1 to a holder (or to a third party on behalf of a holder) who is subject to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with India otherwise than merely by holding the Bond or by the receipt of amounts in respect of the Bond; or
- 9.3.2 (in the case of a payment of principal or premium) if the Certificate in respect of such Bond is surrendered more than 30 days after the Relevant Date except to the extent that the holder would have been entitled to such additional amount on surrendering the relevant Certificate for payment on the last day of such period of 30 days; or
- ~~9.3.3 where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of November 26 to 27, 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or~~
- ~~9.3.4 presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Bond to another Paying Agent or Conversion Agent in a Member State of the European Union.~~
- 9.4 For the purposes hereof, “**Relevant Date**” means the date on which such payment first becomes due except that if the full amount payable has not been received by the Trustee or the Principal Agent on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Bondholders and cheques despatched or payment made.
- 9.5 References in these Conditions to principal, premium and interest shall be deemed also to refer to any additional amounts which may be payable under this Condition or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed.

The provisions of this Condition 9 shall not apply in respect of any payments of interest which fall due after the relevant Tax Redemption Date in respect of any Bonds which are the subject of a Bondholder election pursuant to Condition 8.3.

## 10 Events of Default

10.1 The Trustee at its discretion may, and if so requested in writing by the holders of not less than 25% in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution shall (subject to being indemnified and/or secured and/or pre-funded by the Bondholders to its satisfaction), give notice to the Issuer that the Bonds are, and they shall accordingly thereby become, immediately due and repayable at their Early Redemption Amount together with accrued interest (if any) to the date of payment (subject as provided below and without prejudice to the right of Bondholders to exercise the Conversion Right in respect of their Bonds in accordance with Condition 6) if any of the following events (each an “**Event of Default**”) has occurred:

10.1.1 a default is made in the payment of any amounts due in respect of the Bonds and is subsisting for a period of more than seven days;

10.1.2 failure by the Issuer to (X) deliver the Shares as and when such Shares are required to be delivered following conversion of a Bond; including (following fulfilment of the Conditions Precedent) on Mandatory Conversion; or (Y) issue the New Bonds as and when such New Bonds are required to be issued in accordance with the terms of the Consent Solicitation and Information Memorandum. For the avoidance of doubt, (A) in case of the Mandatory Conversion, the Issuer will only be liable to deliver the Shares to such Bondholders who have (i) elected (or are deemed to have elected) Option A in accordance with Condition 8.2, and (ii) provided the Account Holder Instructions to the Conversion Agent prior to the Notification Date; and (B) in the case of (Y) above, the Issuer will only be liable to issue the New Bonds to such Bondholders who have elected Option B in accordance with Condition 8.2.

10.1.3 failure by the Issuer to perform or comply with one or more of its other obligations in the Bonds or the Trust Deed which default is incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not in the opinion of the Trustee remedied within 15 days after written notice of such default shall have been given to the Issuer by the Trustee.

10.1.4 [reserved]

10.1.5 [reserved]

~~10.1.4 failure to implement the springing Second Lien within 90 days once the Security Conditions have been satisfied, subject to regulatory approvals;~~

~~10.1.5 any security, once created, ceases to be in full force and effect or does not create the security which it purports to create with the ranking and priority it is expressed to have;~~

10.1.6 occurrence of an event of default in respect of making required payments when due or, as the case may be, within any applicable grace period in respect of any present or future indebtedness for or in respect of monies borrowed or raised by the Issuer or any of its Material Subsidiaries, and if such default is subsisting for a period of more than 30 days, or acceleration on obligations, in an aggregate amount greater than U.S.\$25,000,000;

10.1.7 other than pursuant to the ~~ongoing CDR Scheme, or in accordance with the terms of an agreement with its senior lenders prior to the Closing Date (or any future amendment to the CDR Scheme or such agreement with its senior lenders)~~ Debt Resolution Plan, any resolution plans (the “**Additional Resolution Plans**”) entered into by each of

[SWECO, Seventus and SEFL or the Second Supplemental Trust Deed](#), the Issuer or any Material Subsidiary is (or is, or could be, declared by a court to be) insolvent or bankrupt or ~~unable to pay its debts, stops, suspends or threatens to stop or suspend, payment of all or a material part of (or a particular type of) its debts,~~ proposes or makes an agreement for the deferral, rescheduling or other readjustment of all of (or a particular type of) its debts (or of any part which it will or might otherwise be unable to pay), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer or any of its Material Subsidiaries;

- 10.1.8** legal process is levied and an adverse order is passed and enforced against a material part of the property, assets or revenues of the Issuer or any Material Subsidiary and such process has not been stayed within a period of 45 days;
- 10.1.9** (i) an order for winding up, [dissolution, judicial management or administration](#) has been passed in respect of the Issuer or any Material Subsidiary and no appeal against such order has been filed by the Issuer or the Material Subsidiary, as the case may be, within a period of 60 days from the date of the order; or (ii) insolvency proceedings against the Issuer or any Material Subsidiary have commenced and an official liquidator [or resolution professional](#) is appointed [as a result thereof by the appropriate regulatory or judicial authority](#);
- 10.1.10** an encumbrancer takes possession or an administrative or other receiver or an administrator is appointed of the whole or a material part of the property, assets or revenues of the Issuer or any of its Subsidiaries (as the case may be) and is not discharged within 90 days;
- 10.1.11** it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Bonds or the Trust Deed;
- 10.1.12** any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer or any of its Subsidiaries; or
- 10.1.13** any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs~~s~~.

[provided that, none of the Debt Resolution Plan, the Additional Resolution Plans or the Bonds Restructuring shall cause, and no events or circumstances resulting directly or indirectly from the approval or implementation of the Debt Resolution Plan, the Additional Resolution Plans or the Bonds Restructuring shall constitute, an Event of Default under these Conditions \(save for the failure by the Issuer to, following fulfilment of the Conditions Precedent, deliver the Shares on Mandatory Conversion or issue the New Bonds, as applicable, as provided under Condition 10.1.2\).](#)

For the purposes of ~~this Condition 10~~[these Conditions](#):

[“Group Lenders” means the lenders to the Issuer and/or its Subsidiaries.](#)

[“Debt Resolution Plan” means the resolution plan approved by the Group Lenders in terms of the RBI Stressed Assets Framework, and which includes, among other things, the Bonds Restructuring and the Share Issue.](#)

**“Material Subsidiary”** means:

- (a) any Subsidiary of the Issuer that meets the following two tests, each determined under Indian GAAP:
  - (i) whose gross revenues, as shown by the then latest accounts (consolidated where applicable) of such Subsidiary, constitute at least 5% of the consolidated gross revenues of the Issuer, as shown by the then latest consolidated accounts of the Issuer; and
  - (ii) whose gross assets, as shown by the then latest accounts (consolidated where applicable) of such Subsidiary, constitute at least 5% of the total consolidated gross assets of the Issuer, as shown by the then latest consolidated accounts of the Issuer;

provided that:

in the case of a Subsidiary acquired, or a company becoming a Subsidiary, (A) after the end of the financial period to which the latest consolidated accounts of the Issuer relates, the reference to the then latest consolidated accounts of the Issuer for the purposes of the calculation above shall, until consolidated accounts of the issuer for the financial period in which the acquisition is made or, as the case may be, in which the relevant company becomes a Subsidiary are published, be deemed to be a reference to the then latest consolidated accounts of the Issuer adjusted (on a pro forma basis if required) to consolidate the latest accounts of all such subsequently acquired Subsidiaries in such accounts; or (B) prior to the end of the financial period to which the latest consolidated accounts of the Issuer relates, the reference to the then latest consolidated accounts of the Issuer for the purposes of the calculation above shall be deemed to be a reference to the then latest consolidated accounts of the Issuer adjusted (on a pro forma basis if required) to consolidate the latest accounts of all such acquired Subsidiaries in such accounts as if such companies had been Subsidiaries for the whole of the financial period to which the latest consolidated accounts of the Issuer relates; or

- (b) any Subsidiary of the Issuer to which is transferred all or substantially all of the assets of a Subsidiary which immediately prior to such transfer was a Material Subsidiary, provided that the Material Subsidiary which so transfers its assets shall forthwith upon such transfer cease to be a Material Subsidiary.

[“RBI Stressed Assets Framework” means the Reserve Bank of India \(Prudential Framework for Resolution of Stressed Assets\) Directions 2019 issued by the Reserve Bank of India on 7 June 2019 through its circular with reference RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19, and shall include any circulars, notifications, directions or orders issued in this regard by the Reserve Bank of India.](#)

[SWECO means Suzlon Wind Energy Corporation.](#)

[Seventus means Seventus LLC.](#)

[SEFL means SE Forge Limited.](#)

[“Share Issue” means the issuance by the Issuer of Shares or other instruments convertible into or exchangeable for Shares by way of preferential allotment or otherwise pursuant to the Debt Resolution Plan.](#)

**10.2** Notwithstanding receipt of any payment after the acceleration of the Bonds, a Bondholder may exercise its Conversion Right by depositing a Conversion Notice with a Conversion Agent or Paying Agent during the period from and including the date of a default notice with respect to an event specified in Condition 10.1.2 (at which time the Issuer will notify the Bondholders of the number of Shares per Bond to be delivered upon conversion, assuming all the then outstanding Bonds are converted) to and including the 30th business day after such payment.

If any converting Bondholder deposits a Conversion Notice pursuant to this Condition 10 in the business day prior to, or during, a Closed Period, the Bondholder's Conversion Right shall continue until the business day following the last day of the Closed Period, which shall be deemed the Conversion Date, for the purposes of such Bondholder's exercise of its Conversion Right pursuant to this Condition 10.

If the Conversion Right attached to any Bond is exercised pursuant to this Condition 10, the Issuer will deliver Shares (which number will be disclosed to such Bondholder as soon as practicable after the Conversion Notice is given) in accordance with the Conditions, except that the Issuer shall have 10 business days (as defined in Condition 7.6) before it is required to register the converting Bondholder (or its designee) in its register of members as the owner of the number of Shares to be delivered pursuant to this Condition and an additional five business days (as defined in Condition 7.6) from such registration date to make payment in accordance with the following paragraph.

If the Conversion Right attached to any Bond is exercised pursuant to this Condition 10, the Issuer shall, at the request of the converting Bondholder subject to regulatory approval, pay to such Bondholder an amount in United States dollars (converted from Rupees at the Prevailing Rate) (the "**Default Cure Amount**"), equal to the product of (x) (i) the number of Shares that are required to be delivered by the Issuer to satisfy the Conversion Right in relation to such converting Bondholder minus (ii) the number of Shares that are actually delivered by the Issuer pursuant to such Bondholders' Conversion Notice and (y) the Closing Price of the Shares on the Conversion Date; provided that if such Bondholder has received any payment under the Bonds pursuant to this Condition 10, the amount of such payment shall be deducted from the Default Cure Amount.

The "**Prevailing Rate**" shall be the arithmetic average of the spot rates for the purchase of U.S. dollars with Rupees quoted by the State Bank of India on each of the relevant Trading Days or if such rate is not available on such Trading Day, such rate prevailing on the immediately preceding day on which such rate is so available.

The "**Share Price**" means the Closing Price of the Shares on the Conversion Date.

## **11 Consolidation, amalgamation or merger**

The Issuer will not consolidate with, merge or amalgamate into or transfer its assets substantially as an entirety to any corporation or convey or transfer its properties and assets substantially as an entirety to any person (the consummation of any such event, a "**Merger**"), unless:

- (i) the corporation formed by such Merger or the person that acquired such properties and assets shall expressly assume, by a supplemental trust deed, all obligations of the Issuer under the Trust Deed, the Agency Agreement and the Bonds and the performance of every covenant and agreement applicable to it contained therein and to ensure that the holder of each Bond then outstanding will have the right (during the period when such Bond shall be convertible) to convert such Bond into the class and amount of shares, cash and other securities and property receivable upon such

consolidation, amalgamation, merger, sale or transfer by a holder of the number of Shares which would have become liable to be issued upon conversion of such Bond immediately prior to such consolidation, amalgamation, merger, sale or transfer;

- (ii) immediately after giving effect to any such Merger, no Event of Default shall have occurred or be continuing or would result therefrom; and
- (iii) the corporation formed by such Merger, or the person that acquired such properties and assets, shall expressly agree, among other things, to indemnify each holder of a Bond against any tax, assessment or governmental charge payable by withholding or deduction thereafter imposed on such holder solely as a consequence of such Merger with respect to the payment of principal and interest on the Bonds.

Provided that, none of any merger or amalgamation or a transfer of assets or properties of the Issuer to any corporation or any other person upon a direction of the Issuer's lenders as a result of the Debt Resolution Plan, shall constitute a "Merger" under this Condition 11.

## **12 Prescription**

Claims in respect of amounts due in respect of the Bonds will become prescribed unless made within 10 years (in the case of principal and premium (if any)) and five years (in the case of interest) from the relevant date for payment. Neither the Trustee nor the Agents will be responsible or liable for any amounts so prescribed.

## **13 Enforcement**

At any time after the Bonds have become due and repayable, the Trustee may, at its discretion and without further notice, take such proceedings against the Issuer as it may think fit to enforce repayment of the Bonds and to enforce the provisions of the Trust Deed, but it will not be bound to take any such proceedings unless (i) it shall have been so requested in writing by the holders of not less than 25% in principal amount of the Bonds then outstanding or shall have been so directed by an Extraordinary Resolution of the Bondholders and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Bondholder will be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing.

## **14 Meetings of Bondholders, modification, waiver and substitution**

### **14.1 Meetings**

The Trust Deed contains provisions for convening meetings of Bondholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Bonds or the provisions of the Trust Deed. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing in the aggregate over 50% in principal amount of the Bonds for the time being outstanding or, at any adjourned such meeting, two or more persons being or representing Bondholders whatever the principal amount of the Bonds so held or represented unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the due date for any payment in respect of the Bonds, (ii) to reduce or cancel the amount of principal, premium or interest (including default interest) payable in respect of the Bonds (including the Early Redemption Amount or method of calculation thereof), (iii) to change the currency of payment of the Bonds, (iv) to modify or cancel the Conversion Rights or the put options specified in Condition 8, or (v) to modify the provisions concerning the quorum required at any meeting of the Bondholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum

for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 75%, or at any adjourned such meeting not less than 25%, in principal amount of the Bonds for the time being outstanding. An Extraordinary Resolution passed at any meeting of Bondholders will be binding on all Bondholders, whether or not they are present at the meeting. The Trust Deed provides that a written resolution signed by or on behalf of the holders of not less than 90% of the aggregate principal amount of Bonds outstanding shall be as valid and effective as a duly passed Extraordinary Resolution.

#### **14.2** Modification and Waiver

The Trustee may agree, without the consent of the Bondholders, to (i) any modification (except as mentioned in Condition 14.1 above) to, or the waiver or authorisation of any breach or proposed breach of, the Bonds, the Agency Agreement or the Trust Deed which is not, in the opinion of the Trustee, materially prejudicial to the interests of the Bondholders or (ii) any modification to the Bonds or the Trust Deed which, in the Trustee's opinion, is of a formal, minor or technical nature or to correct a manifest error or to comply with mandatory provisions of law. Any such modification, waiver or authorisation will be binding on the Bondholders and, unless the Trustee agrees otherwise, any such modifications will be notified by the Issuer to the Bondholders as soon as practicable thereafter.

#### **14.3** Substitution

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Bondholders, to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Bonds. In the case of such a substitution the Trustee may agree, without the consent of the Bondholders, to a change of the law governing the Bonds and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Bondholders. In such event, the Issuer shall give notice to Bondholders in accordance with Condition 17.

#### **14.4** Interests of Bondholders

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification, authorisation, waiver or substitution) the Trustee shall have regard to the interests of the Bondholders as a class and shall not have regard to the consequences of such exercise for individual Bondholders and the Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer or the Trustee, any indemnification or payment in respect of any tax consequences of any such exercise upon individual Bondholders except to the extent provided for in Condition 9 and/or any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.

#### **14.5** Certificates/Reports

Any certificate or report of any expert or other person called for by or provided to the Trustee (whether or not addressed to the Trustee) in accordance with or for the purposes of these Conditions or the Trust Deed may be relied upon by the Trustee as sufficient evidence of the facts therein (and shall, in absence of manifest error, in the Trustee's opinion, be conclusive and binding on all parties) notwithstanding that such certificate or report and/or engagement letter or other document entered into by the Trustee and/or the Issuer in connection therewith contains a monetary or other limit on the liability of the relevant expert or person in respect thereof. The Trustee shall not be responsible for any loss occasioned by acting on or refraining from acting in reliance on such certificate or report.

## 15 Replacement of Certificates

If any Certificate is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the specified office of the Registrar or any Agent upon payment by the claimant of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer and such Agent may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

## 16 Further issues

The Issuer may from time to time without the consent of the Bondholders create and issue further securities either having the same terms and conditions as the Bonds in all respects except for the first payment of interest on them and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Bonds) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Bonds include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Bonds. Any further securities forming a single series with the outstanding securities of any series (including the Bonds) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the written consent of the Trustee), be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Bondholders and the holders of securities of other series where the Trustee so decides.

## 17 Notices

All notices to Bondholders shall be validly given if mailed to them at the Issuer's expense at their respective addresses in the register of Bondholders maintained by the Registrar or published at the Issuer's expense in a leading newspaper having general circulation in Asia (which is expected to be the Asian Wall Street Journal). Such notices shall be deemed to have been given on the later of the date of such publications. Any such notice shall be deemed to have been given on the later of the date of such publication and the seventh day after being so mailed, as the case may be.

*So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream, Luxembourg or the Alternative Clearing System (as defined in the form of the Global Certificate), notices to Bondholders shall be given by delivery of the relevant notice to Euroclear or Clearstream, Luxembourg or the Alternative Clearing System, for communication by it to entitled accountholders in substitution for notification as required by the Conditions. Any such notice shall be deemed to have been given to the holders of the Bonds on the second day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.*

## 18 Agents

The names of the initial Agents and the Registrar and their specified offices are set out below. The Issuer reserves the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of any Agent or the Registrar and to appoint additional or other Agents or a replacement Registrar. The Issuer will at all times maintain (i) a Principal Agent, (ii) a Registrar outside the United Kingdom, ~~and~~ (iii) an Agent having a specified office in Singapore where the Bonds may be presented or surrendered for payment or redemption, so long as the Bonds are listed on the Singapore Stock Exchange and the rules of that exchange so require (and such agent in Singapore shall be a Paying, Transfer and Conversion Agent and shall be referred to in these Conditions as the **"Singapore Agent"**) ~~and (iv) a Paying~~

~~Agent and Conversion Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any law implementing the Savings Directive (2003/48/EC) or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000.~~ Notice of any such termination or appointment, of any changes in the specified offices of any Agent or the Registrar and of any change in the identity of the Registrar or the Principal Agent will be given promptly by the Issuer to the Bondholders in accordance with Condition 17 and in any event not less than 45 days' notice will be given.

## **19 Indemnification**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment unless indemnified and/or secured and/or pre-funded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer without accounting for any profit.

## **20 Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of this Bond under the Contracts (Rights of Third Parties) Act 1999.

## **21 Governing law**

The Bonds, the Trust Deed and the Agency Agreement and any non-contractual obligations arising out of or in connection with them, are governed by, and shall be construed in accordance with, the laws of England. In relation to any legal action or proceedings arising out of or in connection with the Trust Deed or the Bonds, the Issuer has in the Trust Deed irrevocably submitted to the courts of England and in relation thereto has [\(pursuant to the Second Supplemental Trust Deed\)](#) appointed ~~Suzlon Wind Energy~~ [Law Debenture Corporate Services Limited, now at Global House, 5A Sandy's Row at Fifth Floor, 100 Wood Street, London E14EC2V 7HW, United Kingdom](#) ~~EX~~ as its agent for service of process in England. Nothing shall affect the right to serve process in any other manner permitted by law.

**SCHEDULE 1**  
**PART 1 - CONDITIONS PRECEDENT**

The Bondholders' Resolution approving the Bonds Restructuring and each of (i) (solely in relation to Option A) the occurrence of the Mandatory Conversion Record Date; and (ii) (solely in relation to Option B) the occurrence of the Bond Exchange Date, is conditional on, and subject to, the satisfaction of the conditions precedent set out below on or prior to the Cut-off Date (the "**Conditions Precedent**"):

- (a) The approval (the "**RBI Approval**") of the Reserve Bank of India (the "**RBI**") to implement the Bonds Restructuring (including the Mandatory Conversion and the Bond Exchange), pursuant to an application to be submitted to the RBI by the Issuer, which must have been received by the Issuer on or before the Cut-off Date;
- (b) The Issuer must have obtained all approvals that are necessary to implement the Bonds Restructuring (including the Mandatory Conversion and the Bond Exchange) from all other applicable legal and regulatory authorities in India including, but not limited to, the Indian Exchanges;
- (c) Approvals from the Issuer's board of directors and the Issuer's shareholders that are necessary to implement the Bonds Restructuring (including the Mandatory Conversion and the Bond Exchange);
- (d) The Debt Resolution Plan must have been approved by, and be legally binding upon, the Issuer and the Group Lenders, and the delivery by the Issuer to the Trustee (on behalf of the Bondholders) and the Principal Agent of a certificate appending **any one of the following** (in each case confirming that (A) the Group Lenders have granted their formal sanction to the Debt Resolution Plan in terms of the inter-creditor agreement entered into among the Group Lenders (the "**ICA**"); and (B) the Issuer and the Group Lenders have effected and implemented the Debt Resolution Plan (other than the implementation of the Bonds Restructuring) within the parameters of the terms set out in the Consent Solicitation and Information Memorandum):
  - (i) one or more letters duly issued by the Group Lenders collectively representing at least 75 per cent. by value (including fund and non-fund based facilities outstanding) as at 30 September 2019 or such other date as is mutually agreed between the Group Lenders and the Issuer (such date, the "**Reconciliation Date**") and 60 per cent. of the Group Lenders; or
  - (ii) a letter from the lead bank of the Group Lenders under the terms of the ICA (the "**Lead Bank**"); or
  - (iii) minutes of one or more meetings of the Group Lenders issued by the Lead Bank (and copied to all the Group Lenders);
- (dd) The Issuer shall have procured the investment of no less than ₹375 crores in the Issuer by way of a subscription for Shares or instruments convertible into, or exchangeable for, Shares;
- (e) The Issuer having paid such fee amounts as have been mutually agreed between it and Houlihan Lokey (Singapore) Private Limited ("**HLSPL**") in relation to the engagement of HLSPL pursuant to an engagement letter dated 15 February 2019;
- (f) The Issuer having paid such fee amounts as have been mutually agreed between it and Kirkland & Ellis LLP ("**K&E**") pursuant to an engagement letter dated 31 March 2020; and

(g) The Issuer having paid such outstanding fees, costs and expenses of the Trustee as due under the terms of the Trust Deed and arising in connection with the execution of the Second Supplemental Trust Deed and implementation of the Bonds Restructuring.

Provided that each of the Conditions Precedent set out above may only be waived by the Issuer with the written approval of the Ad-Hoc Committee of Existing Bondholders, and further provided that the Condition Precedent in paragraph (g) above may only be waived by the Trustee. In this context, "Ad-Hoc Committee of Existing Bondholders" means the ad-hoc committee of Bondholders consisting of funds managed by Arkkan Capital, Clearwater Capital Partners and Tor Investment Management that collectively hold 30.8% of the aggregate outstanding principal amount of the Bonds and that are represented by Kirkland & Ellis LLP.

## **PART 2 – DEFINITIONS**

In this Schedule 1:

"business day" refers to a day other than a Saturday or Sunday on which commercial banks are open for business in New York City, Mumbai and London.

### PART 3 – FORM OF ACCOUNT HOLDER NOTIFICATION

[On the letterhead of the Issuer]

To: **The Bank of New York Mellon, London Branch**  
One Canada Square  
London E14 5AL  
United Kingdom

(in its capacity as the Trustee)

**The Bank of New York Mellon, London Branch**  
One Canada Square  
London E14 5AL  
United Kingdom

(in its capacity as the Principal Agent and Conversion Agent)

[Date]

Dear Ladies and Gentlemen,

**Suzlon Energy Limited (the “Issuer”)**

**Consent Solicitation in respect of the U.S.\$546,916,000 Step Up Convertible Bonds due 2019 issued by the Issuer (ISIN: XS1081332527 and XS1081332873)**

This certificate is delivered to you in accordance with the Bondholders’ Extraordinary Resolution dated [●] 2020 (the “**Bondholders’ Resolution**”) and the notice of meeting dated 13 March 2020 as supplemented by the Consent Solicitation and Information Memorandum (the “**Notice**”). All words and expressions defined in the Notice and the Bondholders’ Resolution shall (save as otherwise provided herein or unless the context otherwise requires) have the same meanings herein.

This is the Account Holder Notification to be provided by the Issuer in accordance with Condition 8.2A. The Notification Date shall occur on [●] 2020.

Each holder of the Bonds must send the account holder instruction (the “**Account Holder Instruction**”) (as an electronic SWIFT message through the relevant clearing system(s)) to the Conversion Agent or the Principal Agent by the Notification Date in accordance with this Account Holder Notification. The Account Holder Instruction shall include the information set out below:

- (i) the name, address, telephone number and the fax number of the Bondholder or its nominee to be registered in the record of the depositors, maintained by the depository registered under the 1996 Depositories Act with whom the Issuer has entered into a depository agreement;
- (ii) the total principal amount, total number of Bonds, identifying number of Bonds to be converted (if relevant), the identifying number of certificates deposited in respect of the Bonds to be converted (if relevant);
- (iii) the name(s) and address of the person(s) in whose name(s) the Shares required to be delivered on conversion of the Bonds are to be registered; and
- (iv) details of the securities account of the Bondholder to be credited with the Shares, including the name of client (the converting Bondholder who has an account with the

depository participant) and the client ID number, account name/the name of the participant, participant ID, permanent account number (PAN), the account number, the broker account name with the Indian depository, the client account number with his/her broker and the telephone or fax number.

For and on behalf of

**SUZLON ENERGY LIMITED**

\_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

**PART 4 – FORM OF MANDATORY CONVERSION NOTICE**

[On the letterhead of the Issuer]

To: **The Bank of New York Mellon, London Branch**  
One Canada Square  
London E14 5AL  
United Kingdom

(in its capacity as the Trustee)

**The Bank of New York Mellon, London Branch**  
One Canada Square  
London E14 5AL  
United Kingdom

(in its capacity as the Principal Agent and Conversion Agent)

[Date]

Dear Ladies and Gentlemen,

**Suzlon Energy Limited (the “Issuer”)**

**Consent Solicitation in respect of the U.S.\$546,916,000 Step Up Convertible Bonds due 2019 issued by the Issuer (ISIN: XS1081332527 and XS1081332873)**

This certificate is delivered to you in accordance with the Bondholders’ Extraordinary Resolution dated [●] 2020 (the “**Bondholders’ Resolution**”) and the notice of meeting dated 13 March 2020 as supplemented by the Consent Solicitation and Information Memorandum (the “**Notice**”). All words and expressions defined in the Notice and the Bondholders’ Resolution shall (save as otherwise provided herein or unless the context otherwise requires) have the same meanings herein.

This is the Mandatory Conversion Notice to be provided by the Issuer in accordance with Condition 8.2A.

The Issuer hereby confirms and represents that, as at the date of this Mandatory Conversion Notice, all Conditions Precedent (as defined in and as set out in Part 1 of Schedule 1 to the amended terms and conditions of the Bonds) have been satisfied.

The Mandatory Conversion Record Date shall occur on [●] 2020.

The Mandatory Conversion Price shall be [●].

The Mandatory Conversion Exchange Rate shall be [●].

For and on behalf of

**SUZLON ENERGY LIMITED**

By:

Title:

<b>Legend</b>	
<b>Changes:</b>	
<u>Add</u>	245
<del>Delete</del>	117
<del>Move From</del>	0
<u>Move To</u>	0
<u>Table Insert</u>	2
<del>Table Delete</del>	1
<u>Table moves to</u>	0
<del>Table moves from</del>	0
<b>Total Changes:</b>	<b>365</b>

**The Company**  
**Suzlon Energy Limited**  
5 Shrimali Society  
Near Shri Krishna Complex  
Navrangpura  
Ahmedabad 380 009 India

**Financial Adviser to the Issuer**  
**HOULIHAN LOKEY (SINGAPORE) PRIVATE LIMITED**  
10 Collyer Quay  
#40-11, Ocean Financial Centre  
Singapore 049315

**Legal Counsel to the Company**

*As to English Law*  
**Allen & Overy (Asia) Pte Ltd**  
50 Collyer Quay  
#09-01 OUE Bayfront  
Singapore 049321

*As to Indian Law*  
**L&L Partners**  
20th Floor, Tower2, Unit A2  
Indiabulls Finance Centre, Elphinstone Road  
Senapati Bapat Marg, Lower Parel  
Mumbai 400 013 India

**Trustee**  
**The Bank of New York Mellon, London Branch**  
One Canada Square  
London E14 5AL  
United Kingdom

**Tabulation and Exchange Agent**  
**The Bank of New York Mellon, London Branch**  
One Canada Square  
London E14 5AL  
United Kingdom  
(44 (0) 1202 689644)

**Principal Agent and Paying Agent**  
**The Bank of New York Mellon, London Branch**  
One Canada Square  
London E14 5AL  
United Kingdom

**Registrar**  
**The Bank of New York Mellon SA/NV, Luxembourg Branch**  
Vertigo Building Polaris  
2-4 rue Eugène Ruppert  
L-2453 Luxembourg

**Legal Counsel to the Trustee**  
*As to English Law*  
Hogan Lovells Lee & Lee  
50 Collyer Quay  
#10-01 OUE Bayfront  
Singapore 049321

Strictly Confidential

**NOT FOR DISTRIBUTION TO ANY PERSON RESIDENT OR LOCATED IN THE REPUBLIC OF INDIA OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES.**

**IMPORTANT: If you are not an intended recipient, please delete this electronic transmission from your system immediately. You must read the following disclaimer before continuing.** The following disclaimer applies to the Supplemental Consent Solicitation and Information Memorandum dated 31 March 2020 following this disclaimer page (the “**Supplemental Consent Solicitation and Information Memorandum**”) and you are therefore advised to read this disclaimer page carefully before accessing, reading or making any other use of the Supplemental Consent Solicitation and Information Memorandum (as well as any documents incorporated by reference in this Supplemental Consent Solicitation and Information Memorandum). In accessing the Supplemental Consent Solicitation and Information Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from The Bank of New York Mellon, London Branch as the tabulation and exchange agent (the “**Tabulation and Exchange Agent**”) as a result of such acceptance.

**NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF, AN OFFER TO BUY, OR A SOLICITATION OF AN OFFER TO SELL, SECURITIES IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. ACCESS HAS BEEN LIMITED SO THAT IT SHALL NOT CONSTITUTE DIRECTED SELLING EFFORTS (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT) IN THE UNITED STATES OR ELSEWHERE. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO THE FOREGOING RESTRICTIONS, YOU WILL BE UNABLE TO RECEIVE ANY OF THE SECURITIES DESCRIBED THEREIN. THE SUPPLEMENTAL CONSENT SOLICITATION AND INFORMATION MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY PERSON IN THE UNITED STATES OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE SUPPLEMENTAL CONSENT SOLICITATION AND INFORMATION MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.**

**Confirmation of your representation:** You have been sent the Supplemental Consent Solicitation and Information Memorandum at your request and on the basis that:

- (a) you are a holder or a beneficial owner of U.S.\$546,916,000 Step Up Convertible Bonds due 2019 issued on 15 July 2014 (the “**Existing Bonds**”) by Suzlon Energy Limited (the “**Company**”);
- (b) you are a person to whom it is lawful to send the Supplemental Consent Solicitation and Information Memorandum or make an invitation to participate in the Proposed Exchange Offer (each as defined in the Original Consent Solicitation and Information Memorandum), as the case may be, under applicable laws, and are an Existing Bondholder (as defined herein) who is not within the United States (within the meaning of Regulation S under the Securities Act); and
- (c) you consent to delivery of the Supplemental Consent Solicitation and Information Memorandum by electronic transmission to you.

The Supplemental Consent Solicitation and Information Memorandum has been sent to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Company, the Tabulation and Exchange Agent, The Bank of New York Mellon, London Branch, as trustee for the Existing Bonds, The Bank of New York Mellon, London Branch as trustee for the New Bonds or any person who controls, or any director, officer, employee, agent or affiliate of, any such person accepts any liability or responsibility whatsoever in respect of any difference between the Supplemental Consent Solicitation and Information Memorandum distributed to you in electronic form and any hard copy version.

In accordance with the provisions of applicable Indian regulations, only investors that are residents of Financial Action Task Force (“**FATF**”) or International Organization of Securities Commission’s (“**IOSCO**”) compliant jurisdictions and Multilateral and Regional Financial Institutions where India is a member country are eligible to purchase the New Bonds (defined below) issued by the Issuer. By accessing this Supplemental Consent Solicitation and Information Memorandum you shall be deemed to have represented to us that you are a resident of a FATF or an IOSCO compliant jurisdiction. This Supplemental Consent Solicitation and Information Memorandum has not been and will not be filed, produced or published as an offer document (whether a prospectus in respect of a public offer or an information memorandum or private placement offer cum application letter or other offering material in respect of any private placement under the Companies Act, 2013, or rules framed thereunder, each as amended, or any other applicable Indian laws) with any Registrar of Companies in India (“**RoC**”) or the Securities and Exchange Board of India (“**SEBI**”) or the Reserve Bank of India (“**RBI**”) or any other statutory or regulatory body of like nature in India, save and except for any information from any part of this Supplemental Consent Solicitation and Information Memorandum which is (i) mandatorily required to be disclosed or filed in India under any applicable Indian laws, including, but not limited to, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, as amended, and under the listing agreement with any Indian stock exchange pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, or (ii) pursuant to the sanction of any regulatory and adjudicatory body in India.

You are otherwise reminded that the Supplemental Consent Solicitation and Information Memorandum has been sent to you on the basis that you are a person into whose possession the Supplemental Consent Solicitation and Information Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are resident and/or located and you may not, nor are you authorised to, deliver the Supplemental Consent Solicitation and Information Memorandum to any other person. If this is not the case or if you do not agree to the terms contained in this notice, you must delete the electronic transmission in which the Supplemental Consent Solicitation and Information Memorandum is attached and destroy any printed copies of the Supplemental Consent Solicitation and Information Memorandum. If you have recently sold or otherwise transferred your entire holding(s) of the Existing Bonds, you should immediately forward the Supplemental Consent Solicitation and Information Memorandum to the purchaser, transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee, but if and only if you are permitted to do so by applicable law, and subject to the restrictions set out in this section. Save for the above, the Supplemental Consent Solicitation and Information Memorandum should not be distributed, published or reproduced (in whole or in part) or disclosed to any other persons and is, and its contents are, confidential.

**Restrictions: Nothing in this electronic transmission constitutes an offer of, an offer to buy, or a solicitation of an offer to sell, securities.**

**The distribution of the Supplemental Consent Solicitation and Information Memorandum in certain jurisdictions may be restricted by law. This Supplemental Consent Solicitation and Information Memorandum is not intended to be distributed in the United States (within the meaning of Regulation S under the Securities Act). Persons into whose possession the Supplemental Consent Solicitation and Information Memorandum comes are required by the Company to inform themselves about, and to observe, any such restrictions.**

**This Supplemental Consent Solicitation and Information Memorandum (as well as any documents incorporated by reference in this Supplemental Consent Solicitation and Information Memorandum) contains important information that should be read carefully before any decision is taken with respect to the Consent Solicitation (as defined herein) and/or the Proposed Exchange Offer (as defined in the Original Consent Solicitation and Information Memorandum).** If any holder of the Existing Bonds is in any doubt as to the action it should take, it is recommended to seek its own financial advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Any individual or company whose Existing Bonds are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to participate in the Consent Solicitation.

**You are responsible for protecting against viruses and other destructive items:** Your receipt of this electronic transmission is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

**Supplemental Consent Solicitation and Information Memorandum dated 31 March 2020**

**NOT FOR DISTRIBUTION TO ANY PERSON RESIDENT OR LOCATED IN THE REPUBLIC OF INDIA OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES.**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

This Supplemental Consent Solicitation and Information Memorandum (as well as any documents incorporated by reference in this Supplemental Consent Solicitation and Information Memorandum) contains important information that should be read carefully before any decision is made to participate in the Consent Solicitation (as defined herein). If Existing Bondholders are in any doubt as to the action they should take, they are recommended to seek their own financial advice, including in respect of any tax consequences, immediately from their stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

The Proposed Exchange Offer is not being made to Existing Bondholders (as defined herein) in any jurisdiction in which the making of the Proposed Exchange Offer would not be in compliance with the laws or regulations of such jurisdiction. No action has been or will be taken in any jurisdiction in relation to the Consent Solicitation or the Proposed Exchange Offer that would permit a public offering of securities. However, Suzlon Energy Limited (the “**Company**” or the “**Issuer**”, as the context may require) may, in its sole discretion, take such actions as it may deem necessary to extend the Proposed Exchange Offer to persons in any such jurisdiction.

The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or with any securities regulatory authority of any state or other jurisdiction of the United States. Subject to certain exceptions, the securities referred to herein may not be offered, sold, pledged or otherwise transferred within the United States (within the meaning of Regulation S under the Securities Act (“**Regulation S**”)) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. This document is not intended to be distributed in the United States (within the meaning of Regulation S). Accordingly, the securities referred to herein are being offered only to Existing Bondholders outside the United States (within the meaning of Regulation S) in offshore transactions that comply with Regulation S. There will be no public offer of securities described herein in the United States. **The New Bonds may not be offered or placed directly or indirectly in India or to, or for the account or benefit of, any resident of India. See “Notice to Bondholders” in the Original Consent Solicitation and Information Memorandum (as defined below).**

Nothing in this Supplemental Consent Solicitation and Information Memorandum constitutes an offer of, an offer to buy, or a solicitation of an offer to sell, securities. The distribution of this Supplemental Consent Solicitation and Information Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this Supplemental Consent Solicitation and Information Memorandum comes are required by the Company to inform themselves about, and to observe, any such restrictions. Any individual or company whose Existing Bonds are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if they wish to accept the Consent Solicitation or participate in the Proposed Exchange Offer. None of the Company, the Trustee, the Tabulation and Exchange Agent or the Principal Agent (as defined in the Original Consent Solicitation and Information Memorandum) (or their respective directors, employees or affiliates) makes any recommendation as to whether or not Existing Bondholders should vote in favour of all or any of the Extraordinary Resolution (as defined in the Original Consent Solicitation and Information Memorandum).

**SUZLON ENERGY LIMITED**

*(incorporated in the Republic of India with limited liability under the Indian Companies Act, 1956 with Corporate Identity Number L40100GJ1995PLC025447.)*

**CONSENT SOLICITATION FOR THE EXTRAORDINARY RESOLUTION TO THE HOLDERS (THE “EXISTING BONDHOLDERS”) OF U.S.\$546,916,000 STEP UP CONVERTIBLE BONDS DUE 2019 ISSUED ON 15 JULY 2014 (ISIN: XS1081332527 and XS1081332873) (THE “EXISTING BONDS”) (THE “CONSENT SOLICITATION”)**

This Supplemental Consent Solicitation and Information Memorandum is supplemental to, forms part of and should be read in conjunction with, the Consent Solicitation and Information Memorandum dated 26 March 2020 (the “**Original Consent Solicitation and Information Memorandum**” and, together with this Supplemental Consent Solicitation and Information Memorandum, the “**Consent Solicitation and Information Memorandum**”).

Terms defined in the Original Consent Solicitation and Information Memorandum have the same meaning when used in this Supplemental Consent Solicitation and Information Memorandum. All references in the Original Consent Solicitation and Information Memorandum to the “Consent Solicitation and Information Memorandum” shall be construed as references to the Original Consent Solicitation and Information Memorandum as supplemented by this Supplemental Consent Solicitation and Information Memorandum, taken together.

#### **Amendments to the Original Consent Solicitation and Information Memorandum**

(1) Each of (x) paragraph (d) under the heading “*Proposed Exchange Offer – Option A and Option B – Conditions Precedent*” on pages x and xi of the Original Consent Solicitation and Information Memorandum; and (y) paragraph (d) under the heading “*Conditions Precedent*” on page 21 of the Original Consent Solicitation and Information Memorandum, shall be deemed to be replaced with the following:

“(d) The Debt Resolution Plan must have been approved by, and be legally binding upon, the Issuer and the Group Lenders, and the delivery by the Issuer to the Trustee (on behalf of the Existing Bondholders) and the Principal Agent of a certificate appending **any one of the following** (in each case confirming that (A) the Group Lenders have granted their formal sanction to the Debt Resolution Plan in terms of the inter-creditor agreement entered into among the Group Lenders (the “**ICA**”); and (B) subject only to the occurrence of the Restructuring Effective Date, the Debt Resolution Plan shall be implemented by the Group Lenders):

- (i) one or more letters duly issued by the Group Lenders collectively representing at least 75 per cent. by value (including fund and non-fund based facilities outstanding) as at 30 September 2019 or such other date as is mutually agreed between the Group Lenders and the Issuer (such date, the “**Reconciliation Date**”) and 60 per cent. of the Group Lenders; or
- (ii) a letter from the lead bank of the Group Lenders under the terms of the ICA (the “**Lead Bank**”); or
- (iii) minutes of one or more meetings of the Group Lenders issued by the Lead Bank (and copied to all the Group Lenders);

(dd) The Issuer shall have procured the investment of no less than ₹375 Crores in the Issuer by way of a subscription for Shares or instruments convertible into, or exchangeable for, Shares;”

(2) The “*Amended Terms and Conditions of the Existing Bonds*” as annexed to the Original Consent Solicitation and Information Memorandum as Annexure IIA shall be deemed to be replaced in its entirety with Appendix 1 hereto, and all references to the “Amended Conditions” or “Annexure IIA” in the Original Consent Solicitation and Information Memorandum shall be construed accordingly.

**APPENDIX 1**

**AMENDED TERMS AND CONDITIONS OF THE EXISTING BONDS**

## AMENDED TERMS AND CONDITIONS OF THE EXISTING BONDS

The Terms and Conditions of the Bonds shall be amended by amending and restating the Terms and Conditions with the Terms and Conditions set out below (deletions are shown as a ~~strike through~~; additions are shown in underline). A full legend explaining changes is set out at the end of these Terms and Conditions.

The following, other than the words in italics, is the text of such amended Terms and Conditions of the Bonds which will appear on the reverse of each of the definitive certificates evidencing the Bonds.

The issue of U.S.\$546,916,000 Step Up Convertible Bonds due 2019 (the “**Bonds**”, which term shall include, unless the context requires otherwise, any further Bonds issued in accordance with Condition 16 and consolidated and forming a single series with the Bonds) of Suzlon Energy Limited (the “**Issuer**”), was authorised by resolutions of the Board of Directors of the Issuer on 3 May 2014 and by the shareholders of the Issuer on 20 September 2013. The Bonds are constituted by a trust deed ~~(as dated 15 July 2014, as amended and supplemented by the first supplemental trust deed dated 11 December 2014 (and as further~~ amended or supplemented from time to time) (the “**Trust Deed**”) ~~dated on or about 15 July 2014 and, each~~ made between the Issuer and The Bank of New York Mellon, London Branch as trustee for the holders of the Bonds (the “**Trustee**”, which term shall, where the context so permits, include all other persons for the time being acting as trustee or trustees under the Trust Deed). The Issuer has entered into a paying, conversion and transfer agency agreement (as amended or supplemented from time to time, (the “**Agency Agreement**”) dated ~~on or about~~ 15 July 2014 with The Bank of New York Mellon, London Branch as principal paying and conversion agent (the “**Principal Agent**”), The Bank of New York Mellon SA/NV, Luxembourg Branch (formerly known as The Bank of New York Mellon (Luxembourg) S.A.) as registrar (the “**Registrar**”) and transfer agent and the other paying, conversion and transfer agents appointed under it (each a “**Paying Agent**”, “**Conversion Agent**”, “**Transfer Agent**” (references to which shall include the Registrar) and together with the Registrar and the Principal Agent, the “**Agents**” (which shall, where applicable, include the Singapore Agent (as defined in Condition 18)) relating to the Bonds. References to the “**Principal Agent**”, “**Registrar**” and “**Agents**” below are references to the principal agent, registrar and agents for the time being for the Bonds.

The statements in these terms and conditions (these “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed. Unless otherwise defined, terms used in these Conditions have the meaning specified in the Trust Deed.

Copies of the Trust Deed and of the Agency Agreement are available for inspection during normal business hours at the registered office of the Trustee being at the date hereof at One Canada Square, ~~40<sup>th</sup> Floor~~, London, E14 5AL, United Kingdom and at the specified offices of each of the Agents. The Bondholders are entitled to the benefit of the Trust Deed and are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement applicable to them.

The Issuer entered into a Second Supplemental Trust Deed (as defined below) with the Trustee and, on the date upon which the Bondholders’ Resolution (as defined below) (approving certain amendments to these Conditions and the Trust Deed as set out in a notice of meeting issued on 13 March 2020 by the Issuer, as supplemented by the Consent Solicitation and Information Memorandum dated 26 March 2020, together with the Supplemental Consent Solicitation and Information Memorandum dated 31 March 2020) was passed, the Second Supplemental Trust Deed became effective in accordance with its terms in order to give effect to such Bondholders’ Resolution.

For the avoidance of doubt, the Bondholder Options (defined below) as set out in these Conditions shall at all times remain subject to the fulfillment of the Conditions Precedent (defined below).

## 1 Status

The Bonds constitute direct, unsubordinated, unconditional and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to Condition 4, at all times rank at least equally with all of its other present and future direct, unsubordinated, unconditional and unsecured obligations.

## 2 Form, Denomination and Title

### 2.1 Form and Denomination

The Bonds are issued in registered form in the denomination of U.S.\$1,000 each and integral multiples thereof. A bond certificate (each a “**Certificate**”) will be issued to each Bondholder in respect of its registered holding of Bonds. Each Bond and each Certificate will be numbered serially with an identifying number, which will be recorded on the relevant Certificate and in the Register (as defined in Condition 3.1) of Bondholders which the Issuer will procure to be kept by the Registrar.

### 2.2 Title

Title to the Bonds passes only by transfer and registration in the register of Bondholders as described in Condition 3. The holder of any Bond will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder. In these Conditions “**Bondholder**” and (in relation to a Bond) “**holder**” means the person in whose name a Bond is registered.

## 3 Transfers of Bonds; Issue of Certificates

### 3.1 Register

The Issuer will cause to be kept at the specified office of the Registrar and in accordance with the terms of the Agency Agreement a register on which shall be entered the names and addresses of the holders of the Bonds and the particulars of the Bonds held by them and of all transfers of the Bonds (the “**Register**”).

Each Bondholder shall be entitled to receive only one Certificate in respect of its entire holding of Bonds.

### 3.2 Transfers

Subject to Conditions 3.5 and 3.6 and the terms of the Agency Agreement, a Bond may be transferred or exchanged by delivery of the Certificate issued in respect of that Bond, with the form of transfer on the back duly completed and signed by the holder or his attorney duly authorised in writing, to the specified office of the Registrar or any of the Transfer Agents. No transfer of title to a Bond will be valid unless and until entered on the Register.

### 3.3 Delivery of New Certificates

**3.3.1** Each new Certificate to be issued upon a transfer or exchange of Bonds will, within seven business days (at the place of the relevant specified office) of receipt by the

Registrar or, as the case may be, any other relevant Transfer Agent of the original Certificate and the form of transfer duly completed and signed, be made available for collection at the specified office of the Registrar or such other relevant Transfer Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder entitled to the Bonds (but free of charge to the holder) to the address specified in the form of transfer. The form of transfer is available at the specified office of the Principal Agent.

**3.3.2** Where only part of a principal amount of the Bonds (being that of one or more Bonds) in respect of which a Certificate is issued is to be transferred, exchanged, converted or redeemed, a new Certificate in respect of the Bonds not so transferred, exchanged, converted or redeemed will, within seven business days of delivery of the original Certificate to the Registrar or other relevant Agent, be made available for collection at the specified office of the Registrar or such other relevant Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder of the Bonds not so transferred, exchanged, converted or redeemed (but free of charge to the holder) to the address of such holder appearing on the Register.

**3.3.3** For the purposes of these Conditions (except for Condition ~~4.3, Condition-7,~~ [Condition 8.2](#), Condition 8.5 and Condition 8.7), “**business day**” shall mean a day other than a Saturday or Sunday on which banks are open for business in the city in which the specified office of the Registrar (if a Certificate is deposited with it in connection with a transfer or conversion) or the Agent with whom a Certificate is deposited in connection with a transfer or conversion, is located.

### **3.4** Formalities Free of Charge

Registration of a transfer of Bonds and issuance of new Certificates will be effected without charge by or on behalf of the Issuer or any of the Agents, but upon (i) payment (or the giving of such indemnity as the Issuer or any of the Agents may require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer; and (ii) the Issuer or the relevant Transfer Agent being satisfied that the regulations concerning transfer of Bonds have been complied with.

### **3.5** Restricted Transfer Periods

No Bondholder may require the transfer of a Bond to be registered (i) during the period of seven days ending on (and including) the due date for any principal on the Bonds; (ii) after a Conversion Notice (as defined in Condition 6.2) has been delivered with respect to a Bond; (iii) after [an Account Holder Instruction \(as defined in Condition 8.2\) has been delivered with respect to a Bond by such Bondholder;](#) (iv) [after an election or deemed election of Option A \(as defined in Condition 8.2\) or an election of Option B \(as defined in Condition 8.2\) has been made with respect to a Bond by such Bondholder;](#) (v) [after](#) a Relevant Event Put Exercise Notice (as defined in Condition 8.4) has been deposited in respect of such a Bond; (~~iv~~[vi](#)) after a Delisting Put Notice (as defined in Condition 8.5) has been deposited in respect of such a Bond; (~~v~~[vii](#)) after the Non-Permitted Conversion Price Adjustment Event Purchase Right (as defined in Condition 8.7) has been exercised in respect of such Bonds; or (~~vi~~[viii](#)) during the period of seven days ending on (and including) any record date in respect of any payment of interest on the Bonds, each such period being a “**Restricted Transfer Period**”.

### **3.6** Regulations

All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer of Bonds scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Trustee and the Registrar. A copy of the current regulations will be mailed (free of charge to the holder and at the Issuer's expense) by the Registrar to any Bondholder upon request.

#### 4 Negative Pledge ~~and Security~~

4.1 So long as any Bond remains outstanding (as defined in the Trust Deed):

- (i) the Issuer will not create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest ("**Security**") upon the whole or any part of its undertaking, assets or revenues, present or future, to secure any International Investment Securities (as defined below), or to secure any guarantee or indemnity in respect of any International Investment Securities;
- (ii) the Issuer will procure that no Subsidiary (as defined below) or other person creates or permits to subsist any Security upon the whole or any part of the undertaking, assets or revenues, present or future, of that Subsidiary or other person to secure any of the Issuer's or any Subsidiary's International Investment Securities, or to secure any guarantee of or indemnity in respect of any of the Issuer's or any Subsidiary's International Investment Securities; and
- (iii) the Issuer will procure that no other person gives any guarantee of, or indemnity in respect of, any of the Issuer's or any Subsidiary's International Investment Securities,

unless, at the same time or prior thereto, the Issuer's obligations under the Bonds and the Trust Deed (a) are secured equally and rateably therewith to the satisfaction of the Trustee, or (b) have the benefit of such other security, guarantee, indemnity or other arrangement as the Trustee in its absolute discretion shall deem to be not materially less beneficial to the Bondholders or as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders.

~~Provided however that, the following Security shall be excluded from the terms of this Condition 4.1:~~

- ~~(i) the Second Lien (as defined below);~~
- ~~(ii) Provided however that, the Issuer or any Subsidiary may create or permit to subsist Security upon the whole or any part of its undertaking, assets or revenues, present or future to secure a guarantee or indemnity or credit enhancement provided by a non-Group (as defined in the Trust Deed) third party in respect of International Investment Securities issued by the Issuer or any Subsidiary for the purpose of using the proceeds from any such issuance in ~~the following order:~~~~

~~or towards the repayment or prepayment of the Bonds or (a) first, in or towards the repayment or prepayment of any of its existing senior debt or debt with an original maturity prior to the Maturity Date (as defined in Condition 8.1) with a new maturity beyond the Maturity Date provided that such repayment or prepayment is to the CDR (as defined in Condition 6.3) lenders under the CDR Scheme (as defined below) (such debt, the "**CDR Debt**") in order to meet the Security Conditions (as defined below) or the refinancing of such CDR Debt (provided that such refinancing does not impair the Bondholders' rights to a springing Second Lien as set out in Condition 4.2 below); and~~

~~(b) **secondly**, in or towards the repayment or prepayment of any of its existing senior debt or debt with an original maturity prior to the Maturity Date with a new maturity beyond the Maturity Date (such debt, the “**Other Senior Debt**”) or the refinancing of such Other Senior Debt (provided that such refinancing does not impair the Bondholders’ rights to a springing Second Lien as set out in Condition 4.2 below).~~

~~4.2 [Reserved]~~

~~4.3 [Reserved]~~

~~4.4 [Reserved]~~

~~(iii) any funds made available to the Issuer or any of its Subsidiaries by any member of the Servion Group (as defined below), from the proceeds of an issuance of International Investment Securities by a member of the Servion Group, raised by creating or permitting to subsist Security upon the whole or any part of the undertaking, assets or revenues, present or future of such member of the Servion Group to secure a guarantee or indemnity or credit enhancement provided by a non-Group third party in respect of such International Investment Securities, for the purpose of the Issuer or its Subsidiaries using the proceeds from any such issuance in the following order:~~

~~(a) **first**, in or towards the repayment or prepayment of any of its CDR Debt in order to meet the Security Conditions or the refinancing of such CDR Debt (provided that such refinancing does not impair the Bondholders’ rights to a springing Second Lien as set out in Condition 4.2 below); and~~

~~(b) **secondly**, in or towards the repayment or prepayment of any of its Other Senior Debt or the refinancing of such Other Senior Debt (provided that such refinancing does not impair the Bondholders’ rights to a springing Second Lien as set out in Condition 4.2 below).~~

~~**4.2** Subject to receipt of regulatory approvals, the Issuer shall execute a springing second lien (the “**Second Lien**”) in favour of a suitably qualified security trustee of national or international repute appointed by the Issuer (in prior consultation with the Trustee) (the “**Security Trustee**”) acting on behalf of the Bondholders over all the domestic assets of the Issuer and its Indian Subsidiaries (as defined below) that are secured for the benefit of the Issuer’s Secured Lenders (as defined below) in accordance with the requirements of the master restructuring agreement dated 28 March 2013 in respect of the CDR Scheme and any other financing documents signed by non-CDR lenders in accordance with Condition 4.3 and, subject to (a) the written consent of the Secured Lenders, and (b) the Issuer:~~

~~(i) prepaying of an amount of approximately U.S\$1.158 billion to the CDR lenders under the CDR Scheme; and~~

~~(ii) achieving a minimum Asset Coverage Ratio (as defined below) in excess of 1.33:1.~~

~~((i) and (ii) together, the “**Security Conditions**”).~~

~~**4.3** Subject to the Conditions set out in Condition 4.2 being fulfilled (without prejudice to Condition 10.1.4), the springing Second Lien will be implemented as follows:~~

~~(i) the Issuer shall notify the Monitoring Institution and the Trustee in writing within 5 business days of the Security Conditions having been complied with;~~

- (ii) ~~the Issuer shall also inform the Trustee of the receipt of the written approval of the Secured Lenders within 5 business days of receipt of the same; and~~
- (iii) ~~the Issuer shall create the Second Lien within 90 days from the date on which all the Conditions set out in Condition 4.2 have been satisfied (the “**Springing Second Lien Implementation Date**”).~~

**4.4** ~~On or prior to the Springing Second Lien Implementation Date, the Security Trustee and the Secured Lenders or any duly authorised agent of the Secured Lenders will enter into an intercreditor agreement in form and substance satisfactory to all the parties thereto (the “**Intercreditor Agreement**”).~~

~~The Intercreditor Agreement, which will be governed by Indian law, will establish the subordination of the security held pursuant to the Second Lien only to the first ranking security held by the Secured Lenders and which may be amended from time to time to add other Secured Lenders or parties representing such Secured Lenders. The Intercreditor Agreement will not include (i) any financial covenants in relation to the Issuer for the benefit of the Bondholders; (ii) any covenants in relation to security except as set out in these Conditions; or (iii) any voting rights for Bondholders in relation to any determination, consent or waiver to be made by the Secured Lenders with respect to the secured assets.~~

For the purposes of these Conditions:

~~“**Indian GAAP**” means generally accepted accounting principles in India, including the Indian Accounting Standards prescribed under Section 133 of the (Indian) Companies Act, 2013 (as amended) read with the (Indian) Companies (Indian Accounting Standards) Rules, 2015 (as amended).~~

~~“**Asset Coverage Ratio**” means the result, expressed as a fraction, obtained by dividing the aggregate of tangible fixed assets (excluding revaluation reserves) and capital work-in-progress and current assets, which have been secured on first *pari passu* charge basis, by the aggregate loans (both fund based and non fund based) (which are secured on first *pari passu* charge basis against such tangible fixed assets and capital work-in-progress and current assets), of the Issuer and its Indian Subsidiaries. The book value of the assets shall be calculated on the basis of the latest annual audited financial statements submitted by the Issuer and its Indian Subsidiaries to the Monitoring Institution in accordance with generally accepted accounting principles in India (“**Indian GAAP**”) and the Asset Coverage Ratio shall accordingly be tested annually.~~

~~“**business day**” shall mean a day on which commercial banks are open for business in New York City, London and Mumbai.~~

~~“**Indian Subsidiaries**” means, collectively, Suzlon Structures Limited, Suzlon Power Infrastructure Limited, Suzlon Generators Limited, Suzlon Gujarat Wind Park Limited, SE Electricals Limited, Suzlon Wind International Limited and SE Blades Limited or any other entity, each of which, together with the Issuer, are, or become, borrowers under the master restructuring agreement dated 28 March 2013 entered into with the CDR lenders (the “**CDR Scheme**”).~~

~~“**International Investment Securities**” means any present or future indebtedness in the form of, or represented by, bonds, debentures, notes or other investment securities which (i) are denominated in a currency other than Rupees or are by their terms payable, or confer a right to receive payment, in any currency other than Rupees, or are denominated or payable in~~

Rupees and more than 50% of the aggregate principal amount thereof is initially distributed outside India, and (ii) are for the time being, or are intended to be or capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over the counter or other securities market.

~~“Monitoring Institution” means the bank appointed as the monitoring institution under the CDR Scheme.~~

~~“Secured Lenders” means the CDR lenders and any senior lenders that have the benefit of the security over the assets of the Issuer and its Indian Subsidiaries.~~

~~“Servion Group” means Servion SE and its subsidiaries.~~

“Subsidiary” means any company or other business entity of which the Issuer owns or controls (either directly or through one or more other subsidiaries) more than 50% of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or other business entity or any company or other business entity which the Issuer recognises in its consolidated accounts as a subsidiary, jointly controlled entity or associated company under Indian law, regulations or generally accepted accounting principles from time to time, or which should have its accounts consolidated with those of the Issuer.

~~Provided that, for the purpose of this Condition 4, no member of the Servion Group will be considered a Subsidiary.~~

## 5 Interest

### 5.1 Interest Rate

The Bonds bear interest (i) at the rate of 3.25% per annum, from (and including) 15 July 2014 (the “Closing Date”) up to (but excluding) 16 January 2016, calculated by reference to the principal amount thereof and payable semi-annually in arrear on 16 July and 16 January in each year (each an “Interest Payment Date”), commencing with the Interest Payment Date falling on 16 January 2015 (the “First Interest Payment Date”) and the last payment of interest at such rate will be made on 16 January 2016, in respect of the period from (and including) the Closing Date to (but excluding) 16 January 2016; and (ii) at the rate of 5.75% per annum, from (and including) 16 January 2016 to the Maturity Date, calculated by reference to the principal amount and payable semi-annually in arrear on each Interest Payment Date, commencing with the Interest Payment Date falling on 16 July 2016 except that the last payment of interest will be made on the Maturity Date in respect of the period from (and including) 16 January 2019 to (but excluding) the Maturity Date, and such final payment of interest will amount to U.S.\$~~1,004.29~~28.75 per U.S.\$1,000 principal amount of Bonds.

The amount of interest payable in respect of any period which is shorter than an Interest Period shall be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

“Interest Period” means the payment period beginning on (and including) the Closing Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

### 5.2 Accrual of Interest

Each Bond will cease to bear interest (i) where the Conversion Right shall have been exercised by a Bondholder, from the Interest Payment Date immediately preceding the relevant Conversion Date or, if none, the Closing Date (subject in any such case as provided in Condition 6.2.4) or (ii) where the Mandatory Conversion has occurred with respect to such Bond in accordance with Condition 8.2A and the requirements of Condition 8.2A have been fulfilled; or (iii) where the Bond Exchange has occurred with respect to such Bond in accordance with Condition 8.2B and the requirements of Condition 8.2B have been fulfilled or (iv) where such Bond is redeemed or repaid pursuant to Condition 8 or Condition 10, from the due date for redemption or repayment thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused, in which event interest will continue to accrue as provided in these Conditions.

## 6 Conversion

### 6.1 Conversion Right

#### 6.1.1 Conversion Period

- (i) Subject as hereinafter provided, Bondholders have the right to convert their Bonds into Shares at any time during the Conversion Period referred to below. The right of a Bondholder to convert any Bond into Shares is called the **“Conversion Right”**.

Subject to and upon compliance with the provisions of this Condition, the Conversion Right attaching to any Bond may be exercised, at the option of the holder thereof, at any time (subject to Condition 6.1.1(ii)) on and after 25 August 2014 up to the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on 9 July 2019 (but, except as provided in Conditions 6.1.4 and 10, in no event thereafter) or if such Bond shall have been called for redemption before the Maturity Date, then up to the close of business (at the place aforesaid) on a date no later than seven business days (at the place aforesaid) prior to the date fixed for redemption thereof (the **“Conversion Period”**).

- (ii) Conversion Rights may not be exercised in relation to any Bond (a) during the period ~~(each, a “Closed Period”)~~ commencing on: ~~(a)~~ the date falling 21 days prior to the date of the Issuer’s annual general shareholders’ meeting and ending on the date of that meeting, (b) during the period commencing on the date falling 30 days prior to an extraordinary shareholders’ meeting and ending on the date of that meeting, (c) during the period commencing on the date that the Issuer notifies BSE Limited (the **“BSE”**) or National Stock Exchange of India Limited (the **“NSE”** and together with the BSE, the **“Indian Exchanges”**) of the record date for determination of the shareholders entitled to receipt of dividends, subscription of shares due to capital increase or other benefits, and ending on the record date for the distribution or allocation of the relevant dividends, rights and benefits; (d) ~~on such date and for~~ during such period as determined by Indian law applicable from time to time that the Issuer is required to close its stock transfer books; ~~or~~ (e) in circumstances where the exercise of the Conversion Right would fall during the period commencing on a record date in respect of any payment of interest on the Bonds and ending on the relevant Interest Payment Date (both days inclusive); (f) prior to the date which is the earlier to occur of the Cut-off Date (as defined in Condition 8.2), or, in the event that the Mandatory Conversion Record Date (as defined in Condition 8.2) has

occurred prior to the Cut-off Date, the Long Stop Date (as defined in Condition 8.2) or (g) prior to the date which is the earlier to occur of the Cut-off Date (as defined in Condition 8.2), or, in the event that the Bond Exchange Date (as defined in Condition 8.2) has occurred prior to the Cut-off Date, the Bond Exchange Date, each such period referred to in (a) to (g) above, a "Closed Period". The Issuer will give notice of any such period to the Trustee, the Bondholders and the Conversion Agent at the beginning of each such period.

The Issuer shall provide to the Trustee, the Bondholders and the Conversion Agent notice of any meeting of the Issuer's board of directors which is convened to consider the declaration of any dividends, subscription of shares due to capital increase or other benefits, at the same time notice of such meeting is announced in India.

Conversion Rights may not be exercised (a) in respect of a Bond where the Bondholder shall have exercised its right to require the Issuer to redeem such Bond pursuant to Condition 8.4 or 8.5; ~~or~~ (b) in respect of a Bond where the Mandatory Conversion has occurred in accordance with Condition 8.2A and the requirements of Condition 8.2A have been fulfilled; (c) in respect of a Bond where the Bond Exchange has occurred in accordance with Condition 8.2B and the requirements of Condition 8.2B have been fulfilled, or (d) except as provided in Condition 6.1.4 and Condition 10, in each case following the giving of notice by the Trustee pursuant to Condition 10.

The number of Shares to be issued on conversion of a Bond will be determined by dividing the principal amount of the Bond to be converted (translated into Rupees at the fixed rate of ₹60.225 = U.S.\$1.00 (the "**Fixed Exchange Rate**")) by the Conversion Price in effect at the Conversion Date (both as hereinafter defined).

A Conversion Right may only be exercised in respect of one or more Bonds. If more than one Bond held by the same holder is converted at any one time by the same holder, the number of Shares to be issued upon such conversion will be calculated on the basis of the aggregate principal amount of the Bonds to be converted.

Upon exercise of Conversion Rights in relation to any Bond and the fulfilment by the Issuer of all its obligations in respect thereof, the relevant Bondholder shall have no further rights in respect of such Bond and the obligations of the Issuer in respect thereof shall be extinguished.

#### **6.1.2 Fractions of Shares:**

Fractions of Shares will not be issued on conversion and no cash adjustments will be made in respect thereof. Notwithstanding the foregoing, in the event of a consolidation or reclassification of Shares by operation of law or otherwise occurring after the Closing Date which reduces the number of Shares outstanding, the Issuer will upon conversion of Bonds pay in cash (in U.S. dollars by means of a U.S. dollar cheque drawn on a bank in New York City) a sum equal to such portion of the principal amount of the Bond or Bonds evidenced by the Certificate deposited in connection with the exercise of Conversion Rights, aggregated as provided in Condition 6.1.1, as corresponds to any fraction of a Share not issued if such sum exceeds U.S.\$10.00 (which sum shall be translated into U.S. dollars at the **Fixed Exchange Rate**). Any such sum shall be paid

not later than 14 business days in Mumbai after the relevant Conversion Date by transfer to a U.S. dollar account with a bank in New York City specified in the relevant Conversion Notice.

However, if upon mandatory conversion pursuant to Condition 8.2 or if the Conversion Right in respect of more than one Bond is exercised at any one time such that shares to be issued on conversion are to be registered in the same name, the number of such shares to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being converted and rounded down to the nearest whole number of Shares.

### 6.1.3 Conversion Price and Conversion Ratio:

~~The~~(i) Subject to (ii) below, the price at which Shares will be issued upon conversion, as adjusted from time to time, (the “**Initial Conversion Price**”) will initially be ₹15.46 per Share but will be subject to adjustment in the manner provided in Condition 6.3. The “**Initial Conversion Ratio**” is equal to the principal amount of the Bonds divided by the Initial Conversion Price translated into U.S. dollars at the Exchange Rate.

~~The~~“(ii) With effect from the Bonds Amendment Date, and subject to the fulfilment of the Conditions Precedent, the price at which Shares will be issued upon conversion, as adjusted from time to time, (the “**Amended Conversion Price**”) will initially be ₹6.77 per Share but will be subject to adjustment in the manner provided in Condition 6.3. The “**Amended Conversion Ratio**” is equal to the principal amount of the Bonds divided by the ~~then~~Amended Conversion Price translated into U.S. dollars at the ~~Fixed~~Exchange Rate.

(iii) The Issuer proposes to issue, through preferential allotment, Shares in favour of the Promoter Group and the Investor Group (each as defined in the Consent Solicitation and Information Memorandum) aggregating up to Rs. 4,000 million, pursuant to a general meeting of its shareholders proposed to be held on 7 April 2020 or an adjourned or rescheduled such meeting, or other similar corporate action for this purpose (the “**Promoter Preferential Allotment**”).

Notwithstanding anything contained herein, in the event the price per Share at which the Promoter Preferential Allotment takes place (the “**Promoter Preferential Allotment Share Price**”) is:

- (a) Rs. 2.45 or more, no change shall be made to the Amended Conversion Price set out in Condition 6.1.3(ii); and
- (b) less than Rs. 2.45, the Amended Conversion Price set out in Condition 6.1.3(ii) shall be reduced by Rs. 0.02763 (rounded to the nearest two decimal places) for every reduction of 1 paise in the Promoter Preferential Allotment Share Price below Rs. 2.45.

As used in these Conditions, the “**Conversion Price**” means the Initial Conversion Price or the Amended Conversion Price, as is applicable on the Conversion Date (as defined in Condition 6.2.1) in respect of the exercise of a Conversion Right attaching to any Bond in accordance with Condition 6.1. If the Conditions Precedent have not been fulfilled on the Conversion Date applicable to the exercise of a Conversion Right

[attaching to any Bond then the Initial Conversion Price will apply to the exercise of the Conversion Right in respect of that Bond.](#)

#### 6.1.4 Revival and/or survival after Default:

Notwithstanding the provisions of Condition 6.1.1, if (a) the Issuer shall default in making payment in full in respect of any Bond which shall have been called for redemption on the date fixed for redemption thereof, (b) any Bond has become due and payable prior to the Maturity Date by reason of the occurrence of any of the events referred to in Condition 10 or (c) any Bond is not redeemed on the Maturity Date in accordance with Condition 8.1, the Conversion Right attaching to such Bond will revive and/or will continue to be exercisable up to, and including, the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on the date upon which the full amount of the moneys payable in respect of such Bond has been duly received by the Principal Agent or the Trustee and notice of such receipt has been duly given to the Bondholders and, notwithstanding the provisions of Condition 6.1.1, any Bond in respect of which the Certificate and Conversion Notice are deposited for conversion prior to such date shall be converted on the relevant Conversion Date (as defined in Condition 6.2.1 (iii)) notwithstanding that the full amount of the moneys payable in respect of such Bond shall have been received by the Principal Agent or the Trustee before such Conversion Date or that the Conversion Period may have expired before such Conversion Date.

#### 6.1.5 Meaning of “Shares”:

As used in these Conditions, the expression “**Shares**” means (1) shares of the class of share capital of the Issuer which, at the date of the Trust Deed, are designated as equity shares of the Issuer with full voting rights, together with shares of any class or classes resulting from any subdivision, consolidation or re- classification of those shares, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Issuer; and (2) fully-paid and non- assessable shares of any class or classes of the share capital of the Issuer authorised after the date of the Trust Deed which have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or winding-up of the Issuer; provided that, subject to the provisions of Condition 11, shares to be issued on conversion of the Bonds means only “**Shares**” as defined in sub-clause (1) above.

## 6.2 Conversion Procedure

### 6.2.1 Conversion Notice:

- (i) To exercise the Conversion Right attaching to any Bond, the holder thereof must complete, execute and deposit at his own expense between 9.00 a.m. and 3.00 p.m. (local time on any business day) at the specified office of any Conversion Agent a notice of conversion (a “**Conversion Notice**”) in duplicate in the form (for the time being current) obtainable from the specified office of each Agent, together with (a) the relevant Certificate; and (b) certification by the Bondholder, in the form obtainable from any Conversion Agent, as may be required under the laws of the Republic of India or the jurisdiction in which the specified office of such Conversion Agent shall be located. A Conversion Notice deposited outside the hours of 9.00 a.m. to 3.00 p.m. or on a day which is not a business day at the place of the specified office of the relevant

Conversion Agent shall for all purposes be deemed to have been deposited with that Conversion Agent during the normal business hours on the next business day following such business day. Any Bondholder who deposits a Conversion Notice during a Closed Period will not be permitted to convert the Bonds into Shares (as specified in the Conversion Notice) until the next business day after the end of that Closed Period, which (if all other conditions to conversion have been fulfilled) will be the Conversion Date for such Bonds notwithstanding that such date may fall outside of the Conversion Period. A Bondholder exercising its Conversion Right for Shares will be required to open a depository account with a depository participant under the Depositories Act, 1996 of India (the “**1996 Depositories Act**”), for the purposes of receiving the Shares.

~~(ii) The holder of any Bond which is to be mandatorily converted pursuant to Condition 8.2 shall deliver a Conversion Notice relating to its holding of Bonds and deposit it, together with the relevant Certificate and in the manner aforesaid, no later than the business day before the end of the Mandatory Conversion Notice Period (as defined in Condition 8.2) for the Bonds.~~

~~(iii)~~ The conversion date in respect of a Bond (the “**Conversion Date**”) must fall at a time when the Conversion Right attaching to that Bond is expressed in these Conditions to be exercisable (subject to the provisions of Condition 6.1.4) and will be deemed to be the date of the surrender of the Certificate in respect of such Bond and delivery of such Conversion Notice and, if applicable, any payment to be made or indemnity given under these Conditions in connection with the exercise of such Conversion Right. A Conversion Notice once delivered shall be irrevocable and may not be withdrawn unless the Issuer consents to such withdrawal.

Conversion Rights may only be exercised in respect of the whole of the principal amount of a Bond.

#### 6.2.2 Stamp Duty etc.:

A Bondholder delivering a Certificate in respect of a Bond for conversion must pay directly to the relevant authorities any taxes and capital, stamp, issue and registration duties arising on conversion (other than any taxes or capital or stamp duties payable in India and, if relevant, in the place of the Alternative Stock Exchange (as defined below), by the Issuer in respect of the allotment and issue of Shares and listing of the Shares on the Indian Exchanges on conversion) (the “**Taxes**”) and such Bondholder must pay all, if any, taxes arising by reference to any disposal or deemed disposal of a Bond in connection with such conversion. The Issuer will pay all other expenses arising on the issue of Shares on conversion of the Bonds and all charges of the Agents and the share transfer agent for the Shares (“**Share Transfer Agent**”) in connection with conversion.- The Trustee and the Agent are under no obligation to determine whether a Bondholder or the Issuer is liable to pay or has paid any taxes including stamp, issue, registration or similar taxes and duties or the amounts payable (if any) in connection with this Condition 6.2.2 and shall not be liable for any failure by any Bondholder or the Issuer to make such payment to the relevant authorities or determine the sufficiency or insufficiency of any amount so paid.

#### 6.2.3 Delivery of Shares:

- (i) Upon exercise by a Bondholder of its Conversion Right for Shares, the Issuer will, on or with effect from the relevant Conversion Date, ~~enter the name of the relevant Bondholder or his/their nominee in the register of members of the Issuer in respect of such number of Shares to be issued upon conversion (notwithstanding any retroactive adjustment of the Conversion Price referred to below prior to the time it takes effect) and will,~~ as soon as practicable, and in any event not later than 40 days after the Conversion Date, cause the relevant securities account of the Bondholder exercising his Conversion Right or of his/their nominee, to be credited with such number of relevant Shares to be issued upon conversion (notwithstanding any retroactive adjustment of the Conversion Price referred to below prior to the time it takes effect) and shall further cause the name of the concerned Bondholder or its nominee to be registered accordingly, in the record of the beneficial holders of shares, maintained by the depository registered under the 1996 Depositories Act with whom the Issuer has entered into a depository agreement and, subject to any applicable limitations then imposed by Indian laws and regulations, shall procure the Share Transfer Agent to, as soon as practicable, and in any event within 14 business days in Mumbai of the Conversion Date, despatch or cause to be despatched to the order of the person named for that purpose in the relevant Conversion Notice at the place and in the manner specified in the relevant Conversion Notice (uninsured and the risk of delivery at any such place being that of the converting Bondholder), a U.S. dollar cheque drawn on a branch of a bank in New York City in respect of any cash payable pursuant to Condition 6.1.2 required to be delivered on conversion and such assignments and other documents (if any) as required by law to effect the transfer thereof.

The crediting of the Shares to the relevant securities account of the converting Bondholder will be deemed to satisfy the Issuer's obligation to pay the principal, premium (if any) and interest (including default interest (if any)) on the Bonds.

~~(ii) In the case of Bonds mandatorily converted in accordance with Condition 8.2 in respect of which Conversion Notices have not been received by a Conversion Agent or the Principal Agent on the business day immediately following the Mandatory Conversion Notice Period, the Issuer will, as soon as reasonably practicable thereafter, register, or procure the registration of, an agent of the Issuer, located in Mumbai in accordance with Condition 8.2, as holder of the relevant number of Shares in the Issuer's share register and will make a certificate or certificates for the relevant Shares available for collection at the office of the Issuer's share registrar (as specified herein), together (in either case) with any other securities, property or cash required to be delivered upon conversion and such assignments and other documents (if any) as may be required by law to effect the transfer thereof.~~

- (iii) If the Conversion Date in relation to any Bond shall be after the record date for any issue, distribution, grant, offer or other event as gives rise to the adjustment of the Conversion Price pursuant to Condition 6.3, but before the relevant adjustment becomes effective under the relevant Condition (a "**Retroactive Adjustment**"), upon the relevant adjustment becoming effective the Issuer shall procure the issue to the converting Bondholder (or in accordance with the instructions contained in the Conversion Notice (subject to applicable exchange control or other laws or other regulations)), such additional number

of Shares (“**Additional Shares**”) as, together with the Shares issued or to be issued on conversion of the relevant Bond, is equal to the number of Shares which would have been required to be issued on conversion of such Bond if the relevant adjustment to the Conversion Price had been made and become effective as at such Conversion Date immediately after the relevant record date and in such event and in respect of such Additional Shares references in Conditions 6.2.3(i) and (iii) to the Conversion Date shall be deemed to refer to the date upon which the Retroactive Adjustment becomes effective (notwithstanding that the date upon which it becomes effective falls after the end of the Conversion Period).

- (iviii) The Shares issued upon conversion of the Bonds will in all respects rank *pari passu* with the Shares in issue on the relevant Conversion Date (except for any right excluded by mandatory provisions of applicable law) and such Shares shall be entitled to all rights the record date for which falls on or after such Conversion Date to the same extent as all other fully-paid and non-assessable Shares of the Issuer in issue as if such Shares had been in issue throughout the period to which such rights relate. A holder of Shares issued on conversion of Bonds shall not be entitled to any rights the record date for which precedes the relevant Conversion Date.
- (viiiv) Save as provided in Condition 6.2.2, no payment or adjustment shall be made on conversion for any interest which otherwise would have accrued on the relevant Bonds since the last Interest Payment Date preceding the Conversion Date relating to such Bonds (or, if such Conversion Date falls before the first Interest Payment Date, since the Closing Date).

#### 6.2.4 Interest on Conversion:

If any notice requiring the redemption of any of the Bonds is given pursuant to Condition 8.2 on or after the fifteenth business day prior to a record date (a “**Share Distribution Record Date**”) which has occurred since the last Interest Payment Date (or in the case of the first Interest Period, since the Closing Date) in respect of any distribution payable in respect of the Shares where such notice specifies a date for redemption falling on or prior to the date which is 14 days after the Interest Payment Date next following such Share Distribution Record Date, interest shall accrue at the rate provided in Condition 5.1 on Bonds in respect of which Conversion Rights shall have been exercised and in respect of which the Conversion Date falls after such Share Distribution Record Date and on or prior to the Interest Payment Date next following such Share Distribution Record Date, in each case from and including the preceding Interest Payment Date (or, if such Conversion Date falls before the first Interest Payment Date, from the Closing Date) to but excluding such Conversion Date. The Issuer shall pay any such interest by not later than 14 days after the relevant Conversion Date by transfer to a U.S. dollar account maintained by the payee with a bank in New York City in accordance with instructions given by the relevant Bondholder in the relevant Conversion Notice.

### 6.3 Adjustments to Conversion Price

The Conversion Price will be subject to adjustment in the following events set out in Condition 6.3.1 to Condition 6.3.14, [except, in each case, for an event that occurs pursuant to the implementation of the Debt Resolution Plan \(as defined in Condition 10\) by the Issuer.](#)

~~Provided however, that no adjustment will be made to the Conversion Price for a CDR Preferential Issue:~~

~~“CDR” means corporate debt restructuring.~~

~~“CDR Preferential Issue” means issuances of Shares or compulsorily convertible debentures (“CCDs”) to the CDR lenders undertaken pursuant to the terms of the master restructuring agreement dated 28 March 2013 between the CDR lenders, the Issuer, the Indian Subsidiaries, the Issuer (as the borrowers’ agent) and the State Bank of India (as the monitoring institution), which amount and/or number of Shares or CCDs shall not exceed the amount and/or the number of Shares or CCDs set out below and shall not have an issue price of less than ₹18.51:~~

<del>Details</del>	<del>Amount (₹ in million)</del>	<del>No. of Shares or CCDs (approximately) (in million)</del>
<del>CDR lenders .....</del>	<del>4,500</del>	<del>243.2</del>

**6.3.1** Free distribution, bonus issue, division, consolidation and re-classification of Shares:

*Adjustment:* If the Issuer shall (a) make a free distribution of Shares (other than by way of a dividend in Shares), (b) make a bonus issue of its Shares, (c) divide its outstanding Shares, (d) consolidate its outstanding Shares into a smaller number of Shares, or (e) re-classify any of its Shares into other securities of the Issuer, then the Conversion Price shall be appropriately adjusted so that the holder of any Bond, the Conversion Date in respect of which occurs after the coming into effect of the adjustment described in this Condition 6.3.1, shall be entitled to receive the number of Shares and/or other securities of the Issuer which such holder would have held or have been entitled to receive after the happening of any of the events described above had such Bond been converted immediately prior to the happening of such event (or, if the Issuer has fixed a prior record date for the determination of shareholders entitled to receive any such free distribution or bonus issue of Shares or other securities issued upon any such division, consolidation or re-classification, immediately prior to such record date), but without prejudice to the effect of any other adjustment to the Conversion Price made with effect from the date of the happening of such event (or such record date) or any time thereafter.

*Effective date of adjustment:* An adjustment made pursuant to this Condition 6.3.1 shall become effective immediately on the relevant event referred to above becoming effective or, if a record date is fixed therefor, immediately after such record date; provided that in the case of a free distribution or bonus issue of Shares which must, under applicable laws of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before being legally paid or made, and which is so approved after the record date fixed for the determination of shareholders entitled to receive such distribution or issue, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date.

**6.3.2** Declaration of dividend in Shares:

*Adjustment:* If the Issuer shall issue Shares as a dividend in Shares or make a distribution of Shares which is treated as a capitalisation issue for accounting purposes

under Indian GAAP (including, but not limited to, capitalisation of capital reserves and employee stock bonus), then the Conversion Price in effect when such dividend and/or distribution is declared (or, if the Issuer has fixed a prior record date for the determination of shareholders entitled to receive such dividend and/or distribution, on such record date) shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N}{N+n} \right]$$

where:

- NCP = the Conversion Price after such adjustment.
- OCP = the Conversion Price before such adjustment.
- N = the number of Shares outstanding, at the time of issuance of such dividend and/or distribution (or at the close of business in Mumbai on such record date as the case may be).
- n = the number of Shares to be distributed to the shareholders as a dividend and/or distribution.

*Effective date of adjustment:* An adjustment made pursuant to this Condition 6.3.2 shall become effective immediately on the relevant event referred to in this Condition 6.3.2 becoming effective or, if a record date is fixed therefor, immediately after such record date; provided that in the case of a dividend in Shares which must, under applicable laws of India, be submitted for approval to a general meeting of shareholders of the Issuer or be approved at a meeting of the Board of Directors of the Issuer before being legally paid or made, and which is so approved after the record date fixed for the determination of shareholders entitled to receive such dividend, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date.

### 6.3.3 Concurrent adjustment events:

If the Issuer shall declare a dividend in, or make a free distribution or bonus issue of, Shares which dividend, issue or distribution is to be paid or made to shareholders as of a record date which is also:

- (a) the record date for the issue of any rights or warrants which requires an adjustment of the Conversion Price pursuant to Conditions 6.3.5, 6.3.6 or 6.3.7;
- (b) the day immediately before the date of issue of any securities convertible into or exchangeable for Shares which requires an adjustment of the Conversion Price pursuant to Condition 6.3.9;
- (c) the day immediately before the date of grant, offer or issue of any Shares which requires an adjustment of the Conversion Price pursuant to Condition 6.3.10 or, if applicable, the record date for determination of stock dividend entitlement as referred to in Condition 6.3.10;

- (d) the day immediately before the date of issue of any rights, options or warrants which requires an adjustment of the Conversion Price pursuant to Condition 6.3.11; or
- (e) determined by the Issuer and notified to the Trustee in writing to be the relevant date for an event or circumstance which requires an adjustment to the Conversion Price pursuant to Condition 6.3.13.

then (except where such dividend, bonus issue or free distribution gives rise to a retroactive adjustment of the Conversion Price under Conditions 6.3.1 and 6.3.2) no adjustment of the Conversion Price in respect of such dividend, bonus issue or free distribution shall be made under Conditions 6.3.1 and 6.3.2, but in lieu thereof an adjustment shall be made under Conditions 6.3.5, 6.3.6, 6.3.7, 6.3.9, 6.3.10, 6.3.11 or 6.3.13 (as the case may require) by including in the denominator of the fraction described therein the aggregate number of Shares to be issued pursuant to such dividend, bonus issue or free distribution.

#### 6.3.4 Capital Distribution:

*Adjustment:*

- (i) If the Issuer shall pay or make to its shareholders any Dividend (as defined below), then the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{CMP - fmv}{CMP} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

CMP = the Current Market Price (as defined in Condition 6.3.15 below) per Share on the date on which the relevant Dividend is first publicly announced.

fmv = the portion of the Fair Market Value (as defined below), with such portion being determined by dividing the Fair Market Value of the aggregate Dividend by the number of Shares entitled to receive the relevant Dividend (or, in the case of a purchase of Shares or any receipts or certificates representing shares by or on behalf of the Issuer, by the number of Shares in issue immediately prior to such purchase), of the Dividend distribution attributable to one Share.

*Effective date of adjustment:* Any adjustment pursuant to this Condition 6.3.4 shall become effective immediately after the record date for the determination of shareholders entitled to receive the relevant Dividend; provided that (a) in the case of such a Dividend which must, under applicable law of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before such Dividend may legally be made and is so approved after the record date fixed for the

determination of shareholders entitled to receive such Dividend, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date and (b) if the Fair Market Value of the relevant Dividend cannot be determined until the record date fixed for the determination of shareholders entitled to receive the relevant Dividend, such adjustment shall, immediately upon such Fair Market Value being determined, become effective retroactively to immediately after such record date.

If such Dividend is not so paid, the Conversion Price shall again be adjusted to be the Conversion Price which would then be in effect if such Dividend had not been approved.

For the purposes of this Condition:

**“Dividend”** means any dividend or distribution of cash or other property or assets or evidences of the Issuer’s indebtedness, whenever paid or made and however described provided that:

- (a) where a cash Dividend is announced which is to be, or may at the election of a shareholder or shareholders be, satisfied by the issue or delivery of Shares or other property or assets, or where a capitalisation of profits or reserves is announced which is to be, or may at the election of a shareholder or shareholders be, satisfied by the payment of a Dividend, then for the purposes of this definition the Dividend in question shall be treated as a Dividend of (i) such cash Dividend or (ii) the Fair Market Value (on the date of announcement of such Dividend or date of capitalisation (as the case may be) or, if later, the date on which the number of Shares (or amount of property or assets, as the case may be) which may be issued or delivered is determined) of such Shares or other property or assets if such Fair Market Value is greater than the Fair Market Value of such cash Dividend;
- (b) any tender or exchange offer falling within Condition 6.3.12 and any issue or distribution of Shares falling within Condition 6.3.2 shall be disregarded; and
- (c) a purchase or redemption of ordinary share capital by or on behalf of the Issuer shall not constitute a Dividend unless, in the case of purchases of Shares by or on behalf of the Issuer, the Volume Weighted Average Price per Share (before expenses) on any one day in respect of such purchases exceeds the Current Market Price per Share by more than 5% either (1) on that day (or if such day is not a Trading Day, the immediately preceding Trading Day), or (2) where an announcement (excluding for the avoidance of doubt for these purposes, any general authority for such purchases or redemptions approved by a general meeting of shareholders of the Issuer or any notice convening such a meeting of shareholders) has been made of the intention to purchase Shares at some future date at a specified price, on the Trading Day immediately preceding the date of such announcement, in which case such purchase shall be deemed to constitute a Dividend (but not a cash Dividend) to the extent that the aggregate price paid (before expenses) in respect of such Shares

purchased by or on behalf of the Issuer exceeds the product of (i) the Current Market Price per Share determined as aforesaid and (ii) the number of Shares so purchased.

**“Fair Market Value”** means, with respect to any property on any date, the fair market value of that property as determined in good faith by an Independent Financial Institution provided, that (i) the Fair Market Value of a cash Dividend paid or to be paid shall be the amount of such cash Dividend; (ii) the Fair Market Value of any other cash amount shall be equal to such cash amount; (iii) where shares, options, warrants or other rights are publicly traded in a market of adequate liquidity (as determined by the Independent Financial Institution) the fair market value of such shares, options, warrants or other rights shall equal the arithmetic mean of the daily closing prices of such options, warrants or other rights during the period of five trading days on the relevant market commencing on the first such trading day such shares, options, warrants or other rights are publicly traded; and in the case of (i) translated into Rupees (if declared or paid in a currency other than Rupees) at the rate of exchange used to determine the amount payable to shareholders who were paid or are to be paid or are entitled to be paid the cash Dividend in Rupees; and in any other case, converted into Rupees (if expressed in a currency other than Rupees) at such rate of exchange as may be determined in good faith by an Independent Financial Institution to be the spot rate ruling at the close of business on that date (or if no such rate is available on that date the equivalent rate on the immediately preceding date on which such a rate is available).

**“Independent Financial Institution”** means an independent or commercial bank of international repute selected by the Issuer (at the expense of the Issuer) and notified to the Trustee in writing.

**“Volume Weighted Average Price”** or **“VWAP”** means, in respect of a Share on any Trading Day, or series of Trading Days, the order book volume-weighted average price appearing on or derived from Bloomberg (or any successor service) page SUEL IN or such other source as shall be determined to be appropriate by an Independent Financial Institution on such Trading Day, or series of Trading Days, provided that on any Trading Day where such price is not available or 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.

**“cash Dividend”** means (i) any Dividend which is to be paid in cash and (ii) any Dividend determined to be a cash Dividend pursuant to paragraph (a) of the definition **“Dividend”**, and for the avoidance of doubt, a Dividend falling within paragraph (c) of the definition **“Dividend”** shall be treated as not being a cash Dividend.

#### **6.3.5** Rights Issues to Shareholders:

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares rights entitling them to subscribe for or purchase Shares, which expression shall include

those Shares that are required to be offered to employees and persons other than shareholders in connection with such grant, issue or offer:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date mentioned below and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer which is fixed after the record date mentioned below and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration,

then the Conversion Price in effect (in a case within (a) above) on the record date for the determination of shareholders entitled to receive such rights or (in a case within (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$\text{NCP} = \text{OCP} \times \left[ \frac{N + v}{N + n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within (a) above) on such record date or (in a case within (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares initially to be issued upon exercise of such rights at the said consideration being (aa) the number of Shares which underwriters have agreed to underwrite as referred to below or, as the case may be, (bb) the number of Shares for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in (a) or, as the case may be, (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective immediately after the latest date for the submission of applications for such Shares by shareholders entitled to the same pursuant to such rights or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

*Rights not taken up by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of rights entitling them to subscribe for or purchase Shares, any

Shares which are not subscribed for or purchased by the persons entitled thereto are underwritten by other persons prior to the latest date for the submission of applications for such Shares, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares of rights entitling them to subscribe for or purchase Shares, any such Shares which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred such rights) who have submitted applications for such Shares as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

**6.3.6 Warrants issued to Shareholders:**

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares warrants entitling them to subscribe for or purchase Shares:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date for the determination of shareholders entitled to receive such warrants and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer which is fixed after the record date mentioned above and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration, then the Conversion Price in effect (in a case within (a) above) on the record date for the determination of shareholders entitled to receive such warrants or (in a case within (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N + v}{N + n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within (a) above) on such record date or (in a case within (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares initially to be issued upon exercise of such warrants at the said consideration which, where no applications by shareholders entitled to such warrants are required, shall be based on the number of warrants issued. Where applications by shareholders entitled to such warrants are required, the

number of such Shares shall be calculated based upon (aa) the number of warrants which underwriters have agreed to underwrite as referred to below or, as the case may be, (bb) the number of warrants for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in (a) or, as the case may be, (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective (i) where no applications for such warrants are required from shareholders entitled to the same, upon their issue and (ii) where applications by shareholders entitled to the same are required as aforesaid, immediately after the latest date for the submission of such applications or (if later) immediately after the Issuer fixes the said consideration but in all cases retroactively to immediately after the record date mentioned above.

*Warrants not subscribed for by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of warrants entitling them to subscribe for or purchase Shares in the circumstances described in (a) and (b) of this Condition 6.3.6, any warrants which are not subscribed for or purchased by the shareholders entitled thereto are underwritten by others prior to the latest date for the submission of applications for such warrants, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares of warrants entitling them to subscribe for or purchase Shares, any warrants which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred the right to purchase such warrants) who have submitted applications for such warrants as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

#### **6.3.7** Issues of rights or warrants for equity-related securities to Shareholders:

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares rights or warrants entitling them to subscribe for or purchase any securities convertible into or exchangeable for Shares:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date mentioned below and is less than the Current Market Price per Share at such record date;
- or

- (b) at a consideration per Share receivable by the Issuer (determined as aforesaid) which is fixed after the record date mentioned below and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration,

then the Conversion Price in effect (in a case within (a) above) on the record date for the determination of shareholders entitled to receive such rights or warrants or (in a case within (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N + v}{N + n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within (a) above) on such record date or (in a case within (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares initially to be issued upon exercise of such rights or warrants and conversion or exchange of such convertible or exchangeable securities at the said consideration being, in the case of rights, (aa) the number of Shares initially to be issued upon conversion or exchange of the number of such convertible or exchangeable securities which the underwriters have agreed to underwrite as referred to below or, as the case may be, (bb) the number of Shares initially to be issued upon conversion or exchange of the number of such convertible or exchangeable securities for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa) and which, in the case of warrants, where no applications by shareholders entitled to such warrants are required, shall be based on the number of warrants issued. Where applications by shareholders entitled to such warrants are required, the number of such Shares shall be calculated based upon (x) the number of warrants which underwriters have agreed to underwrite as referred to below or, as the case may be, (y) the number of warrants for which applications are received from shareholders as referred to below save to the extent already adjusted for under (x).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such

Current Market Price per Share specified in (a) or, as the case may be, (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective (a) where no applications for such warrants are required from shareholders entitled to the same, upon their issue and (b) where applications by shareholders entitled to the warrants are required as aforesaid and in the case of convertible or exchangeable securities by shareholders entitled to the same pursuant to such rights, immediately after the latest date for the submission of such applications or (if later) immediately after the Issuer fixes the said consideration; but in all cases retroactively to immediately after the record date mentioned above.

*Rights or warrants not taken up by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of rights or warrants entitling them to subscribe for or purchase securities convertible into or exchangeable for Shares in the circumstances described in this Condition 6.3.7, any convertible or exchangeable securities or warrants which are not subscribed for or purchased by the shareholders entitled thereto are underwritten by others prior to the latest date for the submission of applications for such convertible or exchangeable securities or warrants, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares or rights or warrants entitling them to subscribe for or purchase securities convertible into or exchangeable for Shares, any convertible or exchangeable securities or warrants which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred such rights or the right to purchase such warrants) who have submitted applications for such convertible or exchangeable securities or warrants as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

**6.3.8** Other distributions to Shareholders:

*Adjustment:* If the Issuer shall distribute to the holders of Shares of capital stock of the Issuer (other than Shares), assets (excluding any Dividends), evidences of its indebtedness or rights or warrants to subscribe for or purchase Shares or securities (excluding those rights and warrants referred to in Conditions 6.3.5, 6.3.6 and 6.3.7), then the Conversion Price in effect on the record date for the determination of shareholders entitled to receive such distribution shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{CMP - fmv}{CMP} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

CMP = the Current Market Price per Share on the record date for the determination of shareholders entitled to receive such distribution.

fmv = the fair market value (as determined by an Independent Financial Institution or, if pursuant to applicable law of India such determination is to be made by application to a court of competent jurisdiction, as determined by such court or by an appraiser appointed by such court) of the portion of the equity share capital shares of capital stock, assets, rights or warrants so distributed applicable to one Share less any consideration payable for the same by the relevant shareholder.

*Effective date of adjustment:* Such adjustment shall become effective immediately after the record date for the determination of shareholders entitled to receive such distribution. Provided that (a) in the case of such a distribution which must, under applicable law of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before such distribution may legally be made and is so approved after the record date fixed for the determination of shareholders entitled to receive such distribution, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date and (b) if the fair market value of the shares of capital stock, assets, rights or warrants so distributed cannot be determined until after the record date fixed for the determination of shareholders entitled to receive such distribution, such adjustment shall, immediately upon such fair market value being determined, become effective retroactively to immediately after such record date.

### 6.3.9 Issue of convertible or exchangeable securities other than to Shareholders:

*Adjustment:* If the Issuer shall issue any securities convertible into or exchangeable for Shares (other than the Bonds, or in any of the circumstances described in Condition 6.3.7 and Condition 6.3.11) or grant such rights in respect of any existing securities and the consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) shall be less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the issue of such securities is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the date of issue of such convertible or exchangeable securities shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of such issue.

- n = the number of Shares to be issued upon conversion or exchange of such convertible or exchangeable securities at the initial conversion or exchange price or rate.
- v = the number of Shares which the aggregate consideration receivable by the Issuer would purchase at such Current Market Price per Share.

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India corresponding to the calendar day at the place of issue on which such convertible or exchangeable securities are issued.

**6.3.10** Other issues of Shares:

*Adjustment:* If the Issuer shall issue any Shares (other than Shares issued upon conversion or exchange of any convertible or exchangeable securities (including the Bonds) issued by the Issuer or upon exercise of any rights or warrants granted, offered or issued by the Issuer or in any of the circumstances described in any preceding provision of this Condition 6.3) for cash, for a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the issue of such Shares is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the issue of such additional Shares shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N + v}{N + n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of issue of such additional Shares.
- n = the number of additional Shares issued as aforesaid.
- v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share.

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India of the issue of such additional Shares.

**6.3.11** Issue of equity-related securities:

*Adjustment:* If the Issuer shall grant, issue or offer options, warrants or rights (excluding those rights and warrants referred to in Conditions 6.3.5, 6.3.6, 6.3.7 and 6.3.8) to subscribe for or purchase Shares or securities convertible into or exchangeable for Shares and the consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) shall be less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the offer, grant or issue of such rights, options or warrants is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the date of the offer, grant or issue of such rights, options or warrants shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N + v}{N + n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- |   |   |   |
|---|---|---|
| N | = | the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of such issue.                                |
| n |   | the number of Shares to be issued on exercise of such rights or warrants and (if applicable) conversion or exchange of such convertible or exchangeable securities at the said consideration. |
| v |   | the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share.           |

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India corresponding to the calendar day at the place of issue on which such rights or warrants are issued.

### 6.3.12 Tender or exchange offer:

*Adjustment:* In case a tender or exchange offer made by the Issuer or any Subsidiary for all or any portion of the Shares shall expire and such tender or exchange offer shall involve the payment by the Issuer or such Subsidiary of consideration per Share having a Fair Market Value at the last time (the “**Expiration Date**”) tenders or exchanges could have been made pursuant to such tender or exchange offer (as it shall have been amended) that exceeds the Current Market Price per Share, as of the Expiration Date, the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N \times CMP}{f_{mv} + [(N - n) \times CMP]} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N	=	the number of Shares outstanding (including any tendered or exchanged Shares) on the Expiration Date.
CMP	=	Current Market Price per Share as of the Expiration Date.
fmv	=	the Fair Market Value of the aggregate consideration payable to the holders of Shares based on the acceptance (up to a maximum specified in the terms of the tender or exchange offer) of all Shares validly tendered or exchanged and not withdrawn as of the Expiration Date (the Shares deemed so accepted up to any such maximum, being referred to as the “ <b>Purchased Shares</b> ”).
n	=	the number of Purchased Shares.

*Effective date of adjustment:* Such adjustment shall become retroactively effective immediately prior to the opening of business on the day following the Expiration Date.

*Tender or exchange offer not completed:* If the Issuer is obligated to purchase Shares pursuant to any such tender or exchange offer, but the Issuer is permanently prevented by applicable law from effecting any such purchase or all such purchases are rescinded, the Conversion Price shall again be adjusted to be the Conversion Price which would then be in effect if such tender or exchange offer had not been made.

#### 6.3.13 Analogous events and modifications:

If (a) the rights of conversion or exchange, purchase or subscription attaching to any options, rights or warrants to subscribe for or purchase Shares or any securities convertible into or exchangeable for, or which carry rights to subscribe for or purchase Shares are modified (other than pursuant to and as provided in the terms and conditions of such options, rights, warrants or securities as originally issued) or (b) the Issuer determines that any other event or circumstance has occurred which has or would have an effect on the position of the Bondholders as a class compared with the position of the holders of all the securities (and options and rights relating thereto) of the Issuer, taken as a class which is analogous to any of the events referred to in Conditions 6.3.1 to 6.3.12, then, in any such case, the Issuer shall promptly notify the Trustee in writing thereof and the Issuer shall consult with an Independent Financial Institution as to what adjustment, if any, should be made to the Conversion Price to preserve the value of the Conversion Right of Bondholders and will make any such adjustment. All costs, charges, liabilities and expenses incurred in connection with the appointment, retention, consultation and remuneration of any Independent Financial Institution appointed under the Conditions shall be borne by the Issuer.

#### 6.3.14 Simultaneous issues of different classes of Shares:

In the event of simultaneous issues of two or more classes of share capital comprising Shares or rights or warrants in respect of, or securities convertible into or exchangeable for, two or more classes of share capital comprising Shares, then, for the purposes of this Condition, the formula:

$$NCP = OCP \times \left[ \frac{N + v}{N + n} \right]$$

shall be restated as:

$$NCP = OCP \times \left[ \frac{N + v1 + v2 + v3}{N + n1 + n2 + n3} \right]$$

where v1 and n1 shall have the same meanings as “v” and “n” but by reference to one class of Shares, v2 and n2 shall have the same meanings as “v” and “n” but by reference to a second class of Shares, v3 and n3 shall have the same meanings as “v” and “n” but by reference to a third class of Shares and so on.

#### 6.3.15 Certain Definitions:

For the purposes of these Conditions:

the “**Closing Price**” of the Shares for each Trading Day shall be the last reported transaction price of the Shares on the BSE for such day or, if no transaction takes place on such day, the average of the closing bid and offered prices of Shares for such day as furnished by a leading independent securities firm licensed to trade on the BSE selected from time to time by the Issuer and notified to the Trustee in writing for the purpose.

“**Current Market Price**” per Share on any date means the average of the daily Closing Prices of the relevant Shares for the five consecutive Trading Days (as defined below) ending on and including the Trading Day immediately preceding such date. If the Issuer has more than one class of share capital comprising Shares, then the relevant Current Market Price for Shares shall be the price for that class of Shares the issue of which (or of rights or warrants in respect of, or securities convertible into or exchangeable for, that class of Shares) gives rise to the adjustment in question.

If during the said five Trading Days or any period thereafter up to but excluding the date as of which the adjustment of the Conversion Price in question shall be effected, any event (other than the event which requires the adjustment in question) shall occur which gives rise to a separate adjustment to the Conversion Price under the provisions of these Conditions, then the Current Market Price as determined above shall be adjusted in such manner and to such extent as an Independent Financial Institution shall in its absolute discretion deem appropriate and fair to compensate for the effect thereof.

“**Trading Day**” means a day when the BSE is open for business, but does not include a day when (a) no such last transaction price or closing bid and offered prices is/are reported and (b) (if the Shares are not listed or admitted to trading on such exchange) no such closing bid and offered prices are furnished as aforesaid.

If the Shares are no longer listed on the BSE but are still listed on the NSE, references in the above definitions to the BSE shall be deemed to be the NSE, and if the Shares are no longer listed on the BSE or the NSE and have been listed on another stock exchange as required by Condition 6.4.1, references in the above definitions to the BSE will be taken as references to the Alternative Stock Exchange.

#### 6.3.16 Consideration receivable by the Issuer:

For the purposes of any calculation of the consideration receivable by the Issuer pursuant to Conditions 6.3.5, 6.3.6, 6.3.7, 6.3.9, 6.3.10 and 6.3.11 above, the following provisions shall be applicable:

- (a) in the case of the issue of Shares for cash, the consideration shall be the amount of such cash;
- (b) in the case of the issue of Shares for a consideration in whole or in part other than cash, the consideration other than cash shall be deemed to be the fair value thereof as determined by an Independent Financial Institution or, if pursuant to applicable law of India such determination is to be made by application to a court of competent jurisdiction, as determined by such court or an appraiser appointed by such court, irrespective of the accounting treatment thereof;
- (c) in the case of the issue (whether initially or upon the exercise of rights or warrants) of securities convertible into or exchangeable for Shares, the consideration received by the Issuer for such securities and (if applicable) rights or warrants plus the additional consideration (if any) to be received by the Issuer upon (and assuming) the conversion or exchange of such securities at the initial conversion or exchange price or rate and (if applicable) the exercise of such rights or warrants at the initial subscription or purchase price (the consideration in each case to be determined in the same manner as provided in this Condition 6.3.16) and the consideration per Share receivable by the Issuer shall be such aggregate consideration divided by the number of Shares to be issued upon (and assuming) such conversion or exchange at the initial conversion or exchange price or rate and (if applicable) the exercise of such rights or warrants at the initial subscription or purchase price;
- (d) in the case of the issue of rights or warrants to subscribe for or purchase Shares, the aggregate consideration receivable by the Issuer shall be deemed to be the consideration received by the Issuer for any such rights or warrants plus the additional consideration to be received by the Issuer upon (and assuming) the exercise of such rights or warrants at the initial subscription or purchase price (the consideration in each case to be determined in the same manner as provided in this Condition 6.3.16) and the consideration per Share receivable by the Issuer shall be such aggregate consideration divided by the number of Shares to be issued upon (and assuming) the exercise of such rights or warrants at the initial subscription or purchase price;
- (e) if any of the consideration referred to in any of the preceding paragraphs of this Condition 6.3.16 is receivable in a currency other than Rupees, such consideration shall (in any case where there is a fixed rate of exchange between the Rupees and the relevant currency for the purposes of the issue of the Shares, the conversion or exchange of such securities or the exercise of such rights or warrants) be translated into Rupees for the purposes of this Condition 6.3.16 at such fixed rate of exchange and shall (in all other cases) be translated into Rupees at the mean of the exchange rate quotations (being quotations for the cross rate through U.S. dollars if no direct rate is quoted) by a leading bank in India for buying and selling spot units of the relevant currency by telegraphic transfer against Rupees on the date as of which the said consideration is required to be calculated as aforesaid;
- (f) in the case of the issue of Shares (including, without limitation, to employees under any employee bonus or profit sharing arrangements) credited as fully paid out of retained earnings or capitalisation of reserves at their par value, the aggregate consideration receivable by the Issuer shall be deemed to be zero

(and accordingly the number of Shares which such aggregate consideration receivable by the Issuer could purchase at the relevant Current Market Price per Share shall also be deemed to be zero); and

- (g) in making any such determination, no deduction shall be made for any commissions or any expenses paid or incurred by the Issuer.

**6.3.17 Cumulative adjustments:**

If, at the time of computing an adjustment (the “**later adjustment**”) of the Conversion Price pursuant to any of Conditions 6.3.2, 6.3.5, 6.3.6, 6.3.9, 6.3.10 and 6.3.11 above, the Conversion Price already incorporates an adjustment made (or taken or to be taken into account pursuant to the proviso to Condition 6.3.18) to reflect an issue of Shares or of securities convertible into or exchangeable for Shares or of rights or warrants to subscribe for or purchase Shares or securities, to the extent that the number of such Shares or securities taken into account for the purposes of calculating such adjustment exceeds the number of such Shares in issue at the time relevant for ascertaining the number of outstanding Shares for the purposes of computing the later adjustment, such excess Shares shall be deemed to be outstanding for the purposes of making such computation.

**6.3.18 Minor adjustments:**

No adjustment of the Conversion Price shall be required if the adjustment would be less than 1% of the then current Conversion Price; provided that any adjustment which by reason of this Condition 6.3.18 is not required to be made shall be carried forward and taken into account (as if such adjustment had been made at the time when it would have been made but for the provisions of this Condition 6.3.18) in any subsequent adjustment. All calculations under this Condition 6.3 shall be made to the nearest ₹0.01 with ₹0.005 being rounded up to the next ₹0.01. Except as otherwise set out in Condition 6.3.19, the Issuer may reduce the Conversion Price (but is not obliged to do so) at any time in its absolute discretion, subject to compliance with all applicable Indian laws.

**6.3.19 Minimum Conversion Price:**

Notwithstanding the provisions of this Condition, the Issuer covenants that:

- (a) the Conversion Price shall not be reduced below the par value of the Shares (₹2 at the date hereof) as a result of any adjustment made hereunder unless under applicable law then in effect Bonds may be converted at such reduced Conversion Price into legally issued, fully-paid and non-assessable Shares; and
- (b) it will not take any corporate or other action which might result in the Conversion Price being reduced pursuant to Conditions 6.3.1 to 6.3.14 above the level permitted by applicable Indian laws and regulations from time to time (if any) or (ii) applicable Indian regulatory authorities.

**6.3.20 Reference to “fixed”:**

Any references herein to the date on which a consideration is “fixed” shall, where the consideration is originally expressed by reference to a formula which cannot be

expressed as an actual cash amount until a later date, be construed as a reference to the first day on which such actual cash amount can be ascertained.

**6.3.21** Upward adjustment:

No adjustment involving an increase in the Conversion Price will be made, except in the case of a consolidation of the Shares, as referred to in Condition 6.3.1.

**6.3.22** Trustee not obliged to monitor:

The Trustee shall not be under any duty to monitor whether any event or circumstance has happened or exists under this Condition 6.3 and will not be responsible to Bondholders for any loss arising from any failure by it to do so.

The Trustee and the Agents shall be under no obligation to calculate, determine or verify the number of Shares to be issued upon conversion of the Bonds or verify the Issuer's or the Independent Financial Institution's determination of such number of Shares or method used in such determination and neither the Trustee nor the Agents shall be responsible to Bondholders or any other person for any loss arising from any failure to do so or for any delay of the Issuer or the Independent Financial Institution in making such determination or any erroneous determination by the Issuer or the Independent Financial Institution.

**6.3.23** Approval of Trustee:

The Issuer shall within 3 days of the adjustment event send the Trustee a certificate setting out particulars relating to adjustment of the Conversion Price. The Issuer shall also cause a notice containing the same information to be sent to Bondholders, such notice to be provided to the Trustee in writing before it is given to Bondholders.

**6.3.24** Independent Financial Institution:

If the Issuer fails to select an Independent Financial Institution when required in this Condition 6.3, the Trustee may (at its absolute discretion) select such an Independent Financial Institution at the expense of the Issuer.

**6.3.25** Depositary Receipts:

If the Issuer shall have outstanding a depositary receipt facility programme or facility in respect of its Shares (a "**DR Facility**") on the date of conversion of any Bonds, then, subject to the terms and conditions of the relevant facility or programme and to applicable laws and regulations and to such amendments to these Conditions as the Issuer and the Trustee shall consider to be appropriate, each Bondholder will have the right in respect of the exercise of Conversion Rights to elect (a "**DR Election**") that the Shares to be issued on conversion be represented by depositary receipts ("**DRs**") and to receive DRs instead of such Shares. A DR Election shall be made in the relevant Conversion Notice in such form as the Issuer may require. The number of DRs to be issued on exercise of Conversion Rights in respect of which the relevant Bondholder shall have duly made a DR Election shall be determined by dividing the principal amount of the relevant Bond to be converted by the Conversion Price in effect on the relevant Conversion Date and dividing the resulting number by the number of Shares represented by each DR on such Conversion Date.

Fractions of a DR will not be issued and neither will a Share (where at the relevant time a DR represents more than one Share) or any fraction of a Share be issued and no cash payment or adjustment will be made in respect thereof. However, if the Conversion Right in respect of more than one Bond is exercised at any one time such that DRs are to be issued to the same person, the number of such DRs to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being so converted and rounded down to the nearest whole number of DRs.

Where DRs are to be issued, the Issuer will, as soon as practicable, and in any event not later than 30 days after the relevant Conversion Date (i) cause the name of the depository in respect of the relevant DR Facility (the “**DR Depository**”), or its custodian, to be registered in the record of the depositors maintained by the depository registered under the 1996 Depositories Act with whom the Issuer has entered into a depository agreement and (ii) cause the relevant number of DRs to be issued by the DR Depository pursuant to the relevant DR Facility to the relevant Bondholder or his/their nominee.

DRs will be issued in book-entry form or in certificated form as provided in the relevant DR Facility, and may bear such legends and be subject to such restrictions on transfer as the Issuer shall determine to be necessary to comply with applicable laws and regulations.

A Bondholder exercising Conversion Rights and making a DR Election must deliver at its expense to the specified office of any Conversion Agent all and any certificates and other documents as may be required pursuant to the relevant DR Facility in respect of the deposit of the relevant Shares pursuant to such DR Facility.

The Issuer will pay all expenses, charges and fees of the custodian for the DR Depository and of the DR Depository in connection with the deposit of the relevant Shares and issue of the DRs on conversion.

If a Retroactive Adjustment shall occur in relation to the exercise of Conversion Rights in relation to any Bond in respect of which a DR Election shall have been duly made, the Issuer shall, conditional upon the relevant adjustment becoming effective procure that there shall be issued to the relevant Bondholder (or in accordance with instructions contained in the Conversion Notice) such additional number DRs (if any) (the “**Additional DRs**”) as, together with the DRs issued or to be issued on conversion of the relevant Bond is equal to the number of DRs which would have been required to be issued on conversion of such Bond (together with any fraction of a DR not so issued) if the relevant adjustment to the Conversion Price had been made and become effective on and as of the relevant Conversion Date.

DRs issued upon conversion of the Bonds will in all respects rank *pari passu* with all other DRs under the relevant DR Facility then in issue on the relevant Conversion Date, except that the DRs or, as the case may be, the Additional DRs so issued will not rank for any right where the record date or other due date for the establishment of entitlement in respect of the Shares represented by such DRs or, as the case may be, Additional DRs falls prior to the relevant Conversion Date.

If the Issuer determines that it would be contrary to applicable laws or regulations or would be contrary to the terms of the relevant DR Facility (including any provisions thereof relating to the deposit of Shares) to issue Shares to be represented by DRs

upon conversion of Bonds in respect of which a DR Election shall have been made, such DR Election shall be ineffective and there shall be issued to such Bondholder (or as specified in the relevant Conversion Notice) Shares as if such DR Election had not been made.

The Issuer is under no obligation to establish and/or maintain any depository facility or programme in respect of the Shares or, if it does, to enable the Shares to be eligible for deposit pursuant thereto. The Issuer shall be entitled to impose such conditions and restrictions on the deposit of Shares pursuant to any such facility or programme as it may determine, and may agree with the Trustee such changes to these Conditions as may be appropriate in respect of or relating to the deposit of Shares pursuant to any such facility or programme.

#### 6.3.26 Employee Share Option Scheme:

No adjustment will be made to the Conversion Price where Shares or options to subscribe or acquire Shares are issued, offered, allotted, appropriated, modified or granted to or for the benefit of employees or former employees (including directors) of the Issuer or its Subsidiaries or any associated company of the Issuer (as set out in the relevant employee stock option plan), or persons related to such employees or former employees (including directors) or former employees, directly or indirectly, pursuant to any employee stock option scheme or plan approved by shareholders in general meeting and otherwise adopted in accordance with and complying with all applicable provisions of relevant Indian laws and regulations and official guidelines of any relevant governmental or official body except to the extent that such issues in any period of 12 months amount to, or entitle such persons to receive Shares in excess of 3% of the average number of Shares outstanding during such period of 12 months.

### 6.4 Undertakings

6.4.1 The Issuer has undertaken in the Trust Deed, *inter alia*, that so long as any Bond remains outstanding, save with the approval of an Extraordinary Resolution of the Bondholders or with the prior written consent of the Trustee where, in the opinion of the Trustee, it is not materially prejudicial to the interests of Bondholders to give such approval:

- (i) it will use its best endeavours (a) to obtain and maintain a listing of the Bonds on the Singapore Exchange Securities Trading Limited (the "**Singapore Stock Exchange**"), (b) to maintain a listing for all the issued Shares on the Indian Exchanges, (c) to obtain and maintain a listing for all the Shares issued on the exercise of the Conversion Rights attaching to the Bonds on the Indian Exchanges, and (d) if the Issuer is unable to obtain or maintain such listings, or maintenance of such listings is unduly onerous to obtain and maintain a listing for all the Bonds and the Shares issued on the exercise of the Conversion Rights, on an alternative stock exchange as the Issuer may from time to time (with the prior written consent of the Trustee) determine (the "**Alternative Stock Exchange**") and will forthwith give notice to the Bondholders in accordance with Condition 17 below of the listing or delisting of the Shares or the Bonds (as a class) by any of such stock exchanges;
- (ii) it will reserve, free from any other pre-emptive or other similar rights, out of its authorised but unissued ordinary share capital the full number of Shares liable to be issued on conversion of the Bonds without breaching any foreign

ownership restrictions in India applicable to the Shares and will ensure that all such Shares will be duly and validly issued as fully-paid;

- (iii) it will pay the expenses of the issue or delivery of, and all expenses of obtaining listing for, Shares arising on conversion of the Bonds;
- (iv) it will not make any reduction of its ordinary share capital or any uncalled liability in respect thereof or of any share premium account or capital redemption reserve fund (except, in each case, as permitted by law);
- (v) it will not make any offer, issue or distribute or take any action the effect of which would be to reduce the Conversion Price below the par value of the Shares of the Issuer, provided always that the Issuer shall not be prohibited from purchasing its Shares to the extent permitted by law;
- (vi) it will not take any corporate or other action pursuant to Conditions 6.3.1 to 6.3.14 that would cause the Conversion Price to be adjusted to a price which would render conversion of the Bonds into Shares at such adjusted Conversion Price to be in contravention of applicable law or subject to approval from the Reserve Bank of India, the Ministry of Finance of the Indian Government and/or any other governmental/regulatory authority in India. The Issuer also covenants that prior to taking any action which would cause an adjustment to the Conversion Price, the Issuer shall provide the Trustee with an opinion of a legal counsel in India of international repute, stating that the Conversion Price as proposed to be adjusted pursuant to such action, is in conformity with applicable law and that the conversion of the Bonds to the Shares at such adjusted Conversion Price would not require approval of the Reserve Bank of India, the Ministry of Finance of the Indian Government and/or any other governmental/regulatory authority in India (the "**Price Adjustment Opinion**"). To the extent that an event triggering an adjustment to the Conversion Price occurs and the Issuer is unable to provide the Trustee with a Price Adjustment Opinion, the Issuer shall give notice to Bondholders of their Non-Permitted Conversion Price Adjustment Event Repurchase Right, as defined in and pursuant to Condition 8.7;
- (vii) it will not acquire or retire for value any Shares;
- (viii) [except to the extent required pursuant to the Debt Resolution Plan \(as defined in Condition 10\)](#), it will not retire for value prior to its repayment or maturity date any loans and/or securities *pari passu* with or subordinated to the Bonds (provided that, for the purpose of this Condition 6.4.1, the Bonds will be presumed to be in unsecured form throughout their term); and
- (ix) it will not declare or pay any dividends or make any payments or repayments of any kind to its shareholders, for so long as any Bonds are outstanding.

**6.4.2** The Issuer undertakes that so long as any Bond remains outstanding it shall provide to the Trustee:

- ~~(a) on an annual basis and in addition to its regular stock exchange reporting requirements, the details of amounts prepaid to the CDR lenders and the Asset Coverage Ratio in order to enable the Trustee to monitor the Security Conditions;~~

(a) [Reserved].

- (b) (i) its semi-annual financial information prepared in accordance with ~~Clause 41 of the listing agreements entered into with the Indian Exchanges~~ the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended in respect of each semi-annual fiscal period within 3 months of the end of the relevant semi-annual fiscal period, and (ii) its annual report containing audited financial statements in respect of each fiscal year within 6 months from the end of the relevant fiscal year reported on by the auditors and prepared in accordance with Indian GAAP and if so requested, certified by two directors of the Issuer (in each case in English language); and
- (c) a copy of all publicly available notices, statements and documents which are issued to its Shareholders or its creditors as soon as practicable (but not later than 30 days) after their date of issue.

**6.4.3** The Issuer has also given certain other undertakings in the Trust Deed for the protection of the Conversion Rights.

## **6.5** Notice of Change in Conversion Price

The Issuer shall give notice to the Bondholders in accordance with Condition 17 and, for so long as the Bonds are listed on the Singapore Stock Exchange and the rules of the Singapore Stock Exchange so require, the Issuer shall also give notice to the Singapore Stock Exchange, of any change in the Conversion Price. Any such notice relating to a change in the Conversion Price shall set forth the event giving rise to the adjustment, the Conversion Price prior to such adjustment, the adjusted Conversion Price and the effective date of such adjustment.

## **6.6** Conversion upon Change of Control

If a Change of Control (as defined below) shall have occurred during the Conversion Period, the Issuer shall give notice of that fact to the Bondholders (the “**Change of Control Notice**”) in accordance with Condition 17 within seven days after it becomes aware of such Change of Control. Following the giving of a Change of Control Notice, upon any exercise of Conversion Rights such that the relevant Conversion Date falls within 30 days following a Change of Control, or, if later, 30 days following the date on which the Change of Control Notice is given to Bondholders (such period, the “**Change of Control Conversion Period**”), the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = \frac{OCP}{1 + (CP \times c/t)}$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2. For the avoidance of doubt, OCP for the purposes of this Condition 6.6 shall be the Conversion Price applicable on the relevant Conversion Date in respect of any conversion pursuant to this Condition 6.6.

Conversion Premium = 10% expressed as a fraction.  
 (“CP”)

c = the number of days from and including the first day of the Change of Control Conversion to but excluding 16 July 2019

t = the number of days from and including 15 July 2014 to but excluding 16 July 2019

provided that the Conversion Price shall not be reduced pursuant to this Condition 6.6 above the level permitted by applicable Indian laws and regulations from time to time (if any).

If the last day of a Change of Control Conversion Period shall fall during a Closed Period, the Change of Control Conversion Period shall be extended such that its last day will be the fifteenth day following the last day of a Closed Period.

For the purposes of this Condition 6.6 and Condition 8.4,

“**control**” means (a) the acquisition or control of more than 50% of the Voting Rights of the issued share capital of the Issuer or (b) the right to appoint and/or remove all or the majority of the members of the Issuer’s Board of Directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise;

a “**Change of Control**” occurs when, other than pursuant to the Debt Resolution Plan (as defined in Condition 10):

- (a) any person or persons (excluding the Promoter Group), acting together, acquires control, directly or indirectly, of the Issuer; or
- (b) the Issuer consolidates with or merges into or sells or transfers all or substantially all of the Issuer’s assets to any other person or persons, acting together;

a “**person**” includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity) but does not include the Issuer’s Board of Directors or any other governing board and does not include the Issuer’s 100% owned direct or indirect Subsidiaries;

“**Promoter Group**” means Tulsi R. Tanti, Tanti Holdings Private Limited, Gita T. Tanti, Tulsi R. Tanti (as karta of Tulsi Ranchhodbhai HUF), Tulsi R. Tanti (as karta of Ranchhodbhai Ramjibhai HUF) ~~and~~ jointly by Tulsi R. Tanti, Vinod R. Tanti and Jitendra R. Tanti, Vinod R. Tanti, Jitendra R. Tanti, Sangita V. Tanti, Lina J. Tanti, Girish R. Tanti, Rambhaben Ukabhai, Vinod R. Tanti (as karta of Vinod Ranchhodbhai HUF), Jitendra R. Tanti (as karta of Jitendra Ranchhodbhai HUF), Pranav T. Tanti, Nidhi T. Tanti, Radha G. Tanti, Aarav G. Tanti ~~(through guardian Girish R. Tanti)~~, Aanya G. Tanti ~~(through guardian Girish R. Tanti)~~, Rajan V. Tanti, Brij J. Tanti, Trisha J. Tanti, Girish R. Tanti (as karta of Girish Ranchhodbhai HUF), ~~Suruchi Holdings Private Limited, Sugati Holdings Private Limited and~~ Samanvaya Holdings Private Limited, The Tanti Trust and Sanyogita P. Tanti; and

“**Voting Rights**” means the right generally to vote at a general meeting of Shareholders of the Issuer (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

## 7 Payments

### 7.1 Principal and Interest

- (i) Payment of principal, interest and premium (if any) will be made by transfer to the registered account of the Bondholder or by U.S. dollar cheque drawn on a bank in New York City mailed to the registered address of the Bondholder if it does not have a registered account, in each case, in accordance with provisions of the Agency Agreement. Such payment will only be made after surrender of the relevant Certificate at the specified office of any of the Agents. If an amount which is due on the Bonds is not paid in full, the Registrar will annotate the Register with a record of the amount (if any) paid.
- (ii) Interest on the Bonds due on an Interest Payment Date will be paid on the due date for the payment of interest to the holder shown on the Register at the close of business on the 15th day before the due date for the payment of interest (the “**Interest Record Date**”). Payments of interest on each Bond will be made by transfer to the registered account of the Bondholder or by U.S. dollar cheque drawn on a bank in New York City mailed to the registered address of the Bondholder if it does not have a registered account, in each case, in accordance with the terms of the Agency Agreement.

### 7.2 Registered Accounts

For the purposes of this Condition, a Bondholder’s “**registered account**” means the U.S. dollar account maintained by or on behalf of it with a bank in New York City, details of which appear on the Register at the close of business on the second business day (as defined below) before the due date for payment, and a Bondholder’s registered address means its address appearing on the Register at that time.

### 7.3 Applicable Laws

All payments are subject in all cases to any applicable laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9. No commissions or expenses shall be charged to the Bondholders in respect of such payments.

### 7.4 Payment Initiation

Where payment is to be made by transfer to a registered account, payment instructions (for value on the due date or, if that is not a business day (as defined below), for value on the first following day which is a business day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (at the risk and, if mailed at the request of the holder otherwise than by ordinary mail, expense of the holder) on the due date for payment (or, if it is not a business day, the immediately following business day) or, in the case of a payment of principal, if later, on the business day on which the relevant Certificate is surrendered at the specified office of an Agent.

### 7.5 Default Interest and Delay in Payment

- (i) If the Issuer fails to pay any sum in respect of the Bonds when the same becomes due and payable under these Conditions, interest shall accrue on the overdue sum at the rate of 5.94% per annum (being the yield to maturity plus default interest) from the due date. Such default interest shall accrue on the basis of the actual number of days elapsed and a 360-day year.

*RBI regulations may require the Issuer to obtain the prior approval of the RBI before making any such default interest payments. Such approval may or may not be forthcoming.*

- (ii) Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a business day, if the Bondholder is late in surrendering its Certificate (if required to do so) or if a cheque mailed in accordance with this Condition arrives after the due date for payment.

## 7.6 Business Day

In this Condition, “**business day**” means a day other than a Saturday or Sunday on which commercial banks are open for business in Mumbai, New York City and London and, in the case of the surrender of a Certificate, in the place where the Certificate is surrendered.

## 8 Redemption, purchase and cancellation

As at 13 March 2020 (being the date of the notice of meeting issued by the Issuer in relation to the Bonds Restructuring (as defined below)), the principal amount outstanding under the Bonds was U.S.\$172,002,000 (the “Notice Date Outstanding Principal”).

As at the later of (i) the Share Completion Date (as defined below); and (ii) the Bond Exchange Date (as defined below), the entire principal amount outstanding of the Bonds shall be marked down and cancelled by the Principal Agent.

**For the avoidance of doubt, the Share Completion Date and the Bond Exchange Date shall at all times remain subject to the fulfillment of the Conditions Precedent (as defined below).**

### 8.1 Maturity

Unless previously redeemed, converted or purchased and cancelled as provided herein, the Issuer will redeem the Bonds at their principal amount on 16 July 2019 (the “**Maturity Date**”) together with accrued interest, if any, calculated in accordance with Condition 5.1. The Issuer may not redeem the Bonds at its option prior to that date except as provided in Condition 8.2 or 8.3 below (but without prejudice to Condition 10).

### 8.2 Mandatory Conversion or Bond Exchange at the Option of the ~~Issuer~~Bondholders

~~**8.2.1** On or at any time after the date falling 15 July 2016, and on or prior to 15 January 2018 (the “**First Phase**”), the Issuer may, having given not less than 30 nor more than 60 days’ notice to the Bondholders, the Trustee and the Principal Agent (such notice the “**Mandatory Conversion Notice**” and such period the “**Mandatory Conversion Notice Period**”) which notice shall be irrevocable, mandatorily convert the Bonds in part (but subject to not converting more than U.S.\$182,305,333.33) pursuant to a single Mandatory Conversion Notice, into Shares at the then prevailing Conversion Price. The Issuer may deliver a Mandatory Conversion Notice only if the Volume Weighted Average Price (converted into U.S. dollars at the Prevailing Rate) of the Shares on each day during a period of not less than 30 Trading Days prior to the date on which such Mandatory Conversion Notice is delivered, was at least 175% of the applicable Conversion Price (converted into U.S. dollars at the Fixed Exchange Rate). Such notice may not be given more than 14 days after the end of such period of 30 Trading Days.~~

~~8.2.2 On or at any time after 15 January 2018 and on or prior to 17 May 2019 (the “**Second Phase**”), the Issuer may, having provided a Mandatory Conversion Notice in accordance with the Mandatory Conversion Notice Period to the Bondholders, the Trustee and the Principal Agent, which notice shall be irrevocable, mandatorily convert the Bonds in part (but subject to not converting more than U.S.\$182,305,333.33) pursuant to a single Mandatory Conversion Notice, into Shares at the then prevailing Conversion Price. The Issuer may deliver a Mandatory Conversion Notice only if the Volume Weighted Average Price (converted into U.S. dollars at the Prevailing Rate) of the Shares on each day during a period of not less than 30 Trading Days prior to the date on which such Mandatory Conversion Notice is delivered, was at least 150% of the applicable Conversion Price (converted into U.S. dollars at the Fixed Exchange Rate). Such notice may not be given more than 14 days after the end of such period of 30 Trading Days.~~

~~If the Issuer exercises its option to exercise the mandatory conversion more than once during the term of the Bonds, there must be a six month period between the delivery of any two Mandatory Conversion Notices.~~

~~In the case of mandatory conversion in accordance with this condition, the Bonds to be converted will be converted on a *pro rata* basis (which will result in the face value of each Bond being marked down in part) or otherwise in accordance with the rules of Euroclear and Clearstream, Luxembourg in the case of mandatory conversion of the Bonds represented by Global Certificates.~~

~~Any Mandatory Conversion Notice shall specify (i) the expiry date of the Mandatory Conversion Notice Period; (ii) the Cut-Off Date (as defined herein); (iii) a confirmation that the conditions to a mandatory conversion in accordance with this Condition have been satisfied; and (iv) the then applicable Conversion Price. The Mandatory Conversion Notice shall also specify further details of the conversion, including instructions to Bondholders regarding the time period in which Bondholders must deposit and surrender their respective Certificates and the duly signed and completed Conversion Notice at the specified office of the relevant Conversion Agent or the Principal Agent.~~

~~The Issuer's right to mandatorily convert under this Condition 8.2 does not affect a holder's right to exercise its Conversion Right hereunder (which shall remain in full force and effect during the Mandatory Conversion Notice Period) provided that in no event shall the Conversion Date fall after the date for mandatory conversion hereunder. Upon the expiry of the Mandatory Conversion Notice Period, the Issuer will be bound (subject to and in accordance with Condition 6) to convert the Bonds to which such notice relates into Shares and the date of expiry of such period shall be deemed to be the Conversion Date. The holders of the Bonds to be so converted shall be deemed to have exercised their Conversion Rights and the provisions of Condition 6 apply *mutatis mutandis*.~~

~~If on the business day immediately following the Mandatory Conversion Notice Period (the “**Cut-Off Date**”), Conversion Notices have not been received by the relevant Conversion Agent or the Principal Agent in respect of any Bonds outstanding (“**Relevant Bonds**”), the Relevant Bonds shall be converted into Shares in accordance with these Conditions at the applicable Conversion Price and such Shares shall be delivered to an agent of the Issuer located in Mumbai (the “**Share Agent**”). Certificates for such Shares will be issued by the Issuer in the name of an agent of the Issuer and deposited at the office of the Share Agent and the Issuer will be responsible for all fees~~

~~and charges for the issue of such Certificate or Certificates. All of the Shares delivered, or to be delivered, on such conversion shall be sold by, or on behalf of, the Share Agent as soon as practicable, and (subject to any necessary consents being obtained, and to the deduction by the Share Agent of any amount which it determines to be payable in respect of its liability to taxation and the payment of any capital, stamp, transfer, issue or registration duties (if any) and any costs incurred by the Share Agent in connection with the transfer, delivery and sale thereof) the net proceeds of sale together with accrued interest (if any) payable under Condition 6, and any cash in lieu of fractions and any other amount payable by the Issuer in respect of the relevant exercise in respect of the Relevant Bonds (the “**Net Proceeds**”) shall be held by the Share Agent for the benefit of the Bondholders so entitled and distributed rateably to the holders of such Relevant Bonds.~~

~~Immediately following the sale of Shares by the Share Agent, the Issuer shall forthwith notify Bondholders of such sale and provide details of the Net Proceeds available for distribution to Bondholders so entitled. The Issuer's obligation to pay the principal and interest on the Bonds shall not be satisfied unless and until the relevant Shares or Net Proceeds (as applicable) attributable to the Bonds converted pursuant to Condition 8.2 shall have been delivered to the applicable Bondholder.~~

~~The Trustee shall not be required to take any steps to ascertain or verify whether any of the events described in Conditions 8.2.1 and 8.2.2 has occurred. The Trustee and the Issuer shall have no responsibility to any person for the manner in which such sale is effected or if the aggregate sale proceeds fall short of the principal amount of the Relevant Bonds. The Trustee shall have no liability in respect of the exercise or non-exercise of the right of the Issuer to mandatorily convert any Bonds pursuant to this Condition 8.2 or the timing of such exercise or in respect of any such sale of Shares whether for the timing of any such sale or the price at which any such Shares are sold, or the inability to sell any such Shares or otherwise.~~

On or at any time prior to the date of the Bondholder’s Meeting, each Bondholder shall elect to require the Issuer to redeem in whole, but not in part, such Bondholder’s Bonds in exchange for either of the following:

- (i) Shares, subject to and in accordance with the terms of the Consent Solicitation and Information Memorandum and the provisions relating to Mandatory Conversion set out under Condition 8.2A below (the “**Option A**”); or
- (ii) U.S.\$ denominated Convertible Bonds due 2032 to be issued by the Issuer (the “**New Bonds**”), subject to and in accordance with the terms of the Consent Solicitation and Information Memorandum and the provisions under Condition 8.2B below (the “**Option B**”, and, together with Option A, the “**Bondholder Options**”, and each a “**Bondholder Option**”).

provided that if, and to the extent, any Bondholder fails to make the aforesaid election, it shall be deemed to have elected in favour of Option A subject to, and in accordance with, the provisions under Condition 8.2A below.

For the avoidance of doubt, voting instructions provided by Bondholders in accordance with the terms of the Consent Solicitation and Information Memorandum, which specify their respective election out of the two Bondholder Options shall be irrevocable and be deemed to satisfy the Bondholder’s election requirement mentioned hereinabove. If, and to the extent, any Bondholder fails to provide its voting instructions, in accordance with the terms of the Consent

Solicitation and Information Memorandum, or abstains from voting thereon, such failure or abstention shall be deemed to be an election by such Bondholder of Option A.

**For the avoidance of doubt, the Bondholder Options (defined above) as set out in these Conditions shall at all times remain subject to the fulfillment of the Conditions Precedent (as defined below).**

For the purposes of these Conditions, “Consent Solicitation and Information Memorandum” means the Consent Solicitation and Information Memorandum dated on or about 26 March 2020, together with the Supplemental Consent Solicitation and Information Memorandum dated 31 March 2020, each issued by the Issuer in relation to the Bonds Restructuring (as defined below).

#### **8.2A Option A**

The following shall apply if, and to the extent, Option A is elected or is deemed to have been elected by the relevant Bondholder(s) (with the provisions hereof being limited solely to the Bonds that are registered in the name of such Bondholder(s) and all references in this Condition 8.2A to “Bonds”, “Bondholders” and “holders” being construed as references to such Bonds and Bondholders only). For the avoidance of doubt, no Bondholder that has elected for Option B shall have any rights or obligations under this Condition 8.2A whatsoever.

8.2A.1 On the Bonds Amendment Date, the Issuer must issue a written notice to the Trustee (on behalf of the Bondholders), the Bondholders, the Principal Agent and the Conversion Agent substantially in the form set out in Part 3 of Schedule 1 hereto (the “Account Holder Notification”). The Account Holder Notification must specify the Notification Date and must provide instructions regarding, *inter alia*, the completion of the Account Holder Instructions.

8.2A.2 During the period starting from the date on which all of the Conditions Precedent have been satisfied and ending on the Cut-off Date, the Issuer must issue a written irrevocable notice to the Trustee (on behalf of the Bondholders), the Bondholders, the Principal Agent and the Conversion Agent substantially in the form set out in Part 4 of Schedule 1 hereto (the “Mandatory Conversion Notice”). The Mandatory Conversion Notice must:

- (i) specify the Mandatory Conversion Record Date (as defined below);
- (ii) specify the Mandatory Conversion Exchange Rate (as defined below);
- (iii) specify the Mandatory Conversion Price (as defined below); and
- (iv) contain an accurate representation by the Issuer that all of the Conditions Precedent have been satisfied.

8.2A.3 On the Mandatory Conversion Record Date the Issuer shall, subject to receipt by the Conversion Agent of Account Holder Instructions, convert all of the outstanding Bonds into Shares in accordance with this Condition 8.2A (the “Mandatory Conversion”). Bonds in respect of which Account Holder Instructions have not been received by the Conversion Agent by the business day immediately following the Notification Date shall be cancelled on the Share Completion Date and the holders of such Bonds will receive limited rights under the Deed of Covenant (as defined below) in lieu of the Shares due to them.

8.2A.4 The price at which Shares will be issued upon Mandatory Conversion will be ₹6.77 per Share (the “Mandatory Conversion Price”). The exchange rate for conversion of U.S. dollars into Indian Rupees for the purposes of the Mandatory Conversion shall be U.S.\$1.00 = ₹60.225 (the “Mandatory Conversion Exchange Rate”).

The Issuer proposes to issue, through preferential allotment, Shares in favour of the Promoter Group and the Investor Group (each as defined in the Consent Solicitation and Information Memorandum) aggregating up to Rs. 4,000 million, pursuant to a general meeting of its shareholders proposed to be held on 7 April 2020 or an adjourned or rescheduled such meeting, or other similar corporate action for this purpose (the “Promoter Preferential Allotment”).

Notwithstanding anything contained herein, in the event the price per Share at which the Promoter Preferential Allotment takes place (the “Promoter Preferential Allotment Share Price”) is:

- (a) Rs. 2.45 or more, no change shall be made to the Mandatory Conversion Price set out in Condition 8.2A.4; and
- (b) less than Rs. 2.45, the Mandatory Conversion Price set out in Condition 8.2A.4 shall be reduced by Rs. 0.02763 (rounded to the nearest two decimal places) for every reduction of 1 paise in the Promoter Preferential Allotment Share Price below Rs. 2.45.

8.2A.5 The number of Shares to be issued on the Mandatory Conversion of a Bond will be determined by dividing the principal amount of the Bond to be converted (translated into Indian Rupees at the Mandatory Conversion Exchange Rate) by the Mandatory Conversion Price.

8.2A.6 Fractions of Shares will not be issued on such conversion and no cash adjustments will be made in respect thereof. However, if more than one Bond is held by the same holder, and the Shares to be issued upon Mandatory Conversion pursuant to this Condition 8.2A are to be registered in the same name, the number of Shares to be issued in respect thereof will be determined on the basis of the aggregate principal amount of the Bonds held by such Bondholder and rounded down to the nearest whole number of Shares.

8.2A.7 Any taxes or stamp duties payable in India in respect of the allotment of Shares and listing of the Shares on the Indian Exchanges pursuant to the Mandatory Conversion shall be payable by the Issuer. The Issuer will also pay all charges of the Agents and the Share Transfer Agent in connection with the Mandatory Conversion and all other expenses arising on the issue of Shares upon the Mandatory Conversion of the Bonds. A Bondholder must pay all, if any, taxes arising by reference to any disposal or deemed disposal of a Bond in connection with such conversion and must pay directly to the relevant tax authorities any taxes and stamp, issue and registration duties arising on such conversion.

8.2A.8 The Issuer will, on or with effect from the Mandatory Conversion Record Date, as soon as practicable and in any event not later than 45 business days after the Mandatory Conversion Record Date cause:

- (i) the relevant securities account of each Bondholder or its nominee to be credited with such number of relevant Shares as will be issued upon Mandatory Conversion; and
- (ii) the name of the concerned Bondholder or its nominee to be registered accordingly in the record of the depositories, maintained by the depository registered under the 1996 Depositories Act with whom the Issuer has entered into a depository agreement;

and shall take all such other steps necessary to complete the Mandatory Conversion (the date on which all obligations of the Issuer in respect of the Mandatory Conversion have been fulfilled, the “**Share Completion Date**”).

8.2A.9 The Shares issued upon the Mandatory Conversion of the Bonds will in all respects rank *pari passu* with the Shares in issue on the relevant Mandatory Conversion Record Date (except for any right excluded by mandatory provisions of applicable law) and such Shares shall be entitled to all rights the record date for which falls on or after such Mandatory Conversion Record Date to the same extent as all other fully-paid and non-assessable Shares of the Issuer in issue as if such Shares had been in issue throughout the period to which such rights relate. A holder of Shares issued on Mandatory Conversion of Bonds shall not be entitled to any rights the record date for which precedes the Mandatory Conversion Record Date.

8.2A.10 If, on the business day immediately following the Notification Date, Account Holder Instructions have not been received by the Conversion Agent in respect of any Bonds outstanding as at that date (the “**Relevant Bonds**”), the Relevant Bonds shall be cancelled on the Share Completion Date. However, the Issuer shall for a period of up to 12 months from the Share Completion Date maintain such authorised share capital to enable it to issue such Shares, at the Mandatory Conversion Price and at the Mandatory Conversion Exchange Rate, which correspond to the Relevant Bonds. To effect this, the Issuer shall execute a deed of covenant (the “**Deed of Covenant**”) in favour of the holders of the Relevant Bonds in respect of which Account Holder Instructions have not been received by the business day immediately following the Notification Date (such holders, the “**Residual Holders**”). Under the Deed of Covenant, notwithstanding the cancellation of the Relevant Bonds, the Residual Holders shall have up to 12 months from the Share Completion Date to claim the relevant Shares from the Issuer, provided that they can demonstrate to the Issuer’s reasonable satisfaction that they were holders of Bonds as at the Share Completion Date. Residual Holders who fail to claim the Shares within 12 months from the Share Completion Date, shall be deemed to have forfeited their right to the Shares and no compensation or other amounts shall be due to them.

8.2A.11 On and with effect from the Share Completion Date, upon completion of the Mandatory Conversion in relation to any Bond and the fulfilment by the Issuer of all its obligations in respect thereof:

- (i) the Issuer will notify the Trustee, the Principal Agent, the Conversion Agent and the Bondholders in writing that the Share Completion Date has occurred and instruct the Principal Agent to markdown and cancel the Bonds;
- (ii) once cancelled, Bonds may not be reissued or resold;

- (iii) save for the Issuer's obligations under the Deed of Covenant, no holder shall have any further rights in respect of a Bond held by it and all obligations of the Issuer in respect thereof shall be extinguished;
- (iv) all of the Issuer's payment obligations (including any obligation of the Issuer to pay any outstanding principal amount and any accrued interest or any default interest in respect of the Bonds) will be deemed to have been fully satisfied, or waived by the Bondholders; and
- (v) any Events of Default or Potential Events of Default under the Trust Deed and the Conditions existing as at the Share Completion Date will be deemed to have been waived by the Bondholders.

The Trustee and the Agents shall be entitled to rely upon any notification and instruction received from the Issuer pursuant to this Condition 8.2A.11 without any obligation to inquire into or investigate the validity, accuracy or content thereof and neither the Trustee nor the Agents shall be liable to the Bondholders or any other person for so relying.

8.2A.12 In the event the Mandatory Conversion Record Date has not occurred on or prior to the Cut-Off Date, then:

- (i) the Mandatory Conversion Record Date shall be incapable of occurring;
- (ii) this Condition 8.2A and all other amendments to these Conditions (as approved by the Bondholders' Resolution) shall cease to have effect (and the provisions of the Trust Deed and these Conditions shall operate without the effect of this Condition 8.2A and the other amendments to these Conditions (as approved by the Bondholders' Resolution)); and
- (iii) all of the rights of Bondholders as Bondholders and all of the obligations of the Issuer under the Trust Deed and these Conditions are reinstated and shall continue in full force and effect as such rights and obligations existed on the day immediately prior to the Bonds Amendment Date.

8.2A.13 In the event the Issuer has not fulfilled all of its obligations in respect of the Mandatory Conversion, including delivery of the Shares as and when such Shares are required to be delivered in accordance with this Condition 8.2A, on or before the Long Stop Date, then:

- (i) the Share Completion Date shall be incapable of occurring;
- (ii) this Condition 8.2A and all other amendments to these Conditions (as approved by the Bondholders' Resolution) shall cease to have effect (and the provisions of the Trust Deed and these Conditions shall operate without the effect of this Condition 8.2A and the other amendments to these Conditions (as approved by the Bondholders' Resolution)); and
- (iii) all of the rights of Bondholders as Bondholders and all of the obligations of the Issuer under the Trust Deed and these Conditions are reinstated and shall continue in full force and effect as such rights and obligations existed on the day immediately prior to the Bonds Amendment Date.

8.2A.14 The Issuer will promptly notify the Trustee and the Bondholders in writing if any of the events in Conditions 8.2A.12 or 8.2A.13 have occurred.

8.2A.15 For the purposes of this Condition 8.2A:

“**Account Holder Instruction**” shall have the meaning as is assigned to such term in Part 3 of Schedule 1 hereto.

“**Bonds Restructuring**” means the amendments to these Conditions and the Trust Deed (including with respect to the Mandatory Conversion) approved by the Bondholders in, and in order to give effect to, the Bondholders’ Resolution.

“**Bondholder’s Meeting**” means the meeting of the Bondholders scheduled to be held at 12.00 p.m. (Singapore Time) on 6 April 2020, with references to “Bondholder’s Meeting” to also include an adjourned Bondholder’s meeting, if any.

“**Bondholders’ Resolution**” means an Extraordinary Resolution (as defined in the Trust Deed) passed by the Bondholders at the Bondholder’s Meeting approving, *inter alia*, the Bonds Restructuring.

“**Bonds Amendment Date**” means the date on which the Second Supplemental Trust Deed entered into between the Issuer and the Trustee in respect of the Bonds became effective in accordance with its terms, being on or about the date of the Bondholder’s Meeting.

“**business day**” means a day other than a Saturday or Sunday on which commercial banks are open for business in New York City, Mumbai and London.

“**Conditions Precedent**” means the conditions as defined in and as set out in Part 1 of Schedule 1 hereto.

“**Cut-off Date**” means 31 July 2020 or such later date, subject to the Long Stop Date, as may be notified by the Issuer in writing to the Trustee and the Principal Agent (with the Trustee and the Principal Agent being able to conclusively rely and act on such notification without liability to the Bondholders or any other party).

“**Long Stop Date**” means 30 September 2020.

“**Mandatory Conversion Record Date**” means the date specified in the Mandatory Conversion Notice, being a date which occurs after the Notification Date and on which all of the Conditions Precedent have been fulfilled.

“**Notification Date**” means the date by which Bondholders must send the Account Holder Instructions to the Conversion Agent through the relevant clearing system(s), such date being no less than 10 business days from the Bonds Amendment Date, and no more than 15 business days from the Bonds Amendment Date.

“**Second Supplemental Trust Deed**” means the second supplemental trust deed which shall be supplemental to the Trust Deed entered into between the Issuer and the Trustee in order to give effect to the Bonds Restructuring.

8.2B **Option B**

The following shall apply if, and to the extent, Option B is elected by the relevant Bondholder(s) (with the provisions hereof being limited solely to the Bonds that are registered in the name of such Bondholder(s) and all references in this Condition 8.2B to “Bonds”, “Bondholders” and “holders” being construed as references to such Bonds and Bondholders only). For the avoidance of doubt, no Bondholder that has elected, or is deemed to have elected, for Option A shall have any rights or obligations under this Condition 8.2B whatsoever.

8.2B.1 During the period starting from the date on which all of the Conditions Precedent have been satisfied and ending on the Cut-off Date, the Issuer shall issue the New Bonds (with the date of such issue being referred to as the “Bond Exchange Date”), in accordance with the terms of the Consent Solicitation and Information Memorandum, in favour of the relevant Bondholders (by way of private placement) whereupon each U.S.\$1,000 in principal amount of the Bonds held by such Bondholders, along with any accrued but unpaid interest on such principal amount up to (but not including) the Bond Exchange Date, shall be exchanged for the New Bonds with a face value of U.S.\$320 (the “Bond Exchange”).

8.2B.2 On and with effect from the Bond Exchange Date:

- (i) the Issuer will notify the Trustee, the Principal Agent, the Conversion Agent and the Bondholders in writing that the Bond Exchange Date has occurred and all of the Conditions Precedent have been satisfied and instruct the Principal Agent to markdown and cancel the Bonds;
- (ii) once cancelled, Bonds may not be reissued or resold;
- (iii) no holder shall have any further rights in respect of a Bond held by it and all obligations of the Issuer in respect thereof shall be extinguished;
- (iv) all of the Issuer’s payment obligations (including any obligation of the Issuer to pay any outstanding principal amount and any accrued interest or any default interest in respect of the Bonds) will be deemed to have been fully satisfied, or waived by the Bondholders; and
- (v) any Events of Default or Potential Events of Default under the Trust Deed and the Conditions existing as at the Bond Exchange Date will be deemed to have been waived by the Bondholders.

The Trustee and the Agents shall be entitled to rely upon any notification and instruction received from the Issuer pursuant to this Condition 8.2B.2 without any obligation to inquire into or investigate the validity, accuracy or content thereof and neither the Trustee nor the Agents shall be liable to the Bondholders or any other person for so relying.

8.2B.3 In the event the Bond Exchange Date has not occurred on or prior to the Cut-Off Date, then:

- (i) the Bond Exchange Date shall be incapable of occurring;
- (ii) this Condition 8.2B and all other amendments to these Conditions (as approved by the Bondholders’ Resolution) shall cease to have effect (and the provisions of the Trust Deed and these Conditions shall operate without the effect of this

Condition 8.2B and the other amendments to these Conditions (as approved by the Bondholders' Resolution)); and

(iii) all of the rights of Bondholders as Bondholders and all of the obligations of the Issuer under the Trust Deed and these Conditions are reinstated and shall continue in full force and effect as such rights and obligations existed on the day immediately prior to the Bonds Amendment Date.

8.2B.4 The Issuer will promptly notify the Trustee and the Bondholders in writing if any of the events in Conditions 8.2B.3 have occurred.

8.2B.5 For the purposes of this Condition 8.2B, terms used but not defined hereinabove shall (unless the context requires otherwise) be deemed to have the same meanings as ascribed to such terms under Condition 8.2A.15.

### 8.3A Clean up option

**8.2.3** If at any time the aggregate principal amount of the Bonds outstanding is less than 10% of the aggregate principal amount originally issued (including any Bonds issued pursuant to Condition 16), the Issuer shall have the option to redeem such outstanding Bonds in whole but not in part at their Early Redemption Amount (as defined below) together with accrued but unpaid interest to such date, on the date fixed for redemption. The Issuer will give at least 30 days' but not more than 60 days' prior notice to the holders for such redemption.

## **8.3 Redemption for Taxation Reasons**

**8.3.1** At any time the Issuer may, having given not less than 30 nor more than 60 days' notice to the Bondholders (which notice shall be irrevocable) redeem all, and not some only, of the Bonds at their Early Redemption Amount together with accrued but unpaid interest to such date, on the date fixed for redemption ("**Tax Redemption Date**"), if (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice that the Issuer has or will become obliged to pay additional amounts in respect of payments of interest on the Bonds pursuant to Condition 9 as a result of any change in, or amendment to, the laws or regulations of India or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Closing Date, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee a certificate signed by two directors of the Issuer stating that the obligation referred to in (i) above cannot be avoided by the Issuer (taking reasonable measures available to it); and an opinion of independent legal or tax advisors of recognised international standing to the effect that such change or amendment has occurred (irrespective of whether such amendment or change is then effective) and the Trustee shall be entitled to accept such certificate and opinion as sufficient evidence thereof in which event it shall be conclusive and binding on the Bondholders.

**8.3.2** Upon the expiry of any such notice, the Issuer will be bound to redeem the Bonds at their Early Redemption Amount together with accrued but unpaid interest to such date, on the Tax Redemption Date.

**8.3.3** If the Issuer gives a notice of redemption pursuant to this Condition 8.3, each Bondholder will have the right to elect that his Bond(s) shall not be redeemed and that the provisions of Condition 9 shall not apply in respect of any payment of principal or interest to be made in respect of such Bond(s) which falls due after the relevant Tax Redemption Date whereupon no additional amounts shall be payable in respect thereof pursuant to Condition 9 and payment of all amounts shall be made subject to the deduction or withholding of the taxation required to be withheld or deducted by the Indian Government or any authority thereof or therein having power to tax. For the avoidance of doubt, any additional amounts which had been payable in respect of the Bonds as a result of the laws or regulations of the Indian Government or any authority thereof or therein having power to tax prior to the Closing Date will continue to be payable to such Bondholders. To exercise such right, the holder of the relevant Bond must complete, sign and deposit at the specified office of any Paying Agent a duly completed and signed notice of election (the "**Bondholder's Tax Election Notice**"), in the form for the time being current, obtainable from the specified office of any Paying Agent together with the Certificate evidencing the Bonds on or before the day falling 10 days prior to the Tax Redemption Date.

#### **8.4** Redemption for Change of Control

**8.4.1** Following the occurrence of a Relevant Event (as defined below) and to the extent permitted by applicable law, each Bondholder will have the right at such Bondholder's option to require the Issuer to redeem in whole but not in part such Bondholder's Bonds on the Relevant Event Put Date at their Early Redemption Amount together with accrued but unpaid interest to such date. To exercise such right, the relevant Bondholder must complete, sign and deposit at the specified office of any Paying Agent a duly completed and signed notice of redemption, in the form for the time being current, obtainable from the specified office of any Paying Agent ("**Relevant Event Put Exercise Notice**") together with the Certificate evidencing the Bonds to be redeemed by not later than 30 days following a Relevant Event, or, if later, 30 days following the date upon which notice thereof is given to Bondholders by the Issuer in accordance with Condition 17. The "**Relevant Event Put Date**" shall be the fourteenth day after the expiry of such period of 30 days as referred to above.

**8.4.2** A Relevant Event Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Bonds which form the subject of the Relevant Event Put Exercise Notices delivered as aforesaid on the Relevant Event Put Date.

**8.4.3** The Trustee shall not be required to take any steps to ascertain whether a Relevant Event or any event which could lead to the occurrence of a Relevant Event has occurred and shall not be responsible or liable to Bondholders for any loss arising from any failure by it to do so.

**8.4.4** No later than seven days after becoming aware of a Relevant Event, the Issuer shall procure that notice regarding the Relevant Event shall be delivered to Bondholders (in accordance with Condition 17) stating: (i) the Relevant Event Put Date; (ii) the date of such Relevant Event and, briefly, the events causing such Relevant Event; (iii) the date by which the Relevant Event Put Exercise Notice (as defined above) must be given; (iv) the redemption amount and the method by which such amount will be paid; (v) the

names and specified offices of all Paying Agents; (vi) briefly, the Conversion Right and the then current Conversion Price; (vii) the procedures that Bondholders must follow and the requirements that Bondholders must satisfy in order to exercise the Relevant Event Put Right or Conversion Right; and (viii) that a Relevant Event Put Exercise Notice, once validly given, may not be withdrawn.

**8.4.5** For the purposes of this Condition 8:

- (i) a **“person”** includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity) but does not include the Issuer’s Board of Directors or any other governing board and does not include the Issuer’s 100% owned direct or indirect Subsidiaries;
- (ii) **“Relevant Event”** occurs when there has been a Change of Control (as defined in Condition 6.6) in the Issuer; and
- (iii) **“Early Redemption Amount”** of a Bond, for each U.S.\$1,000 principal amount of the Bonds, is determined so that it represents (i) in the case of a redemption of Bonds on the Maturity Date, 100% of the principal amount of such Bonds, or (ii) in the case of a redemption of the Bonds pursuant to Condition 8 or if the Bonds become due and payable pursuant to Condition 10, the amount which is determined to be the amount which, together with unpaid accrued interest from the immediately preceding Interest Payment Date, or, if none, the Closing Date, and after taking into account any interest paid in respect of such Bonds in preceding periods, represents for the Bondholder on the relevant date for determination of the Early Redemption Amount (the **“Determination Date”**) for the Bondholder a gross yield of 4.94% per annum calculated on a semi-annual basis. The applicable Early Redemption Amount for each U.S.\$1,000 principal amount of Bonds is calculated in accordance with the following formula, rounded (if necessary) to two decimal places with 0.005 being rounded upwards (provided that if the date fixed for redemption is a Interest Payment Date (as set out below), such Early Redemption Amount shall be as set out in the table below in respect of such Interest Payment Date):

$$\text{Early Redemption Amount} = \text{Previous Redemption Amount} \times (1 + r/2)^{d/p} - AI$$

Previous Redemption Amount = the Early Redemption Amount for each U.S.\$1,000 principal amount on the Interest Payment Date immediately preceding the date fixed for redemption as set out below (or if the Bonds are to be redeemed prior to 16 January 2015, U.S.\$1,000)

<b>Interest Payment Date</b>	<b>Early Redemption Amount</b>
16 2015 .....	January U.S.\$ 1,008.50

16 2015	July	U.S.\$ 1,017.16
.....		
16 2016	January	U.S.\$ 1,026.03
.....		
16 2016	July	U.S.\$ 1,022.63
.....		
16 2017	January	U.S.\$ 1,019.13
.....		
16 2017	July	U.S.\$ 1,015.56
.....		
16 2018	January	U.S.\$ 1,011.89
.....		
16 2018	July	U.S.\$ 1,008.13
.....		
16 2019	January	U.S.\$ 1,004.29
.....		

r = 4.94 %, expressed as a fraction.

d = number of days from and including the immediately preceding Interest Payment Date (or if the Determination Date is before the first Interest Payment Date, from and including the Closing Date) to, but excluding, the Determination Date, calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

p = 180

AI = the accrued interest on a Bond in the principal amount of U.S.\$1,000 from and including the immediately preceding Bonds Interest Payment Date (or if the Determination Date is before the first Bonds Interest Payment Date, from and including the Closing Date) to but excluding the Determination Date, calculated on the basis of a 360 day year consisting of 12 months of 30 days each and in the case of an incomplete month, the number of days elapsed.

If the Early Redemption Amount payable in respect of any Bond upon its redemption pursuant to Condition 8 or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Bond shall be the Early Redemption Amount of such Bond as described above, as though references to the Determination Date had been replaced by references to the Tax Redemption Date or Put Date or Non-Permitted Conversion Price Adjustment Date, as applicable, and interest shall accrue at the rate provided for in Condition 5.1 on the principal amount of such Bond to such date. The calculation of the Early Redemption Amount in accordance with this Condition will continue to be made (as well after as before judgment) until the Tax Redemption Date or Put Date or Non-Permitted Conversion Price Adjustment Date, as applicable, unless such date falls on or after the Maturity Date, in which case the amount due and payable shall be 100% of the principal amount of the Bonds together with interest thereon (inclusive of interest payable pursuant to Condition 5) at the rate of 5.94% per annum from and including the Maturity Date to but excluding the Tax Redemption Date or Put Date or Non-Permitted Conversion Price Adjustment Date, as applicable.

## 8.5 Delisting Put Right

**8.5.1** In the event the Shares cease to be listed or admitted to trading on the BSE or NSE (a “**Delisting**”), each Bondholder shall have the right (the “**Delisting Put Right**”), at such Bondholder’s option, to require the Issuer to redeem all (but not less than all) of such Bondholder’s Bonds on the twentieth business day after notice has been given to Bondholders regarding the Delisting referred to under Condition 8.5.2 below or, if such notice is not given, the twentieth business day after the Delisting (the “**Delisting Put Date**”) at their Early Redemption Amount together with accrued interest but unpaid to such date (the “**Delisting Put Price**”).

**8.5.2** Promptly after becoming aware of a Delisting, the Issuer shall procure that notice regarding the Delisting Put Right shall be given to Bondholders (in accordance with Condition 17) stating:

- (i) the Delisting Put Date;
- (ii) the date of such Delisting and, briefly, the events causing such Delisting;
- (iii) the date by which the Delisting Put Notice (as defined below) must be given;
- (iv) the Delisting Put Price and the method by which such amount will be paid;

- (v) the names and specified offices of all Paying Agents;
- (vi) the Conversion Right and the then current Conversion Price;
- (vii) the procedures that Bondholders must follow and the requirements that Bondholders must satisfy in order to exercise the Delisting Put Right or Conversion Right; and
- (viii) that a Delisting Put Notice, once validly given, may not be withdrawn.

**8.5.3** To exercise its rights to require the Issuer to redeem its Bonds, the Bondholder must deliver a written irrevocable notice of the exercise of such right (a “**Delisting Put Notice**”), in the then current form obtainable from the specified office of any Paying Agent, to any Paying Agent on any business day prior to the close of business at the location of such Paying Agent on such day and which day is not less than 10 business days prior to the Delisting Put Date.

**8.5.4** A Delisting Put Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Bonds which form the subject of the Delisting Put Notices delivered as aforesaid on the Delisting Put Date.

**8.5.5** The Trustee shall not be required to take any steps to ascertain whether a Delisting or any event which could lead to the occurrence of a Delisting has occurred and shall not be responsible or liable to Bondholders for any loss arising from any failure by it to do so.

**8.5.6** For the purposes of this Condition 8.5, “**business day**” shall mean a day on which commercial banks are open for business in New York City, London and Mumbai.

## **8.6** Redemption Following Exercise of a Put Option

Upon the exercise of any put option specified in Condition 8.4 or 8.5, payment of the applicable redemption amount shall be conditional upon (i) the Issuer obtaining all approvals required by law and (ii) delivery of the Bondholder’s Certificate (together with any necessary endorsements) to any Paying Agent on any business day (in the location of the relevant Paying Agent) together with the delivery of any other document(s) required by these Conditions, and will be made promptly following the later of the date set for redemption and the time of delivery of such Certificate. If the Paying Agent holds on the Put Date (as defined below) money sufficient to pay the applicable redemption monies of Bonds for which notices have been delivered in accordance with the provisions hereof upon exercise of such right, then, whether or not such Certificate is delivered to the Paying Agent, on and after such Put Date, (a) such Bond will cease to be outstanding; (b) such Bond will be deemed paid; and (c) all other rights of the Bondholder shall terminate (other than the right to receive the applicable redemption monies). “**Put Date**” shall mean the Relevant Event Put Date or the Delisting Put Date, as applicable.

## **8.7** Non-Permitted Conversion Price Adjustment Event Repurchase Right

To the extent permitted by applicable law, unless the Bonds have been previously redeemed, converted or purchased and cancelled, if the Issuer is unable to provide the Trustee with a Price Adjustment Opinion as set forth in Condition 6.4.1 prior to the occurrence of an event triggering an adjustment to the Conversion Price (a “**Non- Permitted Conversion Price Adjustment Event**”), the Issuer shall, within 10 business days after the occurrence of the relevant event triggering such adjustment, notify the Bondholders and the Trustee of such Non-Permitted Conversion Price Adjustment Event, and each Bondholder shall have the right (the “**Non-**

**Permitted Conversion Price Adjustment Event Repurchase Right**”), at such Bondholder’s option, to require the Issuer to repurchase all (or any portion of the principal amount thereof which is U.S.\$1,000 and any integral multiple thereof) of such Bondholder’s Bonds at a price equal to their Early Redemption Amount (the “**Non-Permitted Conversion Price Adjustment Event Repurchase Price**”), on the date set by the Issuer for such repurchase (the “**Non-Permitted Conversion Price Adjustment Date**”), which shall be not less than 30 days nor more than 60 days following the date on which the Issuer notifies the Bondholders of the Non-Permitted Conversion Price Adjustment.

For the purposes of this Condition 8.7, “**business day**” shall mean a day on which commercial banks are open for business in New York City, London and Mumbai.

## 8.8 ~~Future Equity Issuances~~ [Reserved]

~~The net proceeds of any equity or equity-linked issuance by the Issuer (“**Equity Issuance Proceeds**”) after the satisfaction of the Security Conditions will be utilised by the Issuer (subject to compliance with prevalent RBI regulations or subject to obtaining RBI approval) to make an offer to Bondholders to repurchase all or a part of their Bonds, on a *pro rata* basis, as follows:~~

- ~~8.8.1 if a fresh convertible bond offering or an offering of any other similar unsecured convertible instrument is undertaken by the Issuer at any time during the term of the Bonds, 100% to repurchase the Bonds at the Early Redemption Amount, if approved by the RBI or permitted under the applicable Indian regulations, or, failing which, such price that is lower than the Early Redemption Amount as the RBI may approve;~~
- ~~8.8.2 if a straight equity issuance is undertaken by the Issuer within six to twelve months from the Maturity Date, at least 75% to repurchase the Bonds at the Early Redemption Amount, if approved by the RBI or permitted under the applicable Indian regulations or, failing which, such price that is lower than the Early Redemption Amount as the RBI may approve; and~~
- ~~8.8.3 if a straight equity issuance is undertaken by the Issuer within six months from the Maturity Date, 100% to repurchase the Bonds at the Early Redemption Amount, if approved by the RBI or permitted under the applicable Indian regulations, or, failing which, such price that is lower than the Early Redemption Amount as the RBI may approve.~~

~~The Issuer shall utilise the Equity Issuance Proceeds to make an offer to the Bondholders to repurchase the Bonds on a *pro rata* basis in accordance with the applicable RBI regulations. If required, the Issuer shall seek approval of the RBI to utilise the Equity Issuance Proceeds.~~

~~On receipt of RBI approval to utilise the Equity Issuance Proceeds in the manner provided in this Condition 8.8, the Issuer shall, having given not less than 30 nor more than 60 days’ notice to Bondholders, the Trustee and the Principal Agent (which notice shall be irrevocable), repurchase the Bonds, in accordance with applicable regulations, in whole or in part. Upon the expiry of any such notice, the Issuer will be bound to repurchase the Bonds at the Early Redemption Amount, if approved by the RBI or permitted under the applicable Indian regulations, or, failing which, such price that is lower than the Early Redemption Amount as the RBI may approve.~~

~~The offer to repurchase using the Equity Issuance Proceeds shall be made to all Bondholders and each Bondholder may accept such offer at its option.~~

~~If RBI approval is not obtained or if any Equity Issuance Proceeds remains after the Issuer's offer, the Equity Issuance Proceeds will be pre-approved by the CDR lenders for payment to Bondholders on the Maturity Date.~~

~~Upon receipt of the Equity Issuance Proceeds by the Issuer, they will be placed into an account secured for the benefit of the Bondholders. On the Maturity Date, the Equity Issuance Proceeds will be applied in redeeming the Bonds without the need for procuring CDR lenders' approval.~~

## **8.9 Purchases**

The Issuer or any of its Subsidiaries may, if permitted under the laws of India, at any time and from time to time purchase Bonds at any price in the open market or otherwise. The Issuer or the relevant Subsidiary is required to submit to the Registrar for cancellation any Bonds so purchased. If purchases are made by tender, the tender must be available to all Bondholders alike.

## **8.10 Cancellation**

All Bonds which are redeemed or converted or purchased by the Issuer or any of its Subsidiaries, or are the subject matter of the Deed of Covenant, will forthwith be cancelled. Certificates in respect of all Bonds cancelled will be forwarded to or to the order of the Registrar and such Bonds may not be reissued or resold.

## **8.11 Redemption Notices**

All notices to Bondholders given by or on behalf of the Issuer pursuant to this Condition will be given in accordance with Condition 17, and specify the Conversion Price as at the date of the relevant notice, the closing price of the Shares (as quoted on the BSE) as at the latest practicable date prior to the publication of the notice, the date for redemption, the manner in which redemption will be effected and the aggregate principal amount of the Bonds outstanding as at the latest practicable date prior to the publication of the notice.

No notice of redemption given under Condition ~~8.2 or Condition 8.3~~ shall be effective if it specifies a date for redemption which falls during a Closed Period or within 15 days following the last day of a Closed Period.

## **8.12 Multiple Notices**

If more than one notice of redemption (which shall include any notice given by the Issuer pursuant to Condition 8.2 or Condition 8.3, any Relevant Event Put Exercise Notice or Delisting Put Notice given by a Bondholder pursuant to Condition 8.4 or 8.5 and any relevant notice given by a Bondholder pursuant to Condition 8.7) is given pursuant to this Condition 8, the first of such notices to be given shall prevail.

## **9 Taxation**

### **9.1** All payments of principal, premium (if any) and interest (including default interest (if any)) made in respect of the Bonds by the Issuer will be made free from any restriction or Condition and without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of India or any authority thereof or therein having power to tax, unless deduction or withholding of such taxes, duties, assessments or governmental charges is compelled by law.

- 9.2 Where such withholding or deduction is in respect of Indian withholding tax on premium or interest payments at the rate of up to 10.00% (plus applicable surcharge on such tax payable; ~~education cess and higher and secondary education cess on the income~~such tax and surcharge) the Issuer will increase the amount of ~~premium or~~ interest paid by it to the extent required so that the amount of ~~premium or~~ interest received by Bondholders (without prejudice to Condition 7.3) amounts to the relevant amount of the ~~premium or~~ interest payable pursuant to Condition 5 or 8.
- 9.3 In the event that any such withholding or deduction in respect of principal or any such additional withholding or deduction in excess of 10.00% (plus applicable surcharge on such tax payable; ~~education cess and higher and secondary education cess on the income~~such tax and surcharge) in respect of ~~premium or~~ interest is required, the Issuer will pay such additional amounts by way of principal, premium or interest as will result in the receipt by the Bondholders of the amounts which would otherwise have been receivable in the absence of such withholding or deduction, except that no such additional amount shall be payable in respect of any Bond:
- 9.3.1 to a holder (or to a third party on behalf of a holder) who is subject to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with India otherwise than merely by holding the Bond or by the receipt of amounts in respect of the Bond; or
- 9.3.2 (in the case of a payment of principal or premium) if the Certificate in respect of such Bond is surrendered more than 30 days after the Relevant Date except to the extent that the holder would have been entitled to such additional amount on surrendering the relevant Certificate for payment on the last day of such period of 30 days; or
- ~~9.3.3 where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of November 26 to 27, 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or~~
- ~~9.3.4 presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Bond to another Paying Agent or Conversion Agent in a Member State of the European Union.~~
- 9.4 For the purposes hereof, “**Relevant Date**” means the date on which such payment first becomes due except that if the full amount payable has not been received by the Trustee or the Principal Agent on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Bondholders and cheques despatched or payment made.
- 9.5 References in these Conditions to principal, premium and interest shall be deemed also to refer to any additional amounts which may be payable under this Condition or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed.

The provisions of this Condition 9 shall not apply in respect of any payments of interest which fall due after the relevant Tax Redemption Date in respect of any Bonds which are the subject of a Bondholder election pursuant to Condition 8.3.

## 10 Events of Default

- 10.1 The Trustee at its discretion may, and if so requested in writing by the holders of not less than 25% in principal amount of the Bonds then outstanding or if so directed by an Extraordinary

Resolution shall (subject to being indemnified and/or secured and/or pre-funded by the Bondholders to its satisfaction), give notice to the Issuer that the Bonds are, and they shall accordingly thereby become, immediately due and repayable at their Early Redemption Amount together with accrued interest (if any) to the date of payment (subject as provided below and without prejudice to the right of Bondholders to exercise the Conversion Right in respect of their Bonds in accordance with Condition 6) if any of the following events (each an “**Event of Default**”) has occurred:

**10.1.1** a default is made in the payment of any amounts due in respect of the Bonds and is subsisting for a period of more than seven days;

**10.1.2** failure by the Issuer to (X) deliver the Shares as and when such Shares are required to be delivered following conversion of a Bond; including (following fulfilment of the Conditions Precedent) on Mandatory Conversion; or (Y) issue the New Bonds as and when such New Bonds are required to be issued in accordance with the terms of the Consent Solicitation and Information Memorandum. For the avoidance of doubt, (A) in case of the Mandatory Conversion, the Issuer will only be liable to deliver the Shares to such Bondholders who have (i) elected (or are deemed to have elected) Option A in accordance with Condition 8.2, and (ii) provided the Account Holder Instructions to the Conversion Agent prior to the Notification Date; and (B) in the case of (Y) above, the Issuer will only be liable to issue the New Bonds to such Bondholders who have elected Option B in accordance with Condition 8.2.

**10.1.3** failure by the Issuer to perform or comply with one or more of its other obligations in the Bonds or the Trust Deed which default is incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not in the opinion of the Trustee remedied within 15 days after written notice of such default shall have been given to the Issuer by the Trustee.

**10.1.4** [reserved]

**10.1.5** [reserved]

~~**10.1.4** failure to implement the springing Second Lien within 90 days once the Security Conditions have been satisfied, subject to regulatory approvals;~~

~~**10.1.5** any security, once created, ceases to be in full force and effect or does not create the security which it purports to create with the ranking and priority it is expressed to have;~~

**10.1.6** occurrence of an event of default in respect of making required payments when due or, as the case may be, within any applicable grace period in respect of any present or future indebtedness for or in respect of monies borrowed or raised by the Issuer or any of its Material Subsidiaries, and if such default is subsisting for a period of more than 30 days, or acceleration on obligations, in an aggregate amount greater than U.S.\$25,000,000;

**10.1.7** other than pursuant to the ~~ongoing CDR Scheme, or in accordance with the terms of an agreement with its senior lenders prior to the Closing Date (or any future amendment to the CDR Scheme or such agreement with its senior lenders)~~Debt Resolution Plan, any resolution plans (the "Additional Resolution Plans") entered into by each of SWECO, Seventus and SEFL or the Second Supplemental Trust Deed, the Issuer or any Material Subsidiary is (or is, or could be, declared by a court to be) insolvent or bankrupt or ~~unable to pay its debts, stops, suspends or threatens to stop or suspend,~~

~~payment of all or a material part of (or a particular type of) its debts,~~ proposes or makes an agreement for the deferral, rescheduling or other readjustment of all of (or a particular type of) its debts (or of any part which it will or might otherwise be unable to pay), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer or any of its Material Subsidiaries;

**10.1.8** legal process is levied and an adverse order is passed and enforced against a material part of the property, assets or revenues of the Issuer or any Material Subsidiary and such process has not been stayed within a period of 45 days;

**10.1.9** (i) an order for winding up, dissolution, judicial management or administration has been passed in respect of the Issuer or any Material Subsidiary and no appeal against such order has been filed by the Issuer or the Material Subsidiary, as the case may be, within a period of 60 days from the date of the order; or (ii) insolvency proceedings against the Issuer or any Material Subsidiary have commenced and an official liquidator or resolution professional is appointed as a result thereof by the appropriate regulatory or judicial authority;

**10.1.10** an encumbrancer takes possession or an administrative or other receiver or an administrator is appointed of the whole or a material part of the property, assets or revenues of the Issuer or any of its Subsidiaries (as the case may be) and is not discharged within 90 days;

**10.1.11** it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Bonds or the Trust Deed;

**10.1.12** any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer or any of its Subsidiaries; or

**10.1.13** any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs-~~1~~

provided that, none of the Debt Resolution Plan, the Additional Resolution Plans or the Bonds Restructuring shall cause, and no events or circumstances resulting directly or indirectly from the approval or implementation of the Debt Resolution Plan, the Additional Resolution Plans or the Bonds Restructuring shall constitute, an Event of Default under these Conditions (save for the failure by the Issuer to, following fulfilment of the Conditions Precedent, deliver the Shares on Mandatory Conversion or issue the New Bonds, as applicable, as provided under Condition 10.1.2).

For the purposes of ~~this Condition 10~~these Conditions:

“Group Lenders” means the lenders to the Issuer and/or its Subsidiaries.

“Debt Resolution Plan” means the resolution plan approved by the Group Lenders in terms of the RBI Stressed Assets Framework, and which includes, among other things, the Bonds Restructuring and the Share Issue.

**“Material Subsidiary”** means:

- (a) any Subsidiary of the Issuer that meets the following two tests, each determined under Indian GAAP:
- (i) whose gross revenues, as shown by the then latest accounts (consolidated where applicable) of such Subsidiary, constitute at least 5% of the consolidated gross revenues of the Issuer, as shown by the then latest consolidated accounts of the Issuer; and
  - (ii) whose gross assets, as shown by the then latest accounts (consolidated where applicable) of such Subsidiary, constitute at least 5% of the total consolidated gross assets of the Issuer, as shown by the then latest consolidated accounts of the Issuer;

provided that:

in the case of a Subsidiary acquired, or a company becoming a Subsidiary, (A) after the end of the financial period to which the latest consolidated accounts of the Issuer relates, the reference to the then latest consolidated accounts of the Issuer for the purposes of the calculation above shall, until consolidated accounts of the issuer for the financial period in which the acquisition is made or, as the case may be, in which the relevant company becomes a Subsidiary are published, be deemed to be a reference to the then latest consolidated accounts of the Issuer adjusted (on a pro forma basis if required) to consolidate the latest accounts of all such subsequently acquired Subsidiaries in such accounts; or (B) prior to the end of the financial period to which the latest consolidated accounts of the Issuer relates, the reference to the then latest consolidated accounts of the Issuer for the purposes of the calculation above shall be deemed to be a reference to the then latest consolidated accounts of the Issuer adjusted (on a pro forma basis if required) to consolidate the latest accounts of all such acquired Subsidiaries in such accounts as if such companies had been Subsidiaries for the whole of the financial period to which the latest consolidated accounts of the Issuer relates; or

- (b) any Subsidiary of the Issuer to which is transferred all or substantially all of the assets of a Subsidiary which immediately prior to such transfer was a Material Subsidiary, provided that the Material Subsidiary which so transfers its assets shall forthwith upon such transfer cease to be a Material Subsidiary.

[“RBI Stressed Assets Framework” means the Reserve Bank of India \(Prudential Framework for Resolution of Stressed Assets\) Directions 2019 issued by the Reserve Bank of India on 7 June 2019 through its circular with reference RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19, and shall include any circulars, notifications, directions or orders issued in this regard by the Reserve Bank of India.](#)

[SWECO means Suzlon Wind Energy Corporation.](#)

[Seventus means Seventus LLC.](#)

[SEFL means SE Forge Limited.](#)

[“Share Issue” means the issuance by the Issuer of Shares or other instruments convertible into or exchangeable for Shares by way of preferential allotment or otherwise pursuant to the Debt Resolution Plan.](#)

**10.2** Notwithstanding receipt of any payment after the acceleration of the Bonds, a Bondholder may exercise its Conversion Right by depositing a Conversion Notice with a Conversion Agent or Paying Agent during the period from and including the date of a default notice with respect to an event specified in Condition 10.1.2 (at which time the Issuer will notify the Bondholders of the number of Shares per Bond to be delivered upon conversion, assuming all the then outstanding Bonds are converted) to and including the 30th business day after such payment.

If any converting Bondholder deposits a Conversion Notice pursuant to this Condition 10 in the business day prior to, or during, a Closed Period, the Bondholder's Conversion Right shall continue until the business day following the last day of the Closed Period, which shall be deemed the Conversion Date, for the purposes of such Bondholder's exercise of its Conversion Right pursuant to this Condition 10.

If the Conversion Right attached to any Bond is exercised pursuant to this Condition 10, the Issuer will deliver Shares (which number will be disclosed to such Bondholder as soon as practicable after the Conversion Notice is given) in accordance with the Conditions, except that the Issuer shall have 10 business days (as defined in Condition 7.6) before it is required to register the converting Bondholder (or its designee) in its register of members as the owner of the number of Shares to be delivered pursuant to this Condition and an additional five business days (as defined in Condition 7.6) from such registration date to make payment in accordance with the following paragraph.

If the Conversion Right attached to any Bond is exercised pursuant to this Condition 10, the Issuer shall, at the request of the converting Bondholder subject to regulatory approval, pay to such Bondholder an amount in United States dollars (converted from Rupees at the Prevailing Rate) (the "**Default Cure Amount**"), equal to the product of (x) (i) the number of Shares that are required to be delivered by the Issuer to satisfy the Conversion Right in relation to such converting Bondholder minus (ii) the number of Shares that are actually delivered by the Issuer pursuant to such Bondholders' Conversion Notice and (y) the Closing Price of the Shares on the Conversion Date; provided that if such Bondholder has received any payment under the Bonds pursuant to this Condition 10, the amount of such payment shall be deducted from the Default Cure Amount.

The "**Prevailing Rate**" shall be the arithmetic average of the spot rates for the purchase of U.S. dollars with Rupees quoted by the State Bank of India on each of the relevant Trading Days or if such rate is not available on such Trading Day, such rate prevailing on the immediately preceding day on which such rate is so available.

The "**Share Price**" means the Closing Price of the Shares on the Conversion Date.

## **11 Consolidation, amalgamation or merger**

The Issuer will not consolidate with, merge or amalgamate into or transfer its assets substantially as an entirety to any corporation or convey or transfer its properties and assets substantially as an entirety to any person (the consummation of any such event, a "**Merger**"), unless:

- (i) the corporation formed by such Merger or the person that acquired such properties and assets shall expressly assume, by a supplemental trust deed, all obligations of the Issuer under the Trust Deed, the Agency Agreement and the Bonds and the performance of every covenant and agreement applicable to it contained therein and to ensure that the holder of each Bond then outstanding will have the right (during the period when such Bond shall be convertible) to convert such Bond into the class and

amount of shares, cash and other securities and property receivable upon such consolidation, amalgamation, merger, sale or transfer by a holder of the number of Shares which would have become liable to be issued upon conversion of such Bond immediately prior to such consolidation, amalgamation, merger, sale or transfer;

- (ii) immediately after giving effect to any such Merger, no Event of Default shall have occurred or be continuing or would result therefrom; and
- (iii) the corporation formed by such Merger, or the person that acquired such properties and assets, shall expressly agree, among other things, to indemnify each holder of a Bond against any tax, assessment or governmental charge payable by withholding or deduction thereafter imposed on such holder solely as a consequence of such Merger with respect to the payment of principal and interest on the Bonds.

Provided that, none of any merger or amalgamation or a transfer of assets or properties of the Issuer to any corporation or any other person upon a direction of the Issuer's lenders as a result of the Debt Resolution Plan, shall constitute a "Merger" under this Condition 11.

## **12 Prescription**

Claims in respect of amounts due in respect of the Bonds will become prescribed unless made within 10 years (in the case of principal and premium (if any)) and five years (in the case of interest) from the relevant date for payment. Neither the Trustee nor the Agents will be responsible or liable for any amounts so prescribed.

## **13 Enforcement**

At any time after the Bonds have become due and repayable, the Trustee may, at its discretion and without further notice, take such proceedings against the Issuer as it may think fit to enforce repayment of the Bonds and to enforce the provisions of the Trust Deed, but it will not be bound to take any such proceedings unless (i) it shall have been so requested in writing by the holders of not less than 25% in principal amount of the Bonds then outstanding or shall have been so directed by an Extraordinary Resolution of the Bondholders and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Bondholder will be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing.

## **14 Meetings of Bondholders, modification, waiver and substitution**

### **14.1 Meetings**

The Trust Deed contains provisions for convening meetings of Bondholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Bonds or the provisions of the Trust Deed. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing in the aggregate over 50% in principal amount of the Bonds for the time being outstanding or, at any adjourned such meeting, two or more persons being or representing Bondholders whatever the principal amount of the Bonds so held or represented unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the due date for any payment in respect of the Bonds, (ii) to reduce or cancel the amount of principal, premium or interest (including default interest) payable in respect of the Bonds (including the Early Redemption Amount or method of calculation thereof), (iii) to change the currency of payment of the Bonds, (iv) to modify or cancel the Conversion Rights or the put options specified in Condition 8, or (v) to modify the provisions concerning the quorum required at any meeting of the Bondholders or

the majority required to pass an Extraordinary Resolution, in which case the necessary quorum for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 75%, or at any adjourned such meeting not less than 25%, in principal amount of the Bonds for the time being outstanding. An Extraordinary Resolution passed at any meeting of Bondholders will be binding on all Bondholders, whether or not they are present at the meeting. The Trust Deed provides that a written resolution signed by or on behalf of the holders of not less than 90% of the aggregate principal amount of Bonds outstanding shall be as valid and effective as a duly passed Extraordinary Resolution.

#### **14.2 Modification and Waiver**

The Trustee may agree, without the consent of the Bondholders, to (i) any modification (except as mentioned in Condition 14.1 above) to, or the waiver or authorisation of any breach or proposed breach of, the Bonds, the Agency Agreement or the Trust Deed which is not, in the opinion of the Trustee, materially prejudicial to the interests of the Bondholders or (ii) any modification to the Bonds or the Trust Deed which, in the Trustee's opinion, is of a formal, minor or technical nature or to correct a manifest error or to comply with mandatory provisions of law. Any such modification, waiver or authorisation will be binding on the Bondholders and, unless the Trustee agrees otherwise, any such modifications will be notified by the Issuer to the Bondholders as soon as practicable thereafter.

#### **14.3 Substitution**

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Bondholders, to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Bonds. In the case of such a substitution the Trustee may agree, without the consent of the Bondholders, to a change of the law governing the Bonds and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Bondholders. In such event, the Issuer shall give notice to Bondholders in accordance with Condition 17.

#### **14.4 Interests of Bondholders**

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification, authorisation, waiver or substitution) the Trustee shall have regard to the interests of the Bondholders as a class and shall not have regard to the consequences of such exercise for individual Bondholders and the Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer or the Trustee, any indemnification or payment in respect of any tax consequences of any such exercise upon individual Bondholders except to the extent provided for in Condition 9 and/or any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.

#### **14.5 Certificates/Reports**

Any certificate or report of any expert or other person called for by or provided to the Trustee (whether or not addressed to the Trustee) in accordance with or for the purposes of these Conditions or the Trust Deed may be relied upon by the Trustee as sufficient evidence of the facts therein (and shall, in absence of manifest error, in the Trustee's opinion, be conclusive and binding on all parties) notwithstanding that such certificate or report and/or engagement letter or other document entered into by the Trustee and/or the Issuer in connection therewith contains a monetary or other limit on the liability of the relevant expert or person in respect

thereof. The Trustee shall not be responsible for any loss occasioned by acting on or refraining from acting in reliance on such certificate or report.

## 15 Replacement of Certificates

If any Certificate is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the specified office of the Registrar or any Agent upon payment by the claimant of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer and such Agent may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

## 16 Further issues

The Issuer may from time to time without the consent of the Bondholders create and issue further securities either having the same terms and conditions as the Bonds in all respects except for the first payment of interest on them and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Bonds) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Bonds include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Bonds. Any further securities forming a single series with the outstanding securities of any series (including the Bonds) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the written consent of the Trustee), be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Bondholders and the holders of securities of other series where the Trustee so decides.

## 17 Notices

All notices to Bondholders shall be validly given if mailed to them at the Issuer's expense at their respective addresses in the register of Bondholders maintained by the Registrar or published at the Issuer's expense in a leading newspaper having general circulation in Asia (which is expected to be the Asian Wall Street Journal). Such notices shall be deemed to have been given on the later of the date of such publications. Any such notice shall be deemed to have been given on the later of the date of such publication and the seventh day after being so mailed, as the case may be.

*So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream, Luxembourg or the Alternative Clearing System (as defined in the form of the Global Certificate), notices to Bondholders shall be given by delivery of the relevant notice to Euroclear or Clearstream, Luxembourg or the Alternative Clearing System, for communication by it to entitled accountholders in substitution for notification as required by the Conditions. Any such notice shall be deemed to have been given to the holders of the Bonds on the second day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.*

## 18 Agents

The names of the initial Agents and the Registrar and their specified offices are set out below. The Issuer reserves the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of any Agent or the Registrar and to appoint additional or other Agents or a replacement Registrar. The Issuer will at all times maintain (i) a Principal Agent, (ii) a Registrar outside the United Kingdom, and (iii) an Agent having a specified office

in Singapore where the Bonds may be presented or surrendered for payment or redemption, so long as the Bonds are listed on the Singapore Stock Exchange and the rules of that exchange so require (and such agent in Singapore shall be a Paying, Transfer and Conversion Agent and shall be referred to in these Conditions as the “**Singapore Agent**”) ~~and (iv) a Paying Agent and Conversion Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any law implementing the Savings Directive (2003/48/EC) or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000.~~ Notice of any such termination or appointment, of any changes in the specified offices of any Agent or the Registrar and of any change in the identity of the Registrar or the Principal Agent will be given promptly by the Issuer to the Bondholders in accordance with Condition 17 and in any event not less than 45 days’ notice will be given.

## **19 Indemnification**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment unless indemnified and/or secured and/or pre-funded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer without accounting for any profit.

## **20 Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of this Bond under the Contracts (Rights of Third Parties) Act 1999.

## **21 Governing law**

The Bonds, the Trust Deed and the Agency Agreement and any non-contractual obligations arising out of or in connection with them, are governed by, and shall be construed in accordance with, the laws of England. In relation to any legal action or proceedings arising out of or in connection with the Trust Deed or the Bonds, the Issuer has in the Trust Deed irrevocably submitted to the courts of England and in relation thereto has [\(pursuant to the Second Supplemental Trust Deed\)](#) appointed ~~Suzlon Wind Energy Law Debenture Corporate Services Limited, now at Global House, 5A Sandy's Row at Fifth Floor, 100 Wood Street, London E14 2V7HW, United Kingdom~~ [EX](#) as its agent for service of process in England. Nothing shall affect the right to serve process in any other manner permitted by law.

**SCHEDULE 1**  
**PART 1 - CONDITIONS PRECEDENT**

The Bondholders' Resolution approving the Bonds Restructuring and each of (i) (solely in relation to Option A) the occurrence of the Mandatory Conversion Record Date; and (ii) (solely in relation to Option B) the occurrence of the Bond Exchange Date, is conditional on, and subject to, the satisfaction of the conditions precedent set out below on or prior to the Cut-off Date (the "**Conditions Precedent**"):

- (a) The approval (the "**RBI Approval**") of the Reserve Bank of India (the "**RBI**") to implement the Bonds Restructuring (including the Mandatory Conversion and the Bond Exchange), pursuant to an application to be submitted to the RBI by the Issuer, which must have been received by the Issuer on or before the Cut-off Date;
- (b) The Issuer must have obtained all approvals that are necessary to implement the Bonds Restructuring (including the Mandatory Conversion and the Bond Exchange) from all other applicable legal and regulatory authorities in India including, but not limited to, the Indian Exchanges;
- (c) Approvals from the Issuer's board of directors and the Issuer's shareholders that are necessary to implement the Bonds Restructuring (including the Mandatory Conversion and the Bond Exchange);
- (d) The Debt Resolution Plan must have been approved by, and be legally binding upon, the Issuer and the Group Lenders, and the delivery by the Issuer to the Trustee (on behalf of the Bondholders) and the Principal Agent of a certificate appending **any one of the following** (in each case confirming that (A) the Group Lenders have granted their formal sanction to the Debt Resolution Plan in terms of the inter-creditor agreement entered into among the Group Lenders (the "**ICA**"); and (B) subject only to the occurrence of the Restructuring Effective Date, the Debt Resolution Plan shall be implemented by the Group Lenders):
  - (i) one or more letters duly issued by the Group Lenders collectively representing at least 75 per cent. by value (including fund and non-fund based facilities outstanding) as at 30 September 2019 or such other date as is mutually agreed between the Group Lenders and the Issuer (such date, the "**Reconciliation Date**") and 60 per cent. of the Group Lenders; or
  - (ii) a letter from the lead bank of the Group Lenders under the terms of the ICA (the "**Lead Bank**"); or
  - (iii) minutes of one or more meetings of the Group Lenders issued by the Lead Bank (and copied to all the Group Lenders);
- (dd) The Issuer shall have procured the investment of no less than ₹375 crores in the Issuer by way of a subscription for Shares or instruments convertible into, or exchangeable for, Shares;
- (e) The Issuer having paid such fee amounts as have been mutually agreed between it and Houlihan Lokey (Singapore) Private Limited ("**HLSPL**") in relation to the engagement of HLSPL pursuant to an engagement letter dated 15 February 2019;
- (f) The Issuer having paid such fee amounts as have been mutually agreed between it and Kirkland & Ellis LLP ("**K&E**") pursuant to an engagement letter to be executed by the Issuer and K&E; and

(g) The Issuer having paid such outstanding fees, costs and expenses of the Trustee as due under the terms of the Trust Deed and arising in connection with the execution of the Second Supplemental Trust Deed and implementation of the Bonds Restructuring.

## **PART 2 – DEFINITIONS**

In this Schedule 1:

“**business day**” refers to a day other than a Saturday or Sunday on which commercial banks are open for business in New York City, Mumbai and London.

### PART 3 – FORM OF ACCOUNT HOLDER NOTIFICATION

[On the letterhead of the Issuer]

To: **The Bank of New York Mellon, London Branch**  
One Canada Square  
London E14 5AL  
United Kingdom

(in its capacity as the Trustee)

**The Bank of New York Mellon, London Branch**  
One Canada Square  
London E14 5AL  
United Kingdom

(in its capacity as the Principal Agent and Conversion Agent)

[Date]

Dear Ladies and Gentlemen,

**Suzlon Energy Limited (the “Issuer”)**

**Consent Solicitation in respect of the U.S.\$546,916,000 Step Up Convertible Bonds due 2019 issued by the Issuer (ISIN: XS1081332527 and XS1081332873)**

This certificate is delivered to you in accordance with the Bondholders’ Extraordinary Resolution dated [●] 2020 (the “**Bondholders’ Resolution**”) and the notice of meeting dated 13 March 2020 as supplemented by the Consent Solicitation and Information Memorandum (the “**Notice**”). All words and expressions defined in the Notice and the Bondholders’ Resolution shall (save as otherwise provided herein or unless the context otherwise requires) have the same meanings herein.

This is the Account Holder Notification to be provided by the Issuer in accordance with Condition 8.2A. The Notification Date shall occur on [●] 2020.

Each holder of the Bonds must send the account holder instruction (the “**Account Holder Instruction**”) (as an electronic SWIFT message through the relevant clearing system(s)) to the Conversion Agent or the Principal Agent by the Notification Date in accordance with this Account Holder Notification. The Account Holder Instruction shall include the information set out below:

- (i) the name, address, telephone number and the fax number of the Bondholder or its nominee to be registered in the record of the depositors, maintained by the depository registered under the 1996 Depositories Act with whom the Issuer has entered into a depository agreement;
- (ii) the total principal amount, total number of Bonds, identifying number of Bonds to be converted (if relevant), the identifying number of certificates deposited in respect of the Bonds to be converted (if relevant);
- (iii) the name(s) and address of the person(s) in whose name(s) the Shares required to be delivered on conversion of the Bonds are to be registered; and

(iv) details of the securities account of the Bondholder to be credited with the Shares, including the name of client (the converting Bondholder who has an account with the depository participant) and the client ID number, account name/the name of the participant, participant ID, permanent account number (PAN), the account number, the broker account name with the Indian depository, the client account number with his/her broker and the telephone or fax number.

For and on behalf of

**SUZLON ENERGY LIMITED**

\_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

**PART 4 – FORM OF MANDATORY CONVERSION NOTICE**

[On the letterhead of the Issuer]

To: **The Bank of New York Mellon, London Branch**  
One Canada Square  
London E14 5AL  
United Kingdom

(in its capacity as the Trustee)

**The Bank of New York Mellon, London Branch**  
One Canada Square  
London E14 5AL  
United Kingdom

(in its capacity as the Principal Agent and Conversion Agent)

[Date]

Dear Ladies and Gentlemen,

**Suzlon Energy Limited (the “Issuer”)**

**Consent Solicitation in respect of the U.S.\$546,916,000 Step Up Convertible Bonds due 2019 issued by the Issuer (ISIN: XS1081332527 and XS1081332873)**

This certificate is delivered to you in accordance with the Bondholders’ Extraordinary Resolution dated [●] 2020 (the “**Bondholders’ Resolution**”) and the notice of meeting dated 13 March 2020 as supplemented by the Consent Solicitation and Information Memorandum (the “**Notice**”). All words and expressions defined in the Notice and the Bondholders’ Resolution shall (save as otherwise provided herein or unless the context otherwise requires) have the same meanings herein.

This is the Mandatory Conversion Notice to be provided by the Issuer in accordance with Condition 8.2A.

The Issuer hereby confirms and represents that, as at the date of this Mandatory Conversion Notice, all Conditions Precedent (as defined in and as set out in Part 1 of Schedule 1 to the amended terms and conditions of the Bonds) have been satisfied.

The Mandatory Conversion Record Date shall occur on [●] 2020.

The Mandatory Conversion Price shall be [●].

The Mandatory Conversion Exchange Rate shall be [●].

For and on behalf of

**SUZLON ENERGY LIMITED**

By:

Title:

<b>Summary report:</b>	
<b>Changes:</b>	
<u>Add</u>	244
<del>Delete</del>	117
<del>Move From</del>	0
<u>Move To</u>	0
<u>Table Insert</u>	2
<del>Table Delete</del>	1
<u>Table moves to</u>	0
<del>Table moves from</del>	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
<b>Total Changes:</b>	<b>364</b>

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**Tabulation and Exchange Agent**  
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(44 (0) 1202 689644)

**Principal Agent and Paying Agent**  
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Strictly Confidential

**NOT FOR DISTRIBUTION TO ANY PERSON RESIDENT OR LOCATED IN THE REPUBLIC OF INDIA OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES.**

**IMPORTANT: If you are not an intended recipient, please delete this electronic transmission from your system immediately. You must read the following disclaimer before continuing.** The following disclaimer applies to the Consent Solicitation and Information Memorandum dated 26 March 2020 following this disclaimer page (the “**Consent Solicitation and Information Memorandum**”) and you are therefore advised to read this disclaimer page carefully before accessing, reading or making any other use of the Consent Solicitation and Information Memorandum (as well as any documents incorporated by reference in this Consent Solicitation and Information Memorandum). In accessing the Consent Solicitation and Information Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from The Bank of New York Mellon, London Branch as the tabulation and exchange agent (the “**Tabulation and Exchange Agent**”) as a result of such acceptance.

**NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF, AN OFFER TO BUY, OR A SOLICITATION OF AN OFFER TO SELL, SECURITIES IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. ACCESS HAS BEEN LIMITED SO THAT IT SHALL NOT CONSTITUTE DIRECTED SELLING EFFORTS (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT) IN THE UNITED STATES OR ELSEWHERE. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO THE FOREGOING RESTRICTIONS, YOU WILL BE UNABLE TO RECEIVE ANY OF THE SECURITIES DESCRIBED THEREIN. THE CONSENT SOLICITATION AND INFORMATION MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY PERSON IN THE UNITED STATES OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE CONSENT SOLICITATION AND INFORMATION MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.**

- Confirmation of your representation:** You have been sent the Consent Solicitation and Information Memorandum at your request and on the basis that:
- (a) you are a holder or a beneficial owner of U.S.\$546,916,000 Step Up Convertible Bonds due 2019 issued on 15 July 2014 (the “**Existing Bonds**”) by Suzlon Energy Limited (the “**Company**”);
  - (b) you are a person to whom it is lawful to send the Consent Solicitation and Information Memorandum or make an invitation to participate in the Proposed Exchange Offer (each as defined in the Consent Solicitation and Information Memorandum), as the case may be, under applicable laws, and are an Existing Bondholder (as defined herein) who is not within the United States (within the meaning of Regulation S under the Securities Act); and
  - (c) you consent to delivery of the Consent Solicitation and Information Memorandum by electronic transmission to you.

The Consent Solicitation and Information Memorandum has been sent to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Company, the Tabulation and Exchange Agent, The Bank of New York Mellon, London Branch, as trustee for the Existing Bonds, The Bank of New York Mellon, London Branch as trustee for the New Bonds or any person who controls, or any director, officer, employee, agent or affiliate of, any such person accepts any liability or responsibility whatsoever in respect of any difference between the Consent Solicitation and Information Memorandum distributed to you in electronic form and any hard copy version.

In accordance with the provisions of applicable Indian regulations, only investors that are residents of Financial Action Task Force (“**FATF**”) or International Organization of Securities Commission’s (“**IOSCO**”) compliant jurisdictions and Multilateral and Regional Financial Institutions where India is a member country are eligible to purchase the New Bonds (defined below) issued by the Issuer. By accessing this Consent Solicitation and Information Memorandum you shall be deemed to have represented to us that you are a resident of a FATF or an IOSCO compliant jurisdiction. This Consent Solicitation and Information Memorandum has not been and will not be filed, produced or published as an offer document (whether a prospectus in respect of a public offer or an information memorandum or private placement offer cum application letter or other offering material in respect of any private placement under the Companies Act, 2013, or rules framed thereunder, each as amended, or any other applicable Indian laws) with any Registrar of Companies in India (“**RoC**”) or the Securities and Exchange Board of India (“**SEBI**”) or the Reserve Bank of India (“**RBI**”) or any other statutory or regulatory body of like nature in India, save and except for any information from any part of this Consent Solicitation and Information Memorandum which is (i) mandatorily required to be disclosed or filed in India under any applicable Indian laws, including, but not limited to, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, as amended, and under the listing agreement with any Indian stock exchange pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, or (ii) pursuant to the sanction of any regulatory and adjudicatory body in India.

You are otherwise reminded that the Consent Solicitation and Information Memorandum has been sent to you on the basis that you are a person into whose possession the Consent Solicitation and Information Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are resident and/or located and you may not, nor are you authorised to, deliver the Consent Solicitation and Information Memorandum to any other person. If this is not the case or if you do not agree to the terms contained in this notice, you must delete the electronic transmission in which the Consent Solicitation and Information Memorandum is attached and destroy any printed copies of the Consent Solicitation and Information Memorandum. If you have recently sold or otherwise transferred your entire holding(s) of the Existing Bonds, you should immediately forward the Consent Solicitation and Information Memorandum to the purchaser, transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee, but if and only if you are permitted to do so by applicable law, and subject to the restrictions set out in this section. Save for the above, the Consent Solicitation and Information Memorandum should not be distributed, published or reproduced (in whole or in part) or disclosed to any other persons and is, and its contents are, confidential.

**Restrictions: Nothing in this electronic transmission constitutes an offer of, an offer to buy, or a solicitation of an offer to sell, securities.**

**The distribution of the Consent Solicitation and Information Memorandum in certain jurisdictions may be restricted by law. This Consent Solicitation and Information Memorandum is not intended to be distributed in the United States (within the meaning of Regulation S under the Securities Act). Persons into whose possession the Consent Solicitation and Information Memorandum comes are required by the Company to inform themselves about, and to observe, any such restrictions.**

**This Consent Solicitation and Information Memorandum (as well as any documents incorporated by reference in this Consent Solicitation and Information Memorandum) contains important information that should be read carefully before any decision is taken with respect to the Consent Solicitation (as defined herein) and/or the Proposed Exchange Offer (as defined herein). If any holder of the Existing Bonds is in any**

doubt as to the action it should take, it is recommended to seek its own financial advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Any individual or company whose Existing Bonds are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to participate in the Consent Solicitation.

**You are responsible for protecting against viruses and other destructive items:** Your receipt of this electronic transmission is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

**Consent Solicitation and Information Memorandum dated 26 March 2020**

**NOT FOR DISTRIBUTION TO ANY PERSON RESIDENT OR LOCATED IN THE REPUBLIC OF INDIA OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES.**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

This Consent Solicitation and Information Memorandum (as well as any documents incorporated by reference in this Consent Solicitation and Information Memorandum) contains important information that should be read carefully before any decision is made to participate in the Consent Solicitation (as defined herein). If Existing Bondholders are in any doubt as to the action they should take, they are recommended to seek their own financial advice, including in respect of any tax consequences, immediately from their stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

The Proposed Exchange Offer is not being made to Existing Bondholders (as defined herein) in any jurisdiction in which the making of the Proposed Exchange Offer would not be in compliance with the laws or regulations of such jurisdiction. No action has been or will be taken in any jurisdiction in relation to the Consent Solicitation or the Proposed Exchange Offer that would permit a public offering of securities. However, Suzlon Energy Limited (the “**Company**” or the “**Issuer**”, as the context may require) may, in its sole discretion, take such actions as it may deem necessary to extend the Proposed Exchange Offer to persons in any such jurisdiction.

The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or with any securities regulatory authority of any state or other jurisdiction of the United States. Subject to certain exceptions, the securities referred to herein may not be offered, sold, pledged or otherwise transferred within the United States (within the meaning of Regulation S under the Securities Act (“**Regulation S**”)) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. This document is not intended to be distributed in the United States (within the meaning of Regulation S). Accordingly, the securities referred to herein are being offered only to Existing Bondholders outside the United States (within the meaning of Regulation S) in offshore transactions that comply with Regulation S. There will be no public offer of securities described herein in the United States. **The New Bonds may not be offered or placed directly or indirectly in India or to, or for the account or benefit of, any resident of India. See “Notice to Bondholders” in this Consent Solicitation and Information Memorandum.**

Nothing in this Consent Solicitation and Information Memorandum constitutes an offer of, an offer to buy, or a solicitation of an offer to sell, securities. The distribution of this Consent Solicitation and Information Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this Consent Solicitation and Information Memorandum comes are required by the Company to inform themselves about, and to observe, any such restrictions. Any individual or company whose Existing Bonds are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if they wish to accept the Consent Solicitation or participate in the Proposed Exchange Offer. None of the Company, the Trustee, the Tabulation and Exchange Agent or the Principal Agent (as defined herein) (or their respective directors, employees or affiliates) makes any recommendation as to whether or not Existing Bondholders should vote in favour of all or any of the Extraordinary Resolution (as defined herein).

**SUZLON ENERGY LIMITED**

*(incorporated in the Republic of India with limited liability under the Indian Companies Act, 1956 with Corporate Identity Number L40100GJ1995PLC025447.)*

**CONSENT SOLICITATION FOR THE EXTRAORDINARY RESOLUTION TO THE HOLDERS (THE “EXISTING BONDHOLDERS”) OF U.S.\$546,916,000 STEP UP CONVERTIBLE BONDS DUE 2019 ISSUED ON 15 JULY 2014 (ISIN: XS1081332527 and XS1081332873) (THE “EXISTING BONDS”) (THE “CONSENT SOLICITATION”)**

The Trustee has not been involved in the formulation of the Proposal outlined in this Consent Solicitation and Information Memorandum and the Trustee expresses no opinion on the merits of the Proposal or the Extraordinary Resolution. The Trustee has, however, authorised it to be stated that it has no objection to the Extraordinary Resolution being submitted to Existing Bondholders for their consideration. Existing Bondholders who are unsure of the impact of the Proposal and the Extraordinary Resolution should take their own independent financial, legal and tax advice on the merits and on the consequences of voting in favour of or against the Extraordinary Resolution. The Trustee is not responsible for the accuracy, completeness, validity or correctness of the statements made in the Consent Solicitation and Information Memorandum or omissions therefrom.

The Company is soliciting consent from the Existing Bondholders to, among other things:

- (i) approve and give effect to certain amendments (the restructuring pursuant to such amendments, the “**Bonds Restructuring**”) to the Trust Deed and the terms and conditions of the Existing Bonds set out in Part 3 of Schedule 2 to the Trust Deed and in Annexure II hereto (the “**Existing Bonds’ Conditions**”) with such Existing Bonds’ Conditions, after incorporating the amendments relating to the Bonds Restructuring, being substantially in the form set out in Annexure IIA hereto (the “**Amended Conditions**”);
- (ii) elect either of the following options (in accordance with the Amended Conditions):
  - (A) “**Option A**”: substitute each U.S.\$1,000 in principal amount of their outstanding Existing Bonds (in whole, but not in part) for Option A Shares (as defined below) at the Mandatory Conversion Price (as defined below); **OR**
  - (B) “**Option B**”: substitute each U.S.\$1,000 in principal amount of their outstanding Existing Bonds (in whole, but not in part), along with any accrued but unpaid interest on the outstanding principal amount thereof in respect of the period up to (but not including) the Bond Exchange Date (as defined below), with new U.S.\$ denominated Convertible Bonds due 2032 to be issued by the Issuer (the “**New Bonds**”) with a face value of U.S.\$320 (the “**Bond Exchange**”),

provided that if, and to the extent, any Existing Bondholder fails to make the aforesaid election, it shall be deemed to have elected in favour of Option A subject to, and in accordance with, the Amended Conditions; and

- (iii) waive all Existing Defaults (as defined hereinafter) that have occurred, or that may occur, under the Trust Deed and the Existing Bonds’ Conditions arising from, or as a result of, (a) the Issuer’s failure to make payments in respect of the Existing Bonds, and (b) the approval or implementation of the Debt Resolution Plan (as defined below) or the Bond Restructuring (the “**Proposed Waivers**”),

(the proposals set out above, taken together, the “**Proposal**” and such offer, the “**Proposed Exchange Offer**”).

The Proposed Exchange Offer will be effected by the Clearing Systems (as defined herein) in accordance with their procedures across all outstanding Existing Bonds.

The Company is soliciting from the Existing Bondholders, on the terms and subject to the conditions set forth in this Consent Solicitation and Information Memorandum, votes in favour of, or valid and affirmative instructions to authorise The Bank of New York Mellon, London Branch, in its capacity as the principal agent in respect of the Existing Bonds (the “**Principal Agent**”) to attend the Bondholder Meeting (as defined herein) as proxy for such Existing Bondholders and vote in favour of the extraordinary resolution (the “**Extraordinary Resolution**” or the “**Bondholders’ Resolution**”) put to the Bondholder Meeting in relation to the Proposal and the Proposed Exchange Offer.

**In light of the ongoing developments in relation to Coronavirus (COVID-19), it may become impossible or inadvisable to hold the Bondholder Meeting at the offices of Allen & Overy LLP. In that event, the Issuer and the Trustee may prescribe further or alternative regulations regarding the holding of the Bondholder Meeting, which may include holding the Bondholder Meeting by audio or video conference call. In such circumstances, those Existing Bondholders who have indicated that they wish to attend the Bondholder meeting in person will be provided with further details about attending the Bondholder Meeting.**

**At present, no short term travel to Singapore is possible. Additionally, there can be no assurance that Existing Bondholders that are already based in Singapore will be able to attend a physical Bondholder Meeting owing to current and future restrictions that may be imposed by government bodies or otherwise adopted for safety reasons.**

Accordingly, Existing Bondholders are very strongly urged to cast their votes electronically through the Clearing Systems to appoint a proxy to attend and vote at the Bondholder Meeting on their behalf.

If the Proposal is effected, any or all of the Proposed Exchange Offer and Proposed Waivers will be binding on all Existing Bondholders, whether or not those Existing Bondholders attended or were otherwise represented at the Bondholder Meeting and, if they attended or were represented at the Bondholder Meeting, whether they voted in favour of or against the Extraordinary Resolution. This possibility accordingly represents a risk to the Existing Bondholders who choose not to participate in the Consent Solicitation.

As at 26 March 2020, the principal amount outstanding under the Existing Bonds was **U.S.\$172,002,000**.

#### **Proposed Exchange Offer – Option A - Mandatory Conversion**

*The following shall apply if, and to the extent, Option A is elected or is deemed to have been elected by the relevant Existing Bondholder(s) (with all provisions relating to Option A in this Consent Solicitation and Information Memorandum being limited solely to the Existing Bonds that are registered in the name of such Existing Bondholder(s) and all references to “Existing Bonds”, “Existing Bondholders” and “Existing holders” being construed as references to such Existing Bonds and Existing Bondholders only).*

The Amended Conditions provide that the Issuer shall, subject to receipt by the Conversion Agent of Account Holder Instructions (as defined below), convert the entire principal amount of the Existing Bonds outstanding into Option A Shares in accordance with Condition 8.2A (the “**Mandatory Conversion**”) on a date specified by the Issuer which is after the Notification Date (as defined below) and on which all of the Conditions Precedent (as defined below) have been fulfilled (the “**Mandatory Conversion Record Date**”) in a written irrevocable notice issued to the Trustee (on behalf of the Existing Bondholders), the Existing Bondholders, the Principal Agent and the Conversion Agent by the Issuer on or prior to the Cut-off Date (as defined below) (the “**Mandatory Conversion Notice**”). Bonds in respect of which Account Holder Instructions have not been received by the Conversion Agent by the business day immediately following the Notification Date shall be cancelled on the Share Completion Date (as defined below) and the holders of such Bonds will receive limited rights under the Deed of Covenant (as defined below) in lieu of the Option A Shares due to them.

The Option A Shares issued upon the Mandatory Conversion of the Existing Bonds will in all respects rank *pari passu* with the Shares in issue on the relevant Mandatory Conversion Record Date (except for any right excluded by mandatory provisions of applicable law) and such Option A Shares shall be entitled to all rights the record date for which falls on or after such Mandatory Conversion Record Date to the same extent as all other fully-paid and non-assessable Shares of the Issuer in issue as if such Option A Shares had been in issue throughout the period to which such rights relate. A holder of Option A Shares issued on

Mandatory Conversion of Existing Bonds shall not be entitled to any rights the record date for which precedes the Mandatory Conversion Record Date.

### ***Mandatory Conversion Price and Mandatory Conversion Exchange Rate***

Subject to the satisfaction of the Conditions Precedent on or before the Cut-off Date, the Mandatory Conversion will occur at a conversion price of ₹6.77 per Option A Share (the “**Mandatory Conversion Price**”). The fixed exchange rate for conversion of U.S. dollars into Indian Rupees for the purposes of the Mandatory Conversion shall be U.S.\$1.00 = ₹60.225 (the “**Mandatory Conversion Exchange Rate**”).

The Issuer proposes to issue, through preferential allotment, Shares in favour of the Promoter Group and the Investor Group (each as defined in this Consent Solicitation and Information Memorandum) aggregating up to Rs. 4,000 million, pursuant to a general meeting of its shareholders proposed to be held on 7 April 2020 or an adjourned or rescheduled such meeting, or other similar corporate action for this purpose (the “**Promoter Preferential Allotment**”).

Notwithstanding anything contained herein, in the event the price per Share at which the Promoter Preferential Allotment takes place (the “**Promoter Preferential Allotment Share Price**”) is:

- (a) Rs. 2.45 or more, no change shall be made to the Mandatory Conversion Price set out in the Amended Conditions; and
- (b) less than Rs. 2.45, the Mandatory Conversion Price set out in the Amended Conditions shall be reduced by Rs. 0.02763 (rounded to the nearest two decimal places) for every reduction of 1 paise in the Promoter Preferential Allotment Share Price below Rs. 2.45.

### ***Account Holder Notification***

On the Bonds Amendment Date (as defined below) the Issuer will issue a written notice to the Trustee (on behalf of the Existing Bondholders), the Existing Bondholders and the Principal Agent and the Conversion Agent substantially in the form set out in Part 3 of Schedule 1 to the Amended Conditions (the “**Account Holder Notification**”).

The Account Holder Notification must provide instructions regarding, *inter alia*, the completion and return of the account holder SWIFT instruction (the “**Account Holder Instruction**”) and must specify the date by which Existing Bondholders must send the Account Holder Instruction to the Conversion Agent via the relevant Clearing System(s), such date being no less than 10 business days from the Bonds Amendment Date and no more than 15 business days from the Bonds Amendment Date (the “**Notification Date**”). For the avoidance of doubt, the Account Holder Instruction must be sent electronically as a SWIFT message through the Clearing System(s) by each Account Holder or its custodian, broker or other authorised intermediary to the Conversion Agent.

### ***Account Holder Instruction***

The Account Holder Instruction shall include the information set out below:

- (a) the name, address, telephone number and the fax number of the Existing Bondholder or its nominee to be registered in the record of the depositors, maintained by the depository registered under the Depositories Act, 1996, as amended (the “**Depositories Act**”) with whom the Issuer has entered into a depository agreement;
- (b) the total principal amount, total number of Existing Bonds, identifying number of Existing Bonds to be converted (if relevant), the identifying number of certificates deposited in respect of the Existing Bonds to be converted (if relevant);

- (c) the name(s) and address of the person(s) in whose name(s) the Option A Shares required to be delivered on conversion of the Existing Bonds are to be registered; and
- (d) details of the securities account of the Existing Bondholder to be credited with the Option A Shares, including the name of client (the converting Existing Bondholder who has an account with the depository participant) and the client ID number, account name/the name of the participant, participant ID, permanent account number (PAN), the account number, the broker account name with the Indian depository, the client account number with his/her broker and the telephone or fax number.

#### ***Mandatory Conversion Notice***

The Mandatory Conversion Notice will:

- (a) be substantially in the form set out in Part 4 of Schedule 1 to the Amended Conditions;
- (b) contain an accurate representation by the Issuer that all of the Conditions Precedent have been satisfied;
- (c) specify the Mandatory Conversion Record Date;
- (d) specify the Mandatory Conversion Exchange Rate; and
- (e) specify the Mandatory Conversion Price.

#### ***Share Completion Date***

The Issuer will, on or with effect from the Mandatory Conversion Record Date, and in any event not later than 45 business days after the Mandatory Conversion Record Date, cause:

- (a) the relevant securities account of each Existing Bondholder or its nominee to be credited with such number of relevant Option A Shares as will be issued upon Mandatory Conversion; and
- (b) the name of the concerned Existing Bondholder or its nominee to be registered accordingly in the record of the depositories, maintained by the depository registered under the Depositories Act with whom the Issuer has entered into a depository agreement;

and shall take all such other steps as are necessary to complete the Mandatory Conversion (the date on which all obligations of the Issuer in respect of the Mandatory Conversion have been fulfilled, the “**Share Completion Date**”).

#### ***Residual Holders and Cancellation of Relevant Bonds***

If, on the business day immediately following the Notification Date, Account Holder Instructions have not been received by the Conversion Agent in respect of any Existing Bonds outstanding as at that date (the “**Relevant Bonds**”), the Relevant Bonds shall be cancelled on the Share Completion Date. However, the Issuer shall maintain for a period of up to 12 months from the Share Completion Date, such authorised share capital to enable it to issue the Option A Shares that correspond to the Relevant Bonds at the Mandatory Conversion Price and at the Mandatory Conversion Exchange Rate. To effect this, the Issuer shall issue a deed of covenant (the “**Deed of Covenant**”) in favour of the holders of the Relevant Bonds in

respect of which Account Holder Instructions have not been received by the business day immediately following the Notification Date (such holders, the “**Residual Holders**”). Under such Deed of Covenant, notwithstanding the cancellation of the Relevant Bonds, the Residual Holders shall have up to 12 months from the Share Completion Date to claim the relevant Option A Shares from the Issuer, provided that they can demonstrate to the Issuer’s reasonable satisfaction that they were holders of Existing Bonds as at the Share Completion Date.

**Important Note: Residual Holders who fail to claim the Option A Shares within 12 months from the Share Completion Date will be deemed to have forfeited their right to the Option A Shares and no compensation or other amounts shall be due to them. Existing Bondholders should note that all Existing Bonds outstanding will be cancelled on or about the Share Completion Date and Residual Holders will thereafter only have a right to Option A Shares pursuant to, and in accordance with, the Deed of Covenant. Any Residual Holder that wishes to contact the Issuer in relation to the Deed of Covenant should contact the Issuer at the following details:**

**Name of Authorised Person:** Mr. Siddharth Jhawar

**E-mail Address:** siddharth.jhawar@suzlon.com

***Effect of the Share Completion Date***

On and with effect from the Share Completion Date, upon completion of the Mandatory Conversion in relation to any Existing Bond and the fulfilment by the Issuer of all its obligations in respect thereof:

- (a) the Issuer will notify the Trustee, the Principal Agent, the Conversion Agent and the Existing Bondholders in writing that the Share Completion Date has occurred and instruct the Principal Agent to markdown and cancel the Existing Bonds;
- (b) once cancelled, Existing Bonds may not be reissued or resold;
- (c) save for the Issuer’s obligations under the Deed of Covenant, no holder shall have any further rights in respect of an Existing Bond held by it and all obligations of the Issuer in respect thereof shall be extinguished;
- (d) all of the Issuer’s payment obligations (including any obligation of the Issuer to pay any outstanding principal amount and any accrued interest or any default interest in respect of the Existing Bonds) will be deemed to have been fully satisfied, or waived by the Existing Bondholders; and
- (e) any Events of Default or Potential Events of Default under the Trust Deed and the Existing Bonds’ Conditions existing as at the Share Completion Date will be deemed to have been waived by the Existing Bondholders.

In the event the Issuer has not fulfilled all of its obligations in respect of the Mandatory Conversion, including delivery of the Option A Shares as and when such Option A Shares are required to be delivered, on or before the Long Stop Date, then (a) the Share Completion Date shall be incapable of occurring, (b) the Mandatory Conversion provisions and all other amendments pursuant to the Amended Conditions (as approved by the Bondholders’ Resolution) shall cease to have effect (and the provisions of the Trust Deed and the Existing Bonds’ Conditions shall operate without the effect of Condition 8.2A of, and all other amendments pursuant to, the Amended Conditions (as approved by the Bondholders’ Resolution)) and (c) all of the rights of the Existing Bondholders as Existing Bondholders and all of the obligations of the Issuer under the Trust Deed and the Existing Bonds’ Conditions shall be reinstated and shall continue in full force and effect as such rights and obligations existed on the day immediately prior to the Bonds

Amendment Date.

***Revised Conversion Price and Fixed Exchange Rate in respect of Conversion Rights***

The Amended Conditions also provide that the Conversion Rights of the Existing Bondholders shall be amended such that:

- (a)
- (i) Subject to (ii) below, the Initial Conversion Price (as defined in Condition 6.1.3(i)) will initially be ₹15.46 per Share but will be subject to adjustment in the manner provided in Condition 6.3. The Initial Conversion Ratio is equal to the principal amount of Existing Bonds divided by the Initial Conversion Price translated into U.S. dollars at the Exchange Rate (as defined in Condition 6.1.1);
  - (ii) With effect from the Bonds Amendment Date, and subject to the fulfilment of the Conditions Precedent, the Amended Conversion Price (as defined in Condition 6.1.3(ii)) will initially be ₹6.77 per Share but will be subject to adjustment in the manner provided in Condition 6.3; and
- (b) the fixed exchange rate for conversion of U.S. dollar into Indian Rupee for the purposes of the exercise of any Conversion Rights (as defined in Condition 6.1.1) shall be ₹60.225 = U.S.\$1.00.

The Issuer proposes to issue, through preferential allotment, Shares in favour of the Promoter Group and the Investor Group (each as defined in this Consent Solicitation and Information Memorandum) aggregating up to Rs. 4,000 million, pursuant to a general meeting of its shareholders proposed to be held on 7 April 2020 or an adjourned or rescheduled such meeting, or other similar corporate action for this purpose (the “**Promoter Preferential Allotment**”).

Notwithstanding anything contained herein, in the event the price per Share at which the Promoter Preferential Allotment takes place (the “**Promoter Preferential Allotment Share Price**”) is:

- (a) Rs. 2.45 or more, no change shall be made to the Amended Conversion Price set out in the Amended Conditions; and
- (b) less than Rs. 2.45, the Amended Conversion Price set out in the Amended Conditions shall be reduced by Rs. 0.02763 (rounded to the nearest two decimal places) for every reduction of 1 paise in the Promoter Preferential Allotment Share Price below Rs. 2.45.

The “**Conversion Price**” means the Initial Conversion Price or the Amended Conversion Price, as is applicable on the Conversion Date (as defined in Condition 6.2.1(ii)) in respect of the exercise of a Conversion Right attaching to any Existing Bond in accordance with Condition 6.1. If the Conditions Precedent have not been fulfilled on the Conversion Date applicable to the exercise of a Conversion Right attaching to any Existing Bond then the Initial Conversion Price will apply to the exercise of the Conversion Right in respect of that Existing Bond.

### ***Illustration under Option A***

The maximum Shares of the Issuer available for allocation is 1,530,000,000. Accordingly, a Bondholder electing Option A will receive 8,895 Shares for each U.S.\$1,000 in principal amount of the Existing Bonds.

For example, a Bondholder holding a principal aggregate amount of U.S.\$20,000 in principal amount of the Existing Bonds will receive 177,900 Shares under Option A.

### **Proposed Exchange Offer – Option B - The New Bonds**

*The following shall apply if, and to the extent, Option B is elected by the relevant Existing Bondholder(s) (with all provisions relating to Option B in this Consent Solicitation and Information Memorandum being limited solely to the Existing Bonds that are registered in the name of such Existing Bondholder(s) and all references to “Existing Bonds”, “Existing Bondholders” and “Existing holders” being construed as references to such Existing Bonds and Existing Bondholders only).*

The Amended Conditions provide that during the period starting from the date on which all of the Conditions Precedent have been satisfied and ending on the Cut-off Date, the Issuer shall issue the New Bonds (with the date of such issue being the Bond Exchange Date), in accordance with the terms of this Consent Solicitation and Information Memorandum, in favour of the relevant Existing Bondholders (by way of private placement) whereupon each U.S.\$1,000 in principal amount of the Existing Bonds held by such Existing Bondholders, along with any accrued but unpaid interest on such principal amount up to (but not including) the Bond Exchange Date, shall be exchanged for the New Bonds with a face value of U.S.\$320.

On and with effect from the Bond Exchange Date:

- (a) the Issuer will notify the Trustee, the Principal Agent, the Conversion Agent and the Existing Bondholders in writing that the Bond Exchange Date has occurred and all of the Conditions Precedent have been satisfied and instruct the Principal Agent to markdown and cancel the Existing Bonds;
- (b) once cancelled, Existing Bonds may not be reissued or resold;
- (c) no holder shall have any further rights in respect of an Existing Bond held by it and all obligations of the Issuer in respect thereof shall be extinguished;
- (d) all of the Issuer’s payment obligations (including any obligation of the Issuer to pay any outstanding principal amount and any accrued interest or any default interest in respect of the Existing Bonds) will be deemed to have been fully satisfied, or waived by the Existing Bondholders; and
- (e) any Events of Default or Potential Events of Default under the Trust Deed and the Existing Bonds’ Conditions existing as at the Bond Exchange Date will be deemed to have been waived by the Existing Bondholders.

The New Bonds will bear interest at the rate of 4.0% per annum, from (and including) the date of their issue up to (but excluding) the Maturity Date (as defined in the New Bonds’ Conditions) (the “**New Bonds’ Maturity Date**”), of which (A) 1.25% per annum (the “**Cash Interest Rate**”) shall be payable in cash and (B) 2.75% per annum (with respect to each Interest Payment Date (as defined in the New Bonds’ Conditions) shall be capitalised by the Issuer (by way of application of a pool factor in accordance with the procedures of the clearing systems) and added to the outstanding principal amount (the “**Additional PIK Principal**”) of the New Bonds. Additional PIK Principal will be considered “principal” for all purposes in the New Bonds’ Conditions

and, without limiting the foregoing, the Additional PIK Principal of the Bonds will bear interest at the rate then applicable to the New Bonds, beginning on the date such interest is paid in kind and added to the principal amount thereof.

The interest amounts shall be calculated by reference to the principal amount of the New Bonds from time to time and payable or capitalised, as applicable, semi-annually in arrear on the Interest Payment Dates in each year, commencing with the First Interest Payment Date (as defined in the New Bonds' Conditions) and the last payment of interest to be made on the Maturity Date.

The New Bonds are convertible at the option of the New Bondholders at any time on and after about 40 days from the Bond Exchange Date up to the close of business on a date seven business days prior to the New Bonds' Maturity Date into fully paid equity shares with full voting rights with a par value of ₹2 each of the Company (the "**Shares**") at an initial conversion price of ₹2.80 per Share, with a fixed rate of exchange on conversion of the lower of (i) ₹75.0 = U.S.\$1.00; or (ii) USD:INR spot rate on the Bond Exchange Date (the "**Fixed Exchange Rate**"). The conversion price is subject to adjustment in certain circumstances. Notwithstanding anything contained herein, the initial conversion price shall be subject to revision such that the initial conversion price shall be 6.50% (rounded to the nearest amount in Indian Rupees up to two decimal points) higher than the price at which Shares (or other convertible instruments) are proposed to be issued by the Issuer through preferential allotment aggregating up to Rs.4,000 million, pursuant to a general meeting of its shareholders proposed to be held on 7 April 2020 or an adjourned or rescheduled such meeting or other similar corporate action for this purpose, in favour of the Promoter Group and the Investor Group (each as defined in this Consent Solicitation and Information Memorandum).

The closing price of the Shares on the National Stock Exchange of India Limited (the "**NSE**") on 26 March 2020 was ₹1.80 per Share and the closing price of the Shares on the BSE Limited (the "**BSE**", and together with the NSE, the "**Indian Stock Exchanges**") on 26 March 2020 was ₹1.79 per Share.

Each New Bond with a face value of U.S.\$320 will represent an outstanding principal amount of U.S.\$320 on the date of its issue. The New Bonds will be issued in registered form in the denomination of U.S.\$320 each and integral multiples of U.S.\$10 in excess thereof; provided that Additional PIK Principal may be added in denominations of U.S.\$1.00 in accordance with the New Bonds' Conditions.

The New Bonds will initially be represented by a global certificate in registered form (the "**Global Certificate**"), deposited with, and registered in the name of a nominee of, the common depository for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**", and together with Euroclear, the "**Clearing Systems**") on or about the Bond Exchange Date for the accounts of their respective accountholders.

An application will be made, as soon as practicable, for the listing and quotation of the New Bonds on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The SGX-ST assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the New Bonds to the Official List of the SGX-ST and quotation of the New Bonds is not to be taken as an indication of the merits of the Company, its subsidiaries, its associated companies, the New Bonds or the Shares to be issued upon conversion of the New Bonds.

Further, the Company will apply, as soon as practicable, to each of the NSE and the BSE for their in-principle approval for the listing of the Shares to be issued upon conversion of the New Bonds.

For the full terms and conditions of the New Bonds (the “**New Bonds’ Conditions**”), as scheduled to the trust deed, constituting the New Bonds to be entered into by the Company and the Trustee (the “**New Bonds’ Trust Deed**”), see Annexure III of this Consent Solicitation and Information Memorandum. **For the avoidance of doubt, the Company will not execute the New Bonds’ Trust Deed, in relation to the exchange of the Existing Bonds with the New Bonds, unless the Conditions Precedent (as defined below) have been satisfied.**

***Illustration under Option B:***

The maximum aggregate principal amount of the New Bonds available for allocation is U.S.\$55,000,000. Accordingly, a Bondholder electing Option B will receive a New Bond in the denomination of U.S.\$320 for each principal amount of U.S.\$1,000 of the Existing Bonds.

For example, a Bondholder holding an aggregate principal amount of U.S.\$20,000 of the Existing Bonds will receive New Bonds with a principal amount of U.S.\$6,400 under Option B.

**Proposed Exchange Offer – Option A and Option B – Conditions Precedent**

**If the Bondholders’ Resolution is passed (and the Bonds Amendment Date thereby occurs)**, then such Bondholders’ Resolution (approving *inter alia* the Bonds Restructuring) and each of (i) (solely in relation to Option A) the occurrence of the Mandatory Conversion Record Date; and (ii) (solely in relation to Option B) the occurrence of the Bond Exchange Date, is conditional on, and subject to, the satisfaction of the conditions precedent set out below on or prior to the Cut-off Date (together, the “**Conditions Precedent**”):

- (a) The approval (the “**RBI Approval**”) of the Reserve Bank of India (the “**RBI**”) to implement the Bonds Restructuring (including the Mandatory Conversion and the Bond Exchange), pursuant to an application to be submitted to the RBI by the Issuer, which must have been received by the Issuer on or before the Cut-off Date;
- (b) The Issuer must have obtained all approvals that are necessary to implement the Bonds Restructuring (including the Mandatory Conversion and the Bond Exchange) from all other applicable legal and regulatory authorities in India including, but not limited to, the Indian Exchanges;
- (c) Approvals from the Issuer’s board of directors and the Issuer’s shareholders that are necessary to implement the Bonds Restructuring (including the Mandatory Conversion and the Bond Exchange);
- (d) The Debt Resolution Plan must have been approved by, and be legally binding upon, the Issuer and the Group Lenders, and the delivery by the Issuer to the Trustee (on behalf of the Existing Bondholders) and the Principal Agent of a certificate appending **any one of the following** (in each case confirming that the Group Lenders have granted their formal sanction to the Debt Resolution Plan in terms of the inter-creditor agreement entered into among the Group Lenders (the “**ICA**”)):
  - (i) one or more letters duly issued by the Group Lenders collectively representing at least 75 per cent. by value (including fund and non-fund based facilities outstanding) as at 30 September 2019 or such other date as is mutually agreed between the Group Lenders and the Issuer (such date, the “**Reconciliation Date**”) and 60 per cent. of the Group Lenders;or

- (ii) a letter from the lead bank of the Group Lenders under the terms of the ICA (the “**Lead Bank**”); or
- (iii) minutes of one or more meetings of the Group Lenders issued by the Lead Bank (and copied to all the Group Lenders);
- (e) The Issuer having paid such fee amounts as have been mutually agreed between it and Houlihan Lokey (Singapore) Private Limited (“**HLSPL**”) in relation to the engagement of HLSPL pursuant to an engagement letter dated 15 February 2019;
- (f) The Issuer having paid such fee amounts as have been mutually agreed between it and Kirkland & Ellis LLP (“**K&E**”) pursuant to an engagement letter to be executed by the Issuer and K&E; and
- (g) The Issuer having paid such outstanding fees, costs and expenses of the Trustee as due under the terms of the Trust Deed and arising in connection with the execution of the Second Supplemental Trust Deed and implementation of the Proposal.

*The following terms have the meaning set out below:*

*“**Bonds Amendment Date**” is the date on which the Second Supplemental Trust Deed entered into between the Issuer and the Trustee in respect of the Existing Bonds becomes effective in accordance with its terms, being on or about the date of the Bondholder Meeting;*

*“**Cut-off Date**” is 31 July 2020 or such later date, subject to the Long Stop Date, as may be notified by the Issuer in writing to the Trustee and the Principal Agent (with the Trustee and the Principal Agent being able to conclusively rely and act on such notification without liability to the Bondholders or any other party);*

*“**Debt Resolution Plan**” means the resolution plan approved by the Group Lenders in terms of the RBI Stressed Assets Framework, and which includes, among other things, the Bonds Restructuring and the Share Issue;*

*“**Group Lenders**” means the lenders to the Issuer and/or its Subsidiaries;*

*“**Long Stop Date**” is 30 September 2020;*

*“**RBI Stressed Assets Framework**” means the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 issued by the Reserve Bank of India on 7 June 2019 through its circular with reference RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19, and shall include any circulars, notifications, directions or orders issued in this regard by the Reserve Bank of India;*

*“**Second Supplemental Trust Deed**” means the second supplemental trust deed which shall be supplemental to the Trust Deed entered into between the Issuer and the Trustee in order to give effect to the Bonds Restructuring; and*

*“**Share Issue**” means the issuance by the Issuer of Shares or other instruments convertible into or exchangeable for Shares by way of preferential allotment or otherwise pursuant to the Debt Resolution Plan; and*

*“**Subsidiary**” means any company or other business entity of which the Issuer owns or controls (either directly or through one or more other subsidiaries) more than 50% of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company*

*or other business entity or any company or other business entity which the Issuer recognises in its consolidated accounts as a subsidiary, jointly controlled entity or associated company under Indian law, regulations or generally accepted accounting principles from time to time, or which should have its accounts consolidated with those of the Issuer.*

**In the event the Mandatory Conversion Record Date and the Bond Exchange Date do not occur on or prior to the Cut-off Date, then:**

- (a) the Mandatory Conversion Record Date and the Bond Exchange Date, respectively, shall not be capable of occurring; and
- (b) the Mandatory Conversion provisions, the Bond Exchange provisions and all other amendments pursuant to the Amended Conditions (as approved by the Bondholders' Resolution) shall cease to have effect (and the provisions of the Trust Deed and the Existing Bonds' Conditions shall operate without the effect of Conditions 8.2A and 8.2B of, and all other amendments pursuant to, the Amended Conditions (as approved by the Bondholders' Resolution)); and
- (c) all of the rights of the Existing Bondholders as Existing Bondholders and all of the obligations of the Issuer under the Trust Deed and the Existing Bonds' Conditions shall be reinstated and shall continue in full force and effect as such rights and obligations existed on the day immediately prior to the Bonds Amendment Date.

**There can be no assurance that:**

- (a) the Conditions Precedent will be satisfied on or prior to the Cut-off Date; and**
- (b) the Mandatory Conversion Record Date and the Bond Exchange Date will occur on or prior to the Cut-off Date.**

**If the Conditions Precedent are satisfied on or prior to the Cut-off Date, the Company will give effect to the Proposed Exchange Offer by the Restructuring Effective Date (as defined herein).**

Notwithstanding any other provision of the Consent Solicitation included in this Consent Solicitation and Information Memorandum, the Consent Solicitation will be conditional on the aggregate of the Favourable Instructions (as defined herein) received by the Consent Deadline (as defined herein) and the number of Favourable Votes in Favour of the Extraordinary Resolution (as defined herein) being sufficient for passing the Extraordinary Resolution in the Bondholder Meeting to which it is put.

The Existing Bondholders who consent to the Extraordinary Resolution must submit or arrange to have submitted on their behalf instructions reflecting their vote in favour of the Extraordinary Resolution in Electronic Instructions (as defined herein and containing the information required as set out in Annexure V) (the "**Favourable Instructions**"), in accordance with the procedures of, and within the time limits specified by the relevant Clearing System (as defined herein) for receipt by the Tabulation and Exchange Agent, no later than 4.00 pm (London time) on 2 April 2020 (the "**Consent Deadline**").

**All Existing Bondholders are entitled to participate in the Consent Solicitation.**

A Beneficial Owner (as defined herein) who has applied, through the Clearing Systems for, and obtained a valid Voting Certificate (as defined herein) may attend the Bondholder Meeting in person. However, the instructions provided by Beneficial Owners who have sent or caused to be sent on their behalf, Electronic Instructions and have not revoked or withdrawn such Electronic Instructions in accordance with, and by the deadlines set out in, this Consent Solicitation and Information Memorandum, shall be binding on such Beneficial Owners, even if

they choose to attend the Bondholder Meeting in person. Beneficial Owners who choose not to send Electronic Instructions in accordance with this Consent Solicitation and Information Memorandum and who have applied, through the Clearing Systems for, and obtained valid Voting Certificates (as defined herein) (each such Beneficial Owner, a “**Beneficial Owner attending in Person**” and collectively, the “**Beneficial Owners attending in Person**”) may attend the Bondholder Meeting in person.

Existing Bondholders who validly submit Favourable Instructions on or prior to the Consent Deadline and Beneficial Owners attending in Person who validly vote in favour of the Extraordinary Resolution in the Bondholder Meeting (each such vote a “**Vote in Favour of the Extraordinary Resolution**”, and all such votes, together with all Favourable Instructions, “**Favourable Votes**”) are referred to as the “**Consenting Bondholders**”. For further details on the procedures for voting in the Consent Solicitation, please refer to the section “*Terms of the Consent Solicitation and the Proposed Exchange Offer—Voting/Participation Procedures*” in this Consent Solicitation and Information Memorandum.

**THE MEETING OF THE HOLDERS OF THE EXISTING BONDS (THE “BONDHOLDER MEETING”) IS SCHEDULED TO BE HELD AT 12.00 P.M. (SINGAPORE TIME) ON 6 APRIL 2020 AT ALLEN & OVERY LLP AT #09-01, OUE BAYFRONT, 50 COLLYER QUAY, SINGAPORE 049321. REFERENCES TO “BONDHOLDER MEETING” SHALL ALSO MEAN AN ADJOURNED BONDHOLDER MEETING, IF ANY.**

**In light of the ongoing developments in relation to Coronavirus (COVID-19), it may become impossible or inadvisable to hold the Bondholder Meeting at the offices of Allen & Overy LLP. In that event, the Issuer and the Trustee may prescribe further or alternative regulations regarding the holding of the Bondholder Meeting, which may include holding the Bondholder Meeting by audio or video conference call. In such circumstances, those Existing Bondholders who have indicated that they wish to attend the Bondholder meeting in person will be provided with further details about attending the Bondholder Meeting.**

**At present, no short term travel to Singapore is possible. Additionally, there can be no assurance that Existing Bondholders that are already based in Singapore will be able to attend a physical Bondholder Meeting owing to current and future restrictions that may be imposed by government bodies or otherwise adopted for safety reasons.**

**Accordingly, Existing Bondholders are very strongly urged to cast their votes electronically through the Clearing Systems to appoint a proxy to attend and vote at the Bondholder Meeting on their behalf.**

**The Notice of Meeting (as defined herein) convening the Bondholder Meeting was sent to the Clearing Systems for dissemination to the Existing Bondholders on 13 March 2020. The Notice of Meeting is set out in Annexure IV hereto. The Existing Bondholders who are not Direct Participants (as defined herein) will need to arrange for the Accountholders (as defined herein) through which they hold their Existing Bonds to submit or deliver an Electronic Instruction on their behalf to and through a Clearing System in accordance with the procedures of, and within the time limits specified by, the relevant Clearing System for receipt by the Tabulation and Exchange Agent, no later than the Consent Deadline or apply through the Clearing Systems for, and obtain a valid Voting Certificate to attend the Bondholder Meeting in person. **EXISTING BONDHOLDERS MAY REVOKE OR AMEND THEIR ELECTRONIC INSTRUCTIONS AT ANY TIME PRIOR TO THE CONSENT DEADLINE IN ACCORDANCE WITH THE PROCEDURES SET OUT IN “TERMS OF THE CONSENT SOLICITATION AND THE PROPOSED EXCHANGE OFFER—REVOCATION AND WITHDRAWAL”.****

Accountholders and Existing Bondholders are solely responsible for complying with all of the procedures for submitting Electronic Instructions. None of the Company, the Trustee, the Tabulation and Exchange Agent or the Principal Agent assumes any responsibility for informing Accountholders or Existing Bondholders of irregularities with respect to Electronic Instructions.

This Consent Solicitation and Information Memorandum (as well as any documents incorporated by reference in this Consent Solicitation and Information Memorandum) contains important information, which should be read carefully before any decision is made with respect to the Consent Solicitation and/or the Proposed Exchange Offer. Prior to making a decision as to whether to agree to the Extraordinary Resolution, Existing Bondholders should carefully consider all of the information in this Consent Solicitation and Information Memorandum (as well as any documents incorporated by reference in this Consent Solicitation and Information Memorandum).

**The Consent Solicitation and the Proposed Exchange Offer is being made upon the terms and subject to the conditions set out in this Consent Solicitation and Information Memorandum. Subject to applicable law, the terms of the Trust Deed by which the Existing Bonds are constituted and as provided herein, the Company may, in its sole discretion (a) extend, re-open, amend or waive any condition of the Consent Solicitation at any time prior to the Consent Deadline, and (b) terminate or withdraw the Consent Solicitation, including with respect to Electronic Instructions (if any) submitted before the time of such termination.**

**Existing Bondholders are advised to check with the bank, securities broker or any other intermediary through which they hold their Existing Bonds as to whether such intermediary will apply different deadlines for participation in the Consent Solicitation to those set out in this Consent Solicitation and Information Memorandum and, if so, should follow those deadlines.**

WHEN CONSIDERING WHETHER TO PARTICIPATE IN THE CONSENT SOLICITATION, EXISTING BONDHOLDERS SHOULD TAKE INTO ACCOUNT THAT THE EXISTING BONDS WILL BE BLOCKED IN THE RELEVANT CLEARING SYSTEM TO THE ORDER OF THE TABULATION AND EXCHANGE AGENT FROM (A) THE TIME OF THE SUBMISSION OF (I) IN THE CASE OF AN EXISTING BONDHOLDER ATTENDING THE BONDHOLDER MEETING IN PERSON, AN APPLICATION THROUGH THE RELEVANT CLEARING SYSTEMS FOR A VOTING CERTIFICATE AND (II) IN THE CASE OF ALL OTHER EXISTING BONDHOLDERS, AN ELECTRONIC INSTRUCTION TO THE RELEVANT CLEARING SYSTEMS, UNTIL THE EARLIEST OF (I) THE RESTRUCTURING EFFECTIVE DATE (AS DEFINED HEREIN), (II) THE CUT-OFF DATE, (III) THE DATE OF TERMINATION OF THE CONSENT SOLICITATION OR (IV) THE DATE UPON WHICH SUCH EXISTING BONDS CEASE, IN ACCORDANCE WITH THE PROCEDURES OF THE RELEVANT CLEARING SYSTEM AND WITH THE AGREEMENT OF THE TABULATION AND EXCHANGE AGENT (AS DEFINED HEREIN), TO BE HELD TO ITS ORDER OR UNDER ITS CONTROL (THE “**BLOCKED PERIOD**”); PROVIDED, HOWEVER, IN THE CASE OF (III) ABOVE, THAT, IF THE BENEFICIAL OWNER OR ACCOUNTHOLDER HAS CAUSED A PROXY TO BE APPOINTED IN RESPECT OF SUCH EXISTING BONDS, SUCH EXISTING BONDS WILL NOT BE RELEASED TO THE RELEVANT ACCOUNTHOLDER UNLESS AND UNTIL THE COMPANY, THE PRINCIPAL AGENT OR THE REGISTRAR HAS RECEIVED NOTICE OF THE NECESSARY REVOCATION OF OR AMENDMENT TO SUCH PROXY. IN ANY EVENT, THE EXISTING BONDS WILL BE UNBLOCKED ON OR PRIOR TO 5.00 P.M. (LONDON TIME) ON THE CUT-OFF DATE. DURING THE BLOCKED PERIOD, (A) THE EXISTING BONDS, WHICH ARE THE SUBJECT OF SUCH ELECTRONIC INSTRUCTION OR IN RESPECT OF WHICH A VOTING CERTIFICATE HAS BEEN APPLIED THROUGH THE RELEVANT CLEARING SYSTEM CANNOT BE TRANSFERRED; AND (B) THE EXISTING BONDS WHICH ARE THE SUBJECT OF AN ACCOUNT HOLDER INSTRUCTION CANNOT

BE TRANSFERRED AND NO CONVERSION RIGHTS CAN BE EXERCISED IN RESPECT OF SUCH EXISTING BONDS.

**EXISTING BONDHOLDERS SHOULD REFER TO THE SECTION “TERMS OF THE CONSENT SOLICITATION AND THE PROPOSED EXCHANGE OFFER” OF THIS CONSENT SOLICITATION AND INFORMATION MEMORANDUM FOR FULL DETAILS IN RELATION TO THE CONSENT SOLICITATION AND THE PROPOSED EXCHANGE OFFER.**

**FOR A DISCUSSION OF CERTAIN RISK FACTORS RELATING TO THE CONSENT SOLICITATION AND THE PROPOSED EXCHANGE OFFER, THE NEW BONDS, THE OPTION A SHARES AND THE COMPANY, SEE THE SECTION “RISK FACTORS AND OTHER CONSIDERATIONS RELATED TO THE PROPOSED EXCHANGE OFFER” OF THIS CONSENT SOLICITATION AND INFORMATION MEMORANDUM AND THE SECTION “RISK FACTORS” INCLUDED IN ANNEXURE I OF THIS CONSENT SOLICITATION AND INFORMATION MEMORANDUM.**

**There is no offering of any of the New Bonds, Option A Shares or the Shares to be issued upon conversion of the New Bonds in any jurisdiction, and Existing Bondholders or other recipients of this Consent Solicitation and Information Memorandum should not take the Proposed Exchange Offer or this Consent Solicitation and Information Memorandum to be an offer of, or an invitation to purchase, any New Bonds, Option A Shares or the Shares to be issued upon conversion of the New Bonds. This Consent Solicitation and Information Memorandum is not a prospectus in any jurisdiction and does not constitute an offer of, nor is it calculated to invite or solicit offers for, the New Bonds, Option A Shares or the Shares to be issued upon conversion of the New Bonds, in any jurisdiction. This Consent Solicitation and Information Memorandum is published for the purpose of providing certain information with regard to the Proposed Exchange Offer. This Consent Solicitation and Information Memorandum may not be used for any other purpose and, in particular, no person is authorised to use or reproduce this Consent Solicitation and Information Memorandum or any part thereof for any purpose whatsoever.**

A copy of this Consent Solicitation and Information Memorandum will be delivered to the Indian Stock Exchanges and the Registrar of Companies, Ahmedabad, Gujarat, India for their information.

***This Consent Solicitation and Information Memorandum is an advertisement and is not a prospectus for the purposes of Regulation (EU) 2017/1129.***

## NOTICE TO BONDHOLDERS

### General

The distribution of this Consent Solicitation and Information Memorandum or any offering material and the offering, sale or delivery of the New Bonds and Option A Shares is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Consent Solicitation and Information Memorandum or any offering material are advised to consult with their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This Consent Solicitation and Information Memorandum may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

### Notice to Bondholders in the United Kingdom

The communication of this Consent Solicitation and Information Memorandum by the Company and any other documents or materials relating to the Consent Solicitation and Information Memorandum or the Proposed Exchange Offer are not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of Section 21 of the Financial Services and Markets Act 2000 (the “FSMA”). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom.

The communication of such documents and/or materials is exempt from the restriction on financial promotions under Section 21 of the FSMA on the basis that it is only directed at and may be communicated to (1) persons who have professional experience in matters relating to investments, being investment professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “FPO”); (2) persons who fall within Article 49(2)(a) to (d) of the FPO (“**high net worth companies, unincorporated associations etc.**”); (3) persons who are outside the United Kingdom; or (4) persons to whom an invitation or inducement to engage in investment activity in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “**relevant persons**”). Any investment or investment activity to which the Consent Solicitation and Information Memorandum relates is available only to relevant persons and will be engaged only with relevant persons.

### Notice to Bondholders in the United States

The New Bonds, Option A Shares and the Shares to be issued upon the conversion of the New Bonds have not been, and will not be, registered under the Securities Act, or the securities laws of any state or other jurisdiction of the United States and may not be offered, sold, pledged or otherwise transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Accordingly, the New Bonds, Option A Shares and the Shares to be issued upon conversion of the New Bonds are being offered and placed only to Existing Bondholders outside the United States (within the meaning of Regulation S) in offshore transactions that comply with Regulation S.

### Notice to Bondholders in the European Economic Area and UK

In relation to each Member State of the European Economic Area and the United Kingdom (each, a “**Relevant State**”), no offer of the securities which are the subject of this Consent Solicitation and Information

Memorandum has been made, or will be made, to the public in that Relevant State except that it may make an offer of such securities in that Relevant State:

- (a) **Qualified investors:** at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation; or
- (b) **Fewer than 150 offerees:** at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation); or
- (c) **Other exempt offers:** at any time in any other circumstances falling within Article 4(1) of the Prospectus Regulation,

provided that no such offer of the securities referred to in (a) to (c) above shall require the Company to publish a prospectus pursuant to Article 3 of the Prospectus Regulation, or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision,

- the expression “**an offer of the securities**” to the public in relation to any securities in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe the securities; and
- the expression **Prospectus Regulation** means Regulation (EU) 2017/1129.

#### **Notice to Bondholders in India**

The Consent Solicitation and the Proposed Exchange Offer are not being made in India. This Consent Solicitation and Information Memorandum does not constitute an offer to buy or the solicitation of an offer to sell the Existing Bonds or the New Bonds. The Consent Solicitation and Information Memorandum has not been, nor will be, registered, produced or published as an offer document (whether as a prospectus in respect of a public offer or an information memorandum or a private placement offer cum application letter or any other offering material in respect of any private placement under the (Indian) Companies Act, 2013 or the rules framed thereunder, each as amended, or any other applicable Indian laws for the time being in force) with any Registrar of Companies, the Securities and Exchange Board of India, the Reserve Bank of India, any Indian stock exchanges or any other statutory or regulatory body of like nature in India (save and except for any information from any part of this Consent Solicitation and Information Memorandum which is mandatorily required to be disclosed or filed in India under any applicable Indian laws, including but not limited to, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, and under the listing agreement with any Indian stock exchange pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or pursuant to the sanction of any regulatory and adjudicatory body in India). The New Bonds have not been offered or placed, and will not be offered to, or placed with, any person, in India. This Consent Solicitation and Information Memorandum or any other offering document or material relating to the New Bonds may not be circulated or distributed, directly or indirectly, to the public or any members of the public in India or otherwise generally distributed or circulated in India including in circumstances which would constitute an advertisement, invitation, offer, sale or solicitation of an offer to subscribe for or purchase any securities (whether to the public or by way of private placement) within the meaning of the Companies Act, and the rules framed thereunder, each as amended, or any other applicable Indian laws for the time being in force.

This Consent Solicitation and Information Memorandum or any material relating to the New Bonds or the Proposed Exchange Offer has not been and will not be circulated or distributed to any prospective investor who is not a resident of a FATF compliant jurisdiction or IOSCO compliant jurisdiction or is a multilateral and regional financial institutions where India is a member country, and the New Bonds will not be offered to, or placed with, or transferred and have not been offered or sold or transferred to any person who is not a resident of a FATF compliant jurisdiction or IOSCO compliant jurisdiction.

For the purposes of this Consent Solicitation and Information Memorandum, FATF compliant jurisdiction and IOSCO compliant jurisdiction shall have the following meanings:

“**FATF compliant jurisdiction**” means a country that is a member of Financial Action Task Force (“**FATF**”) or a member of a FATF-style regional body; and should not be a country identified in the public statement of the FATF as (a) a jurisdiction having a strategic anti-money laundering or combating the financing of terrorism deficiencies to which counter measures apply; or (b) a jurisdiction that has not made sufficient progress in addressing the deficiencies or has not committed to an action plan developed with the FATF to address the deficiencies.

“**IOSCO compliant jurisdiction**” means a country whose securities market regulator is a signatory to the International Organization of Securities Commission’s (“**IOSCO**”) Multilateral Memorandum of Understanding (Appendix A Signatories) or a signatory to bilateral Memorandum of Understanding with the Securities and Exchange Board of India for information sharing arrangements.

#### **Notice to Bondholders in Italy**

The offering of the New Bonds and the Option A Shares has not been registered pursuant to Italian securities legislation and, accordingly, no New Bonds or Option A Shares may be offered, placed or delivered, nor may copies of this Consent Solicitation and Information Memorandum or of any other document relating to the Consent Solicitation be distributed in the Republic of Italy, except:

- (a) to “**qualified investors**” (investitori qualificati), as defined pursuant to Article 2 of Regulation (EU) 1129/2017 (the “**Prospectus Regulation**”) and any applicable provisions of Legislative Decree No. 58 of 24 February 1998, as amended (the “**Financial Services Act**”) and Commissione Nazionale per le Società e la Borsa (the “**CONSOB**”) regulations; or
- (b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 34-ter of CONSOB Regulation No. 11973 of 14 May 1999, as amended from time to time, and the applicable Italian laws..

Any offer, sale or delivery of the New Bonds or the Option A Shares or distribution of copies of this Consent Solicitation and Information Memorandum or any other document relating to the New Bonds or the Option A Shares in the Republic of Italy under (a) or (b) above must:

- (i) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the “**Banking Act**”); and
- (ii) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking

Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

Accordingly, the Consent Solicitation is only addressed to holders of the Existing Bonds located in the Republic of Italy who are “**qualified investors**” (*investitori qualificati*) as defined pursuant to and within the meaning of Article 2 of the Prospectus Regulation and any applicable provision of the Financial Services Act and the CONSOB regulations.

A holder of the Existing Bonds located in the Republic of Italy can participate in the Consent Solicitation through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018, as amended from time to time, and Legislative Decree No. 385 of 1 September 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority. Each intermediary must comply with the applicable laws and regulations concerning information duties vis-à-vis its clients in connection with the Existing Bonds or the Consent Solicitation.

### **Notice to Bondholders in Hong Kong**

The New Bonds and the Option A Shares have not been offered or placed and will not be offered or placed in Hong Kong, by means of any document, other than (a) to “**professional investors**” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (“**SFO**”) and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a “**prospectus**” as defined in the Companies Ordinance (Cap. 32) of Hong Kong (“**CWUMPO**”) or which do not constitute an offer to the public within the meaning of CWUMPO.

No advertisement, invitation or document relating to the New Bonds or the Option A Shares (including this Consent Solicitation and Information Memorandum) has been issued, and will not be issued, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than any advertisement, invitation or document relating to the New Bonds or the Option A Shares which are, or are intended to be, disposed of only to persons outside Hong Kong or only to “**professional investors**” as defined in the SFO and any rules made under the SFO.

### **Notice to Bondholders in Japan**

The New Bonds or Option A Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the **FIEA**) and the New Bonds or the Option A Shares will not be offered or placed, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

### **Notice to Bondholders in Singapore**

This Consent Solicitation and Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Consent Solicitation and Information Memorandum and

any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the New Bonds or the Option A Shares may not be circulated or distributed, nor may the New Bonds or the Option A Shares be offered or placed, or be made the subject of an invitation for subscription, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the New Bonds or the Option A Shares are subscribed under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired New Bonds or Option A Shares pursuant to an offer made under Section 275 of the SFA except:

- (a) to an institutional investor (as defined in Section 4A of the SFA) or to a relevant person defined in Section 275(2) of the SFA, or (in the case of such corporation) where the transfer arises from an offer referred to in Section 276(3)(i)(B) of the SFA,) or (in the case of such trust) where the transfer arises from an offer referred to in Section 276(4)(i)(B) of the SFA;
- (b) where no consideration is or will be given for the transfer;
- (c) where the transfer is by operation of law;
- (d) as specified in Section 276(7) of the SFA; or
- (e) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based derivatives) Regulations 2018 of Singapore.

#### **CONVENTIONS, PRESENTATION OF FINANCIAL AND OTHER INFORMATION**

In this Consent Solicitation and Information Memorandum, unless the context otherwise indicates or implies, all references to “**Bondholders**” and “**holders**” or any references to “**you**”, “**offeree**”, “**purchaser**”, “**subscriber**”, “**recipient**”, “**investors**”, “**prospective investors**” and “**potential investor**” are to:

- (a) any person who is shown in the records of the relevant Clearing System, as a holder of the Existing Bonds; and
- (b) each Beneficial Owner of the Existing Bonds or holder of a proportionate co-ownership or equivalent beneficial interest or right in the Existing Bonds, directly or indirectly, in an account in the name of a Direct Participant acting on such Beneficial Owner’s or holder’s behalf,

and which terms will, if the Conditions Precedent are satisfied on or prior to the Cut-off Date and if the Extraordinary Resolution is approved by the Existing Bondholders, with effect from the Bond Exchange Date refer to:

- (a) any person who is shown in the records of the relevant Clearing System, as a holder of the New Bonds; and
- (b) each Beneficial Owner of the New Bonds or holder of a proportionate co-ownership or equivalent beneficial interest or right in the New Bonds, directly or indirectly, in an account in the name of a Direct Participant acting on such Beneficial Owner's or holder's behalf.

In this Consent Solicitation and Information Memorandum, unless the context otherwise requires, references to the "**Company**" are to Suzlon Energy Limited and references to the "**Group**" are to the Company, its domestic and international subsidiaries, associate companies and its joint ventures taken as a whole, as appropriate.

All references herein to the "**U.S.**" or the "**United States**" are to the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia, all references to the "**U.K.**" or the "**United Kingdom**" are to the United Kingdom, its territories and possessions and all references to "**India**" are to the Republic of India and its territories and possessions.

All references herein to the "**Government of India**" are to the Central Government of India and all references to the "**Government**" are to Government of India or an Indian State Government, as applicable.

#### **Currency and Units of Presentation**

In this Consent Solicitation and Information Memorandum, references to (a) "**₹**", "**Rs.**", "**Rupees**" or "**INR**" are to the legal currency of the Republic of India, "**GBP**" or "**Great British Pounds**" are to the legal currency of the United Kingdom and "**U.S.\$**" or "**U.S. Dollars**" are to the legal currency of the United States, and (b) the words "**Lakh**" or "**Lac**" mean "**100 thousand**", the word "**million**" means "**10 lakh**", the word "**crore**" means "**10 million**" or "**100 lakhs**" and the word "**billion**" means "**1,000 million**" or "**100 crores**". Also, for the avoidance of doubt, **₹1** includes **100 paise**.

All the numbers in this document have been presented in thousands, millions or billions of units. Certain figures included in this Consent Solicitation and Information Memorandum have been subject to rounding adjustments to the nearest one hundred, one hundred thousand or one hundred million units, as the case may be; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

No representation is made that the INR amounts referred to herein could have been or could be converted into U.S. Dollars at any particular rate, or at all.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable.

#### **Financial Data**

Unless the context otherwise requires, references in this Consent Solicitation and Information Memorandum to a particular year are to the calendar year ended on 31 December and to a particular "**Financial year**", "**Fiscal**", "**Fiscal year**", or "**FY**" are to the financial year of the Company ending on 31 March of a particular year.

The Company's annual audited consolidated and unconsolidated financial statements as at and for the fiscal years ended 31 March 2017, 2018 and 2019 (together, the "**Audited Financial Statements**") were prepared in accordance with Ind AS.

The Company's quarterly consolidated and unconsolidated financial statements as at and for the nine months ended 31 December 2019 (the "**Interim Unaudited Financial Statements**") have been prepared in accordance with Ind AS 34, "Interim Financial Reporting". The Company's Audited Financial Statements and Interim Unaudited Financial Statements, prepared in accordance with Ind AS, have been incorporated in this Consent Solicitation and Information Memorandum by reference.

Bondholders should note that Ind AS is a relatively new set of accounting standards for Indian companies and differs, in certain material respects, from the accounting principles set out under Indian GAAP, which were used to prepare the Company's audited financial statements prior to 1 April 2016. Financial statements prepared in accordance with Ind AS may differ in certain significant respects from generally accepted accounting principles in other countries, including IFRS and U.S. GAAP.

The Company has not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data incorporated by reference in this Consent Solicitation and Information Memorandum, nor does the Company provide a reconciliation of its financial statements, to those of U.S. GAAP or IFRS. In addition, this Consent Solicitation and Information Memorandum does not include a section highlighting the Significant Differences among Indian GAAP, IFRS and Ind AS. Accordingly, the degree to which the financial statements prepared in accordance with Ind AS, incorporated by reference in this Consent Solicitation and Information Memorandum, will provide meaningful information is entirely dependent on the reader's level of familiarity with the respective accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Consent Solicitation and Information Memorandum should accordingly be limited. See "*Risk Factors—Significant differences exist between Ind AS used to prepare the Company's financial statements and other accounting principles, such as Indian GAAP and IFRS, with which the Bondholders or prospective acquirers of the New Bonds may be more familiar.*".

The financial statements incorporated by reference in this Consent Solicitation and Information Memorandum are not entirely comparable between financial periods and the comparative descriptions presented herein may not be a true representation of the changes to the Company's results of operations and financial condition. The Bondholders or prospective acquirers of the New Bonds should be aware of the limitations of the historical financial information incorporated by reference in this Consent Solicitation and Information Memorandum, which are a result of, among others, the factors set out above.

Market data and certain industry related information used throughout this Consent Solicitation and Information Memorandum have been obtained from publicly available information and government and industry publications. Industry publications generally state that the information that they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of that information is not guaranteed. Similarly, internal surveys and other sources for industry related information referred to in this Consent Solicitation and Information Memorandum, while believed to be reliable, have not been independently verified. Neither the Company nor any of its affiliates, representatives or agents, makes any representation as to the accuracy and completeness of such information. Accordingly, the Bondholders should not place undue reliance on, or base their investment decision on, this information.

#### **DOCUMENTS INCORPORATED BY REFERENCE**

The documents listed below are incorporated by reference in this Consent Solicitation and Information Memorandum:

- (a) the Interim Unaudited Financial Statements, along with the related limited review reports of the Company's auditors, filed with the Indian Stock Exchanges and available on websites of the BSE and the NSE at <http://www.bseindia.com> and <https://www.nseindia.com> respectively.
- (b) the Audited Financial Statements, along with the related audit reports of the Company's auditors, filed with the Indian Stock Exchanges and available on websites of the BSE and the NSE at <http://www.bseindia.com> and <https://www.nseindia.com>, respectively.

Each document incorporated by reference is current only as at the date of such document, and the incorporation by reference of such documents shall not create any implication that there has been no change in the Company's affairs since the date thereof or that the information contained therein is current as at any time subsequent to its date. The information incorporated by reference is considered to be a part of this Consent Solicitation and Information Memorandum and should be read with the same care.

Any statement in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded, for the purposes of this Consent Solicitation and Information Memorandum, to the extent that a statement contained herein or in any other subsequently filed document that also is or is deemed to be incorporated by reference herein modifies, replaces or supersedes such statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this Consent Solicitation and Information Memorandum. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation or an untrue statement of a material fact or an omission to state a material fact. Any statement so modified or superseded shall not constitute a part of this Consent Solicitation and Information Memorandum except as so modified or superseded.

### **FORWARD-LOOKING STATEMENTS**

Certain statements contained in this Consent Solicitation and Information Memorandum that are not statements of historical fact constitute "forward-looking statements." Bondholders can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "intend", "may", "objective", "plan", "potential", "project", "pursue", "seek", "shall", "should", "will", "would", or other words or phrases of similar import. All statements regarding the Company's expected financial condition and results of operations and business plans and prospects are forward-looking statements. These forward-looking statements include statements as to the Company's business strategy, revenue and profitability, planned projects and other matters discussed in this Consent Solicitation and Information Memorandum that are not historical facts. These forward-looking statements and any other projections contained in this Consent Solicitation and Information Memorandum (whether made by the Company or any third party) are predictions and involve known and unknown risks, uncertainties, assumptions and other factors, some of which are beyond the Company's control, that may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

Important factors that could cause actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others:

- materialisation of risks with respect to the Company's businesses;
- adverse conditions in the main markets in which the Company's plants and facilities are located and business is conducted;
- changes in general, political, social and economic conditions in India and elsewhere;
- changes in regulatory developments, tax framework or environmental concerns;
- central and state government policy in the sectors in which the Company operates;
- the Group's ability to manage its growth effectively;
- the Company's ability to control cost and retain senior management personnel;
- the Company's inability to respond adequately to increased competition in the future;
- lowering the prices the Company charges for its products in response to competition;
- non completion of the Group's land acquisition transactions; and
- seasonal nature of the Company's hospitality business.

All forward-looking statements are subject to risks, uncertainties and assumptions about the Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Important factors that could cause actual results, performance or achievements to differ materially include, but are not limited to those discussed under "*Risk Factors*" and "*Business*".

The forward-looking statements contained in this Consent Solicitation and Information Memorandum are based on the beliefs of management, as well as the assumptions made by and information currently available to management. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure Bondholders that such expectations will prove to be correct. Given these uncertainties, Bondholders are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of the Company's underlying assumptions prove to be incorrect, the Company's actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to the Company are expressly qualified in their entirety by reference to these cautionary statements.

## ENFORCEMENT OF CIVIL LIABILITIES

The Company is a limited liability, public listed company incorporated under the laws of India. Except for two Directors, all of the Company's directors and executive officers named herein are residents of India and all assets of the Company, and all or a substantial portion of the assets of such persons, are located in India. As a result, it may not be possible for investors to effect service of process on the Company or such persons in jurisdictions outside of India, or to enforce against them judgments obtained in courts outside of India predicated upon our civil liabilities or of such directors and executive officers under laws other than the laws of India, including judgments predicated upon the civil liability provisions of the federal securities laws of the United States.

In addition, India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. The statutory basis for recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Civil Code. Section 44A of the Civil Code provides that, where a foreign judgment has been rendered by a superior court in any country or territory outside India which the GoI has by notification declared to be a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India.

However, Section 44A of the Civil Code is applicable only to monetary decrees other than those being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty and is not applicable to arbitration awards, even if such awards are enforceable as a decree or judgment.

While each of the United Kingdom, Singapore, Hong Kong and United Arab Emirates has been declared by the GoI to be a reciprocating territory for the purposes of Section 44A of the Civil Code and the High Courts of England as a relevant superior court, the United States has not been declared by the GoI to be a reciprocating territory for the purposes of Section 44A of the Civil Code. Accordingly, a judgment of a superior court in the United Kingdom may be enforceable by proceedings in execution, and a judgment not of a superior court by a fresh suit resulting in a judgment or order. A judgment of a court in a jurisdiction which is not a reciprocating territory, including that of a court in the United States, may be enforced only by a new suit upon the judgment and not by proceedings in execution. Furthermore, the execution of foreign decrees under Section 44A of the Civil Code is subject to exceptions under Section 13 of the Civil Code. Section 13 of the Civil Code provides that a foreign judgment to which this section applies shall be conclusive as to any matter thereby directly adjudicated upon between the same parties or between parties under whom they or any of them claim to litigate under the same title, except: (i) where it has not been pronounced by a court of competent jurisdiction; (ii) where it has not been given on the merits of the case; (iii) where it appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognize the law of India in cases where such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where it has been obtained by fraud; or (vi) where it sustains a claim founded on a breach of any law in force in India. Under the Civil Code, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction unless the contrary appears on record and such presumption may be displaced by proving want of jurisdiction. The suit must be brought in India within three years of the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if it viewed the amount of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under FEMA and the rules and regulations framed thereunder, to execute such a judgment and repatriate outside India any amount recovered pursuant to execution. Any judgment in a foreign currency would be converted into Indian Rupees on the date of the judgment and not on the date of the payment. The Company is not entitled to immunity based on sovereignty from any legal proceedings in India.

## EXCHANGE RATES

Fluctuations in the exchange rate between the Indian Rupee and the U.S. Dollar will affect the U.S. Dollar equivalent of the Indian Rupee price of the Shares on the Stock Exchanges. These fluctuations will also affect the conversion into U.S. Dollars of any payments on the New Bonds. The exchange rate between the Rupee and the U.S. Dollar has been volatile over the past year.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and the U.S. Dollar (in Indian Rupees per U.S. Dollar) based on the reference rate released by the RBI. No representation is made that the Indian Rupee amounts actually represent such U.S. Dollar amounts or could have been or could be converted into U.S. Dollar at the rates indicated, any other rate, or at all.

	<u>Period End</u>	<u>Average*</u>	<u>High*</u>	<u>Low*</u>
	<u>(₹ per U.S.\$1)</u>			
<b>Month ended:</b>				
29 February 2020	72.190	71.489	72.190	71.135
31 January 2020	71.510	71.314	72.092	70.812
<b>Quarter Ended:</b>				
31 December 2019	71.274	71.230	72.050	70.682
30 September 2019	70.685	70.336	72.190	68.367
30 June 2019	68.918	69.560	70.421	68.490
<b>Year:</b>				
2019	71.274	70.409	72.190	68.367
2018	69.792	68.363	74.388	63.348
2017	63.927	65.116	68.231	63.631

\* Average / High / Low of the rate for each working day of the relevant period.

Source: [www.fbil.org.in](http://www.fbil.org.in)

## DEFINITIONS

*In this Consent Solicitation and Information Memorandum, unless the context otherwise requires, the following terms shall have the meaning set out below.*

### Terms related to the Group and its business operations

<b>AERH</b>	AE-Rotor Holding B.V.
<b>Affiliated Companies</b>	SRL and SRSPL.
<b>Articles of Association or Articles or Memorandum and Articles of Association</b>	The articles of association or the memorandum of association of the Company, as amended, as the context may require.
<b>Audited Financial Statements</b>	The Company's annual audited consolidated and unconsolidated financial statements as at and for the fiscal years ended 31 March 2017, 2018 and 2019, taken together.
<b>Auditors</b>	The current statutory auditors of the Company, being Deloitte Haskins & Sells LLP.
<b>Board of Directors or Board</b>	The Board of Directors of the Company, or a duly constituted committee thereof.
<b>CCPS</b>	Unlisted compulsorily convertible preference shares to be issued by the Issuer.
<b>Developers</b>	Entities (including Affiliated Companies) who act as the local / regional vendors, land aggregators and other sub-contractors being utilised in connection with or in relation to the development of a renewable power project by the Group.
<b>Directors</b>	The directors of the Company.
<b>Group</b>	The Company, its domestic and international subsidiaries, associate companies and its joint ventures on a consolidated basis.
<b>Group Lenders or Consortium</b>	Lenders to the Issuer and its Subsidiaries.
<b>Promoters</b>	Tulsi R. Tanti, Tanti Holdings Private Limited, Gita T. Tanti, Tulsi R. Tanti (as karta of Tulsi Ranchhodbhai HUF), Tulsi R. Tanti (as karta of Ranchhodbhai Ramjibhai HUF) and jointly by Tulsi R. Tanti, Vinod R. Tanti and Jitendra R. Tanti.
<b>Promoter Group</b>	The Promoters and Promoter Group Entities.
<b>Promoter Group Entities</b>	Vinod R. Tanti, Jitendra R. Tanti, Sangita V. Tanti, Lina J. Tanti, Girish R. Tanti, Rambhaben Ukabhai, Vinod R. Tanti (as karta of Vinod Ranchhodbhai

HUF), Jitendra R. Tanti (as karta of Jitendra Ranchhodbhai HUF), Pranav T. Tanti, Nidhi T. Tanti, Radha G. Tanti, Aarav G. Tanti, Aanya G. Tanti, Rajan V. Tanti, Brij J. Tanti, Trisha J. Tanti, Girish R. Tanti (as karta of Girish Ranchhodbhai HUF) and Samanvaya Holdings Private Limited.

<b>Registered Office</b>	“Suzlon”, 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad-380 009, India.
<b>Registrar of Companies or RoC</b>	The relevant Registrar of Companies.
<b>RETC</b>	The Renewable Energy Technology Centre GmbH.
<b>SEFL</b>	SE Forge Limited.
<b>SGL</b>	Suzlon Generators Limited.
<b>SGSL</b>	Suzlon Global Services Limited.
<b>Senvion</b>	Senvion SE (formerly known as REpower Systems SE).
<b>Seventus</b>	Seventus LLC.
<b>SGWPL</b>	Suzlon Gujarat Wind Park Limited.
<b>SPIL</b>	Suzlon Power Infrastructure Limited.
<b>SRL</b>	Sarjan Realities Limited.
<b>SRSPL</b>	Shubh Realty (South) Private Limited.
<b>STG</b>	The Issuer or SEL, along with SPIL, SGL, SGWPL and SGSL.
<b>Subsidiaries</b>	The direct and indirect Indian and foreign subsidiaries of the Company, with the term “subsidiary” as defined under Section 2(87) of the Companies Act, 2013.
<b>SWECO</b>	Suzlon Wind Energy Corporation.
<b>Technical terms</b>	
<b>Accountholder</b>	An accountholder with Euroclear or Clearstream, Luxembourg.
<b>Alternative Clearing System</b>	Any clearing system other than Euroclear or Clearstream, Luxembourg.
<b>Beneficial Owner</b>	A person who is the owner of a particular principal amount of the Existing Bonds, as shown in the records of Euroclear and Clearstream, or its Direct Participants.

<b>Beneficial Owner attending in Person</b>	A Beneficial Owner who does not send Electronic Instructions in accordance with this Consent Solicitation and Information Memorandum but who has applied, through the Clearing Systems and obtained a valid Voting Certificate for itself or its nominee(s) to attend the Bondholder Meeting in person and does so attend.
<b>Blocked Period</b>	The period during which the Existing Bonds will be blocked in the relevant clearing system to the order of the Tabulation and Exchange Agent.
<b>Bondholder</b>	An Existing Bondholder and a New Bondholder, or either of them.
<b>Bond Exchange Date</b>	The date on which the New Bonds' Trust Deed is executed in accordance with the Extraordinary Resolution.
<b>Bondholder Meeting</b>	<p>The meeting of the holders of the Existing Bonds, scheduled to be held at 12.00 p.m. (Singapore Time) on 6 April 2020 at Allen &amp; Overy LLP at #09-01, OUE Bayfront, 50 Collyer Quay, Singapore 049321.</p> <p><b><u><i>In light of the ongoing developments in relation to Coronavirus (COVID-19), it may become impossible or inadvisable to hold the Bondholder Meeting at the offices of Allen &amp; Overy LLP. In that event, the Issuer and the Trustee may prescribe further or alternative regulations regarding the holding of the Bondholder Meeting, which may include holding the Bondholder Meeting by audio or video conference call. In such circumstances, those Existing Bondholders who have indicated that they wish to attend the Bondholder meeting in person will be provided with further details about attending the Bondholder Meeting.</i></u></b></p> <p><b><u><i>At present, no short term travel to Singapore is possible. Additionally, there can be no assurance that Existing Bondholders that are already based in Singapore will be able to attend a physical Bondholder Meeting owing to current and future restrictions that may be imposed by government bodies or otherwise adopted for safety reasons.</i></u></b></p> <p><b><i>Accordingly, Existing Bondholders are very strongly urged to cast their votes electronically through the Clearing Systems to appoint a proxy to attend and vote at the Bondholder Meeting on their behalf.</i></b></p>
<b>Business Day</b>	A day (other than Saturday or Sunday) on which banks are open for business in the city in which the specified office of the Registrar or the Agent with whom a Certificate is deposited in connection with a transfer or conversion, is located.
<b>Clearing Systems</b>	Euroclear and Clearstream, Luxembourg.
<b>Clearstream, Luxembourg</b>	Clearstream Banking S.A.
<b>Consent Deadline</b>	4.00 pm (London time) on 2 April 2020.

<b>Consent Solicitation</b>	The solicitation by the Company of Favourable Votes from Existing Bondholders for the passing of the Extraordinary Resolution set out in this Consent Solicitation and Information Memorandum.
<b>Consent Solicitation and Information Memorandum</b>	This Consent Solicitation and Information Memorandum dated 26 March 2020.
<b>Consent Solicitation Period</b>	The period starting from 27 March 2020 until the Consent Deadline.
<b>Consenting Bondholders</b>	Existing Bondholders who validly submit Favourable Instructions on or prior to the Consent Deadline and Beneficial Owners attending in Person who validly deliver Votes in Favour of the Extraordinary Resolution at the Bondholder Meeting.
<b>Conversion Agent</b>	The Bank of New York Mellon, London Branch.
<b>Direct Participant</b>	Each person who is shown in the records of a Clearing System as a holder of an interest in any of the Existing Bonds.
<b>Electronic Instructions</b>	The electronic voting and blocking instructions provided by the Existing Bondholders through the Clearing Systems, and which include the details requested in this Consent Solicitation and Information Memorandum.
<b>Equity Shares or Shares</b>	Equity shares of the Company of face value of ₹2 each.
<b>Euroclear</b>	Euroclear Bank SA/NV
<b>Event of Default</b>	An event described in Condition 10.1 of the Existing Bonds' Conditions or the New Bonds' Conditions, as the case may be.
<b>Existing Bonds</b>	The U.S.\$546,916,000 Step Up Convertible Bonds due 2019 issued on 15 July 2014.
<b>Existing Bonds' Conditions</b>	The terms and conditions of the Existing Bonds as set out in Part 3 of Schedule 2 to the Trust Deed.
<b>Existing Defaults</b>	(a) the Events of Default arising due to the Issuer's failure to make the payments in respect of the Existing Bonds under the Existing Bonds' Conditions, and any other Event of Default or Potential Event of Default resulting from the failure to make those payments; (b) any Events of Default or Potential Events of Default which have arisen on or prior to the later of the Share Completion Date or the Bond Exchange Date, including but not limited to any events or circumstances resulting directly or indirectly from the approval or implementation of either the Proposal or approval or implementation of the Debt Resolution Plan; and (c) any Events of Default or Potential Events of Default arising from the execution of the Second Supplemental Trust Deed, or taking any steps to undertake or give effect to the Proposal.

<b>Extraordinary Resolution</b>	The extraordinary resolution put to the Bondholder Meeting for approval.
<b>Favourable Votes</b>	Votes in Favour of the Extraordinary Resolution and Favourable Instructions.
<b>Global Certificate</b>	The certificate representing the New Bonds.
<b>New Bondholder</b>	The person in whose name a New Bond is registered.
<b>New Bonds</b>	The U.S.\$ denominated Convertible Bonds due 2032 of the Company.
<b>New Bonds' Agency Agreement</b>	The agency agreement to be entered into between the Company, the Trustee, the Principal Agent, the Registrar and the Transfer Agent and other agents named therein to implement the Proposed Exchange Offer and in order to give effect to the Extraordinary Resolution, each in respect of the New Bonds.
<b>New Bonds' Conditions</b>	The terms and conditions of the New Bonds as scheduled to the New Bonds' Trust Deed, which are set out in Annexure III to this Consent Solicitation and Information Memorandum.
<b>New Bonds' Trust Deed</b>	A trust deed constituting the New Bonds to be entered into by the Company and the Trustee to implement the Proposed Exchange Offer and in order to give effect to the Extraordinary Resolution, each in respect of the New Bonds.
<b>Notice of Meeting</b>	The notice convening the Bondholder Meeting as sent to the Clearing Systems for dissemination to the Existing Bondholders by the Company on 13 March 2020.
<b>Option A Shares</b>	The Shares that are subject to Mandatory Conversion under Option A with respect to the Proposed Exchange Offer.
<b>Paying Agent</b>	The Bank of New York Mellon, London Branch.
<b>Potential Event of Default</b>	An event or circumstance which could, with the giving of notice, lapse of time, issue of a certificate and/or fulfilment of any other requirement provided in Condition 10.1 of the Existing Bonds' Conditions or the New Bonds' Conditions, as the case may be, become an Event of Default.
<b>Principal Agent</b>	The Bank of New York Mellon, London Branch.
<b>Proposed Exchange Offer</b>	The election by the Existing Bondholders to exchange their outstanding Existing Bonds either for (A) Option A Shares pursuant to Option A; <b>OR</b> (B) the New Bonds pursuant to Option B, provided that if, and to the extent, any Existing Bondholder fails to make the aforesaid election, it shall be deemed to have elected in favour of Option A subject to, and in accordance with, the Amended Conditions. (For the avoidance of doubt, such exchange will be effected pursuant to the Extraordinary Resolution and shall be binding on all Existing Bondholders).
<b>Restructuring Effective Date</b>	The later of the Share Completion Date and the Bond Exchange Date, such

date being on or prior to the Long Stop Date and on which date the markdown of the Existing Bonds is completed.

**Tabulation and Exchange Agency Agreement** The tabulation and exchange agency agreement dated 19 March 2020 to appoint The Bank of New York Mellon, London Branch as the tabulation and exchange agent in connection with the Proposed Exchange Offer.

**Tabulation and Exchange Agent** The Bank of New York Mellon, London Branch.

**Trust Deed** The trust deed dated 15 July 2014, as amended and supplemented by the first supplemental trust deed dated 11 December 2014, each made between the Company and the Trustee constituting the Existing Bonds.

**Trustee** The Bank of New York Mellon, London Branch, as trustee for the Bondholders.

**Voting Certificate** Voting certificate(s) to be issued by The Bank of New York, London Branch, to any Beneficial Owner who applies for such certificate through the relevant Clearing Systems in order to attend the Bondholder Meeting in person.

#### **Industry-related terms, general terms and other abbreviations**

**AD Bank** The designated authorised dealer category I bank.

**AGM** Annual General Meeting

**AS** Accounting Standards issued by the Institute of Chartered Accountants of India.

**Audit Committee** The audit committee of the Company, described in “*Management and Corporate Governance*”.

**Bankruptcy Code** Insolvency and Bankruptcy Code, 2016, as amended.

**BG** Bank guarantee

**BIFR** Board for Industrial and Financial Reconstruction.

**BIS** Bureau of Indian Standards.

**Borrowing Regulations** The Foreign Exchange Management (Borrowing or Lending in Foreign Exchange) Regulations, 2018, as amended.

**BSE** BSE Limited.

**CAGR** Compounded annual growth rate.

**CC** Cash credit.

<b>CCI</b>	The Competition Commission of India.
<b>CDR Scheme</b>	Corporate Debt Restructuring Scheme
<b>CDSL</b>	Central Depository Services (India) Limited.
<b>CEC</b>	Central Empowered Committee.
<b>Civil Code</b>	The Code of Civil Procedure, 1908, as amended.
<b>Companies (Prospectus and Allotment of Securities) Rules, 2014</b>	The Companies (Prospectus and Allotment of Securities) Rules, 2014, and the rules made thereunder, to the extent in force pursuant to notification of the Companies Act, 2013.
<b>Companies Act, 1956</b>	The Companies Act, 1956, and the rules made thereunder (without reference to the provisions thereof that have ceased to have effect upon notification of the Companies Act, 2013).
<b>Companies Act</b>	The Companies Act, 2013, and the rules made thereunder, to the extent in force.
<b>COMPAT</b>	Competition Appellate Tribunal.
<b>Competition Act</b>	The Indian Competition Act, 2002.
<b>CSR</b>	Corporate social responsibility.
<b>CSR Committee</b>	The corporate social responsibility committee of the Company, described in “ <i>Management and Corporate Governance</i> ”.
<b>Delisting Regulations</b>	The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended.
<b>Depositories Act</b>	The Depositories Act, 1996, as amended.
<b>Depository</b>	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996, as amended.
<b>Depository Participant</b>	A depository participant as defined under the Depositories Act.
<b>DIPP</b>	The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI.
<b>Dividend Rules</b>	The Companies (Declaration and Payment of Dividend) Rules, 2014, as amended.
<b>DSCR</b>	Debt service coverage ratio.
<b>DSR</b>	Debt service reserve.

<b>DSRA</b>	Debt service reserve account.
<b>EBITDA</b>	Earnings before interest, tax, depreciation and amortisation.
<b>FBWC</b>	Fund based working capital facility.
<b>FITL</b>	Funded interest term loan facility.
<b>Framework Agreement</b>	Framework agreement envisaged pursuant to and to implement the Debt Resolution Plan; and being one of the Debt Resolution Documents.
<b>ECB</b>	External commercial borrowings.
<b>ECB Guidelines</b>	External Commercial Borrowings Policy — New ECB Framework issued by the RBI on 16 January 2019, the Master Direction — External Commercial Borrowings, Trade Credits and Structured Obligations issued by the RBI on 26 March 2019 and the Master Direction on Reporting under Foreign Exchange Management Act, 1999, dated 1 January 2016, each as amended.
<b>EGM</b>	Extra-ordinary General Meeting.
<b>EPC</b>	Engineering procurement and construction.
<b>Executive Director</b>	Executive Director of the Company.
<b>FATF</b>	Financial Action Task Force.
<b>FATF compliant jurisdiction</b>	A country that is a member of Financial Action Task Force or a member of an FATF-style regional body; and should not be a country identified in the public statement of the FATF as (a) a jurisdiction having a strategic anti-money laundering or combating the financing of terrorism deficiencies to which counter measures apply; or (b) a jurisdiction that has not made sufficient progress in addressing the deficiencies or has not committed to an action plan developed with the FATF to address the deficiencies.
<b>FB</b>	Fund based loan facility.
<b>FCCB</b>	Foreign currency convertible bond.
<b>FCCB Scheme</b>	The Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended and the clarifications issued by the Government of India thereunder.
<b>FCY ECB</b>	Foreign currency denominated external commercial borrowings.
<b>FDI</b>	Foreign direct investment.
<b>FDI Policy</b>	The Consolidated Foreign Direct Investment Policy notified by the D/o IPP F. No. 5(1)/2017-FC-1 dated 28 August, 2017, with effect from 28 August

2017 consolidated FDI policy effective from 7 June 2016 issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, as amended.

<b>FEMA</b>	The Foreign Exchange Management Act, 1999, as amended, and the rules and regulations issued thereunder.
<b>FEMA Rules</b>	Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended.
<b>FEMA Investment Regulations</b>	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended.
<b>FIPB</b>	Foreign Investment Promotion Board.
<b>Financial Year, FY, Fiscal Year or Fiscal</b>	Unless stated otherwise, financial year of the Company ending on 31 March of a particular year.
<b>First Quarter</b>	Financial period ending 30 June of each Fiscal Year.
<b>Foreign Security Regulations</b>	Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004, as amended.
<b>Fourth Quarter</b>	Three months ending 31 March of each Fiscal Year.
<b>FPI</b>	Foreign Portfolio Investor.
<b>FPI Regulations</b>	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended.
<b>GAAP</b>	Generally accepted accounting principles.
<b>GAAR</b>	General Anti Avoidance Rules.
<b>GDP</b>	Gross domestic product.
<b>Government of India or GoI or Central Government or Government</b>	Central government of India or State Government, as applicable.
<b>IAS Rules</b>	The Companies (Indian Accounting Standards) Rules, 2015.
<b>ICDR Regulations</b>	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.
<b>IFRS</b>	International Financial Reporting Standards of the International Accounting Standards Board.
<b>IND-AS</b>	Indian Accounting Standards converged with IFRS, as notified by the

Ministry of Corporate Affairs through the IAS Rules in its general statutory rules dated 16 February 2015.

<b>INR ECB</b>		Rupee denominated external commercial borrowings.
<b>Investor Group</b>		Shanghvi Finance Private Limited jointly with Aditya Medisales Limited and Kumud S. Shanghvi in their capacity as partners of M/s Sunrise Associates; Shanghvi Finance Private Limited jointly with Aditya Medisales Limited and Kumud S. Shanghvi in their capacity as partners of M/s Sunrise Associates; Shanghvi Finance Private Limited jointly with Aditya Medisales Limited and Vibha Shanghvi in their capacity as partners of M/s Pioneer resources; Aditya Medisales Limited Jointly with M J Pharmaceuticals Private Limited and Ms. Vidhi Shanghvi, in their capacity as partners of M/s Expert VisionCannon Realty Private Limited jointly with Sun Fastfin Services Private Limited in their capacity as partners of M/s GEE SIX Enterprises; Aalok D. Shanghvi; Vibha Shanghvi; Vidhi D. Shanghvi; Neostar Developers LLP; Real Gold Developers LLP; Suraksha Buildwell LLP; Sudhir V. Valia; Raksha S. Valia; Vijay M. Parekh; and Paresh M. Parekh.
<b>IOSCO jurisdiction</b>	<b>compliant</b>	A country whose securities market regulator is a signatory to the International Organisation of Securities Commission's Multilateral Memorandum of Understanding (Appendix A Signatories) or a signatory to bilateral Memorandum of Understanding with the Securities and Exchange Board of India for information sharing arrangements.
<b>Indian GAAP</b>		Generally accepted accounting principles in India, including the accounting standards specified under the Companies (Accounts) Rules, 2014, as amended.
<b>Indian Stock Exchanges</b>		The BSE and the NSE, taken together.
<b>IPO</b>		Initial public offering.
<b>IT</b>		Information technology.
<b>IT Act or Income Tax Act</b>		The Income-tax Act, 1961, as amended.
<b>JV</b>		Joint venture.
<b>kg</b>		Kilograms.
<b>km</b>		Kilometres.
<b>kV</b>		Kilovolts.
<b>Kwh</b>		Kilowatt hour.
<b>LC</b>		Letter of credit.
<b>Listing Regulations</b>		The Securities and Exchange Board of India (Listing Obligations and Disclosure

	Requirements) Regulations, 2015, as amended.
<b>LLC</b>	Legal counsel to the Group Lenders appointed by the Lead Bank.
<b>m<sup>3</sup></b>	Cubic metres.
<b>MT</b>	Metric tons.
<b>MTPA</b>	Million metric tons per annum.
<b>MU</b>	Million units.
<b>MW</b>	Megawatt.
<b>NCD</b>	Non-convertible debentures.
<b>NCLT</b>	National Company Law Tribunal of India.
<b>NEAT</b>	National Exchange for Automated Trading of India.
<b>NFB</b>	Non-fund based loan facility.
<b>NFBWC</b>	Non-fund based working capital facility.
<b>Nomination and Remuneration Committee</b>	The nomination and remuneration committee of the Company, described in “ <i>Management and Corporate Governance</i> ”.
<b>Non- Executive Director</b>	Non-Executive Director of the Company.
<b>NPA</b>	Non-performing asset.
<b>NPV</b>	Net present value.
<b>NRI</b>	Non-resident Indian.
<b>NSDL</b>	National Securities Depository Limited.
<b>NSE</b>	The National Stock Exchange of India Limited.
<b>OCB</b>	Overseas corporate bodies.
<b>OCD</b>	Optionally convertible debentures.
<b>PAC</b>	Persons acting in concert.
<b>PAN</b>	Permanent Account Number.
<b>PAT</b>	Profit after tax.
<b>PBT</b>	Profit before tax.

<b>PIO</b>	Persons of Indian origin.
<b>PIT Regulations or/ Prohibition of Insider Trading Regulations, 2015</b>	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
<b>Portfolio Investment Scheme</b>	Portfolio investment scheme under the FEMA.
<b>PPP</b>	Public private partnership.
<b>PSF</b>	Project specific lending facility.
<b>PSU</b>	Public sector undertaking.
<b>QIP</b>	Qualified institutions placement.
<b>RBI</b>	The Reserve Bank of India.
<b>Risk Management Committee</b>	The risk management committee of the Company, described in “ <i>Management and Corporate Governance</i> ”.
<b>R&amp;D</b>	Research and development.
<b>Regulation S</b>	Regulation S under the U.S. Securities Act.
<b>Rs., Rupees, INR or ₹</b>	The legal currency of the Republic of India.
<b>RTL</b>	Rupee term loan.
<b>S&amp;P CNX NIFTY</b>	Standard and Poor’s CNX National Index Fifty.
<b>SARFAESI Act</b>	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, as amended.
<b>SAT</b>	Securities Appellate Tribunal of India.
<b>SBLC</b>	Standby Letter of Comfort/Credit.
<b>SCR (SECC) Rules</b>	Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012.
<b>SCRA</b>	The Securities Contract (Regulation) Act, 1956, as amended.
<b>SCRR</b>	The Securities Contract (Regulation) Rules, 1957, as amended.
<b>SEBI</b>	The Securities and Exchange Board of India.
<b>SEBI Act</b>	The Securities and Exchange Board of India Act, 1992, as amended from time

	to time.
<b>SEBI ICDR Regulations</b>	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
<b>SEBI Listing Regulations</b>	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
<b>Second Quarter</b>	Three months ending 30 September of each Fiscal Year.
<b>Securities Act</b>	The United States Securities Act of 1933, as amended.
<b>SENSEX</b>	The index of a basket of 30 constituent stocks traded on the BSE representing a sample of liquid securities of large and representative companies.
<b>SGX-ST</b>	Singapore Exchange Securities Trading Limited.
<b>SPV</b>	Special purpose vehicle.
<b>sq. ft</b>	Square feet.
<b>State Government</b>	Government of a state of the Republic of India.
<b>SEZ</b>	Special Economic Zones.
<b>STT</b>	Securities Transaction Tax.
<b>Stakeholders' Relationship Committee</b>	The stakeholders' relationship committee of the Company, described in " <i>Management and Corporate Governance</i> ".
<b>Subsidiary</b>	In relation to any person at any time, a company, body corporate, corporation, association or other business entity (a) more than 50 per cent. of the voting rights of which is at the relevant time directly or indirectly owned or controlled by such person or (b) whose affairs and policies at such time such person controls or has the power to control, whether by ownership of voting rights, share capital, contract, the power to appoint and remove members of the board of directors or others governing body or otherwise or (c) whose financial statements are at such time, in accordance with applicable law and generally accepted accounting principles, consolidated with such person's financial statements.
<b>Takeover Regulations</b>	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended.
<b>TDS</b>	Tax deduction at source.
<b>Third Quarter</b>	Three months ending 31 December of each Fiscal Year.
<b>TL</b>	Term loan facility.

<b>U.S. GAAP</b>	Generally accepted accounting principles in the U.S.
<b>U.S. or United States</b>	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.
<b>U.S.\$ or U.S. Dollars</b>	The legal currency of the United States.
<b>UPSI</b>	Unpublished Price Sensitive Information.
<b>WTD</b>	Whole-time director.
<b>WTG</b>	Wind turbine generators.

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## EXPECTED TIMETABLE

Set out in this section is the proposed timetable applicable to the Consent Solicitation and the Proposed Exchange Offer. The following timetable assumes that the Bondholder Meeting is quorate on the date on which they are first held and, accordingly, no adjourned meeting is required. Accordingly, if an adjourned meeting is required, the actual timetable may differ significantly from the expected timetable set out below.

Additionally, if the Company is required to make any changes to the timetable or the sequence of issue of New Bonds or the issue of Option A Shares on account of the procedural or operational requirements of the Clearing Systems, the RBI, SGX-ST, BSE and NSE or the Indian depositories, it reserves the right to do so in order to give effect to the Proposed Exchange Offer.

<b>Events</b>	<b>Dates and (if relevant) Times</b> <i>(All times are Singapore time unless specified otherwise)</i>
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<b>Date of circulation of the Notice of Meeting</b>	13 March 2020
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<b>Consent Solicitation and Information Memorandum circulated to Existing Bondholders</b>	26 March 2020
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*Company to announce the launch of the Consent Solicitation to the Clearing Systems, SGX-ST, BSE and NSE.*

<b>Commencement of the Consent Solicitation Period</b>	27 March 2020
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<b>Consent Deadline</b>	4.00 p.m. London time on 2 April 2020
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*Deadline for receipt of all Electronic Instructions and for Existing Bondholders' Instructions to Authorise the Principal Agent to attend the Bondholder Meeting as their proxy.*

**End of the Consent Solicitation Period.**

*Tabulation of Electronic Instructions*

<b>Bondholders Meeting*</b>	12.00 p.m. Singapore time on 6 April 2020
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*\* In light of the ongoing developments in relation to Coronavirus (COVID-19), it may become impossible or inadvisable to hold the Bondholder Meeting at the offices of Allen & Overy LLP. In that event, the Issuer and the Trustee may prescribe further or alternative regulations regarding the holding of the Bondholder Meeting, which may include holding the Bondholder Meeting by audio or video conference call. In such circumstances, those Existing Bondholders who have indicated that they wish to attend the Bondholder meeting in person will be provided with further details about attending the Bondholder Meeting.*

*At present, no short term travel to Singapore is possible. Additionally, there can be no assurance that Existing Bondholders that are already based in Singapore will be able to attend a physical Bondholder Meeting owing to current and future restrictions that may be imposed*

**Events****Dates and (if relevant) Times**

*(All times are Singapore time unless specified otherwise)*

by government bodies or otherwise adopted for safety reasons.

Accordingly, Existing Bondholders are very strongly urged to cast their votes electronically through the Clearing Systems to appoint a proxy to attend and vote at the Bondholder Meeting on their behalf.

**Notice of results of the Bondholder Meeting**

As soon as practicable after the end of the Bondholder Meeting

***Company to announce the results of the Bondholder Meeting to the Clearing Systems, the SGX-ST and the Indian Stock Exchanges.***

6 April 2020

***If approved, the Second Supplemental Trust Deed to become effective in accordance with its terms and the Bonds Amendment Date to have occurred***

***(With respect to Option A) Account Holder Notification***

Bonds Amendment Date

Company to issue the Account Holder Notification to Existing Bondholders specifying, inter alia, the Notification Date.

***(With respect to Option A)*** Delivery of the Account Holder Instructions by Existing Bondholders must be made to the Conversion Agent via the Clearing Systems.

On or about 28 April 2020, i.e., 15 business days from the Bonds Amendment Date

**Satisfaction of the Conditions Precedent**

On or prior to the Cut-off Date

*Company to deliver a certificate to the Trustee confirming satisfaction of Conditions Precedent*

*Company to make announcement regarding satisfaction of the Conditions Precedent to the Clearing Systems, the SGX-ST and the Indian Stock Exchanges.*

***(With respect to Option A) Mandatory Conversion Notice***

On or after satisfaction of the Conditions Precedent

*Company to deliver the Mandatory Conversion Notice to the Trustee, the Principal Agent and the Conversion Agent specifying, inter alia, the Mandatory Conversion Record Date and the Mandatory Conversion Exchange Rate*

***(With respect to Option A) Mandatory Conversion Record Date***

As specified in the Mandatory Conversion Notice (and in any event not later than 45 business days from the Mandatory Conversion Record Date)

*Company to initiate process for the securities account of each Existing Bondholder or its nominee to be credited*

**Events****Dates and (if relevant) Times**

*(All times are Singapore time unless specified otherwise)*

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*with such number of Option A Shares as will be issued to the relevant Existing Bondholder upon Mandatory Conversion*

***(With respect to Option A) Share Completion Date***

*The last date by which all obligations of the Company in respect of the Mandatory Conversion must be fulfilled (e.g., delivery of the Option A Shares and relevant securities account of each Existing Bondholder or its nominee to be credited with the Option A Shares)*

Must occur by a date which is not more than 45 business days from the Mandatory Conversion Record Date

*Company to notify the Trustee, the Principal Agent, the Conversion Agent and the Existing Bondholders in writing that the Share Completion Date has occurred and, if the Bond Exchange Date has also occurred, instruct the Principal Agent to markdown and cancel all the Existing Bonds*

***(With respect to Option B) Company to prepare for Bond Exchange / issue of New Bonds***

*Company to conduct closing and release all signed documents, including the New Bonds' Trust Deed and New Bonds' Agency Agreement.*

Bond Exchange Date – being any date during the period starting from the date on which all of the Conditions Precedent have been satisfied and ending on the Cut-off Date (likely to be contemporaneous with the Share Completion Date, as a practical matter).

*Company to effect the Bond Exchange / issue of New Bonds and, if the Share Completion Date has also occurred, instruct the Principal Agent to markdown and cancel all the Existing Bonds*

***Listing on the SGX-ST***

*Company to receive letter from SGX-ST confirming the listing and quotation of the New Bonds.*

**Company to make announcement regarding completion of the Consent Solicitation and Proposed Exchange Offer to the Clearing Systems, the SGX-ST and the Indian Stock Exchanges.**

Restructuring Effective Date (such date being on or prior to the Long Stop Date and, on or prior to which date, the markdown of the Existing Bonds is completed)

**Cut-off Date** (subject to extension until Long Stop Date)

**31 July 2020**

**Long Stop Date**, being the last date by which the Restructuring Effective Date must occur

**30 September 2020**

**The above dates and times, to the extent that they relate to the fulfilment of certain Conditions Precedent and the receipt of in-principle approval from SGX-ST confirming the listing and quotation of the New**

**Bonds, are indicative and the completion of such events depend upon factors outside the control of the Company.**

**In addition, the above dates and times are further subject, until the date of the Bondholder Meeting, to the right of the Company to extend, revoke or amend the deadlines and/or terminate or withdraw the Consent Solicitation. Existing Bondholders are advised to check with the relevant Intermediary (as defined herein) through which they hold their Existing Bonds as to whether such Intermediary applies different deadlines for any of the events specified above, and then to allow such deadlines if such deadlines are prior to the deadlines set out above. The relevant Clearing Systems may set and inform Existing Bondholders of an earlier deadline within which Existing Bondholders should submit their Electronic Instructions to the relevant Clearing Systems.**

At any time, the Company may decide to terminate the Consent Solicitation, including with respect to Electronic Instructions (if any) submitted before the time of such termination by giving notice to the Existing Bondholders of such termination, which notice will be delivered to the Clearing Systems for communication to Direct Participants and by way of an announcement submitted to the SGX-ST. Upon such termination, any Existing Bonds that are blocked in the Clearing Systems will immediately cease to be blocked.

Unless stated otherwise, all announcements and notifications will be made by the Company by notices delivered to the Clearing Systems through the Tabulation and Exchange Agent for communication to Direct Participants. To the extent that the rules of the SGX-ST so require, a message similar to that provided to the Clearing Systems will be submitted by the Company to the SGX-ST, subject to all applicable laws and regulations.

## SUMMARY OF THE TERMS OF THE EXISTING BONDS AND THE NEW BONDS

The following is a general summary of the key terms of (1) the Existing Bonds pursuant to the Existing Bonds' Conditions; (2) the Existing Bonds pursuant to the Amended Conditions; and (3) the New Bonds pursuant to the New Bonds' Conditions. This summary is derived from, and should be read in conjunction with, the full New Bonds' Conditions set out in Annexure III to this Consent Solicitation and Information Memorandum, which prevail to the extent of any inconsistency with the terms set out in this section, the full Existing Bonds' Conditions (set out as Annexure II to this Consent Solicitation and Information Memorandum) and the full Amended Conditions (set out as Annexure IIA to this Consent Solicitation and Information Memorandum). Bondholders should also read the information about the Company and its business operations set out in Annexure I of this Consent Solicitation and Information Memorandum, as well as any documents incorporated by reference in this Consent Solicitation and Information Memorandum, carefully and in full.

Capitalised terms used herein and not otherwise defined have the respective meanings given to such terms in the relevant Existing Bonds' Conditions, the Amended Conditions and the New Bonds' Conditions.

Condition	Existing Bonds (pursuant to the Existing Bonds' Conditions)	Existing Bonds (pursuant to the Amended Conditions)	New Bonds (pursuant to the New Bonds' Conditions)
<b>Issuer</b>	Suzlon Energy Limited	Suzlon Energy Limited	Suzlon Energy Limited
<b>Description</b>	U.S.\$546,916,000 Step Up Convertible Bonds due 2019	U.S.\$546,916,000 Step Up Convertible Bonds due 2019	U.S.\$ denominated interest bearing Convertible Bonds due 2032
<b>Form and Denomination</b>	Issued in registered form in denominations of U.S.\$1,000 each and integral multiples thereof. The Existing Bonds will upon issue be represented by the Global Certificate which on the Closing Date will be deposited with, and registered in the name of a nominee of, a Common Depositary for Euroclear and Clearstream, Luxembourg.	Same as the Existing Bonds' Conditions.	Issued in registered form in the denominations of U.S.\$320 and integral multiples of U.S.\$10 in excess thereof; provided that Additional PIK Principal (as defined below) may be added in denominations of U.S.\$1.00 in accordance with Condition 5. Upon issue, the New Bonds will be represented by a Global Certificate deposited with a common depositary for, and representing the New Bonds registered in the name of a nominee of the common depositary for, Euroclear and Clearstream, Luxembourg.
<b>Status</b>	Direct, unsubordinated, unconditional and (subject to the provisions of Condition 4) unsecured obligations of the Company and shall at all times rank <i>pari passu</i> and	Same as the Existing Bonds' Conditions.	Substantially similar to the Existing Bonds' Conditions.

<b>Condition</b>	<b>Existing Bonds (pursuant to the Existing Bonds' Conditions)</b>	<b>Existing Bonds (pursuant to the Amended Conditions)</b>	<b>New Bonds (pursuant to the New Bonds' Conditions)</b>
	without any preference or priority among themselves. The payment obligations of the Company under the Existing Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to Condition 4, at all times rank at least equally with all of its other present and future direct, unsubordinated, unconditional and unsecured obligations.		
<b>Maturity Date</b>	16 July 2019	Same as the Existing Bonds' Conditions.	During 2032
<b>Interest</b>	5.75% per annum, from (and including) 16 January 2016 to the Maturity Date and payable semi-annually in arrear on each Interest Payment Date	Same as the Existing Bonds' Conditions.	4.0% per annum, from (and including) the date of their issue up to (but excluding) the Maturity Date, of which (A) 1.25% per annum (the "Cash Interest Rate") shall be payable in cash and (B) 2.75% per annum (with respect to each Interest Payment Date) shall be capitalised by the Issuer (by way of application of a pool factor in accordance with the procedures of the clearing systems) and added to the outstanding principal amount of the New Bonds.
<b>Conversion Right</b>	The Existing Bonds are convertible by holders into Shares, at any time on or after 25 August 2014 and up to the close of business on 9 July 2019, unless previously redeemed, converted, or purchased and cancelled and except during a Closed Period (as defined in the Existing Bonds' Conditions).	Substantially similar to the Existing Bonds' Conditions.	The New Bonds are convertible by holders into Shares, at any time on or after about 40 days from the Bond Exchange Date and up to the close of business on the date seven business days prior to the New Bonds' Maturity Date, unless previously redeemed, converted, or purchased and cancelled and except during a

Condition	Existing Bonds (pursuant to the Existing Bonds' Conditions)	Existing Bonds (pursuant to the Amended Conditions)	New Bonds (pursuant to the New Bonds' Conditions)
<b>Conversion Price</b>	Initially ₹15.46 per Share with a fixed rate of exchange on conversion of ₹60.225 = U.S.\$1.00 subject to adjustments in certain circumstances.	With effect from the Bonds Amendment Date, and subject to the fulfilment of the Conditions Precedent, initially ₹6.77 per Share with a fixed rate of exchange on conversion of ₹60.225 = U.S.\$1.00 subject to adjustments in certain circumstances.  The Issuer proposes to issue, through preferential allotment, Shares in favour of the Promoter Group and the Investor Group (each as defined in this Consent Solicitation and Information Memorandum) aggregating up to Rs. 4,000 million, pursuant to a general meeting of its shareholders proposed to be held on 7 April 2020 or an adjourned or rescheduled such meeting, or other similar corporate action for this purpose (the " <b>Promoter Preferential Allotment</b> ").  Notwithstanding anything contained herein, in the event the price per Share at which the Promoter Preferential Allotment takes place (the " <b>Promoter Preferential Allotment Share Price</b> ") is:  (a) Rs. 2.45 or more, no change shall be made to the Amended Conversion Price set out in the Amended Conditions; and  (b) less than Rs. 2.45, the Amended Conversion Price set out in the Amended Conditions shall be reduced by Rs. 0.02763 (rounded to the nearest two decimal	Closed Period (as defined in the New Bonds' Conditions).  Initially ₹2.80 per Share with a fixed rate of exchange on conversion of the lower of (i) ₹75.0 = U.S.\$1.00; or (ii) USD:INR spot rate on the Bond Exchange Date, subject to adjustments in certain circumstances. Notwithstanding anything contained herein, the initial conversion price shall be subject to revision such that the initial conversion price shall be 6.50% (rounded to the nearest amount in Indian Rupees up to two decimal points) higher than the price at which Shares (or other convertible instruments) are proposed to be issued by the Issuer through preferential allotment aggregating up to Rs.4,000 million, pursuant to a general meeting of its shareholders proposed to be held on 7 April 2020 or an adjourned or rescheduled such meeting or other similar corporate action for this purpose, in favour of the Promoter Group and the Investor Group (each as defined in this Consent Solicitation and Information Memorandum).

<b>Condition</b>	<b>Existing Bonds (pursuant to the Existing Bonds' Conditions)</b>	<b>Existing Bonds (pursuant to the Amended Conditions)</b>	<b>New Bonds (pursuant to the New Bonds' Conditions)</b>
		places) for every reduction of 1 paise in the Promoter Preferential Allotment Share Price below Rs. 2.45.	
<b>Negative Pledge</b>	For so long as any Existing Bond remains outstanding, the Company will not, and will procure that none of its Subsidiaries will, create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest on its undertaking, assets or revenues to secure certain types of indebtedness, as described in the Existing Bonds' Conditions.	Similar to the Existing Bonds' Conditions, subject to the deletion of (1) certain exclusions relating to the Senvion Group; (2) the Second Lien over all the domestic assets of the Issuer and its Indian Subsidiaries that were secured for the benefit of the Issuer's Secured Lenders; and (3) the Security Conditions.	Same as the Amended Conditions.
<b>Mandatory Conversion Feature</b>	During certain periods, the Company may mandatorily convert the Existing Bonds in part into Shares at the then prevailing Conversion Price provided that no such conversion may be made unless the Volume Weighted Average Price of the Shares on each day during a period of not less than 30 Trading Days prior to the date on which such Mandatory Conversion Notice is given was a stated percentage of the Conversion Price.	No feature similar to the Existing Bonds' Conditions; provided however that if, and to the extent, Option A is elected or is deemed to have been elected by the relevant Bondholder, then the Mandatory Conversion related provisions under the Amended Conditions shall apply – see “ <i>Proposed Exchange Offer – Option A - Mandatory Conversion</i> ” for further details.	No feature similar to the Existing Bonds' Conditions.
<b>Redemption at maturity</b>	Unless previously redeemed, converted or repurchased and cancelled, the Company will redeem each Existing Bond at its principal amount on the Maturity Date.	Same as the Existing Bonds' Conditions.	Substantially similar to the Existing Bonds' Conditions.
<b>Clean up option</b>	If at any time the aggregate principal amount of the Existing Bonds outstanding is less than 10% of the	Same as the Existing Bonds' Conditions.	Substantially similar to the Existing Bonds' Conditions.

<b>Condition</b>	<b>Existing Bonds (<i>pursuant to the Existing Bonds' Conditions</i>)</b>	<b>Existing Bonds (<i>pursuant to the Amended Conditions</i>)</b>	<b>New Bonds (<i>pursuant to the New Bonds' Conditions</i>)</b>
	aggregate principal amount originally issued, the Issuer shall have the option to redeem such outstanding Existing Bonds in whole but not in part at their Early Redemption Amount together with accrued but unpaid interest.		
<b>Redemption for Taxation Reasons</b>	The Company may redeem the Existing Bonds in whole, but not in part only, at any time at their Early Redemption Amount together with accrued but unpaid interest in the event of certain changes affecting taxes in India, subject to the right of each Existing Bondholder to elect not to have such Existing Bondholder's Existing Bonds redeemed, whereupon no additional amounts as a result of such changes affecting taxes in India will be payable and payment of all amounts shall be made subject to deduction or withholding of the taxation required to be withheld or deducted by the Government or any authority thereof or therein having power to tax.	Same as the Existing Bonds' Conditions.	Substantially similar to the Existing Bonds' Conditions.
<b>Redemption for Change of Control</b>	Unless the Existing Bonds have been previously redeemed, repurchased and cancelled or converted each Existing Bondholder shall have the right, at such Existing Bondholder's option, upon the occurrence of a Relevant Event (as defined in the Existing Bonds' Conditions) to require the Company to redeem all (but not less than all) of such	Same as the Existing Bonds' Conditions.	No feature similar to the Existing Bonds' Conditions.

<b>Condition</b>	<b>Existing Bonds (pursuant to the Existing Bonds' Conditions)</b>	<b>Existing Bonds (pursuant to the Amended Conditions)</b>	<b>New Bonds (pursuant to the New Bonds' Conditions)</b>
	Existing Bondholder's Existing Bonds at their Early Redemption Amount together with accrued but unpaid interest.		
<b>Delisting Put Right</b>	Unless the Existing Bonds have been previously converted, redeemed, repurchased and cancelled, in the event that the Shares cease to be listed or admitted to trading on either the BSE or the NSE, each Existing Bondholder shall have the right, at such Existing Bondholder's option, to require the Company to redeem all (but not less than all) of such Existing Bondholder's Existing Bonds at their Early Redemption Amount together with accrued and unpaid interest.	Same as the Existing Bonds' Conditions.	Substantially similar to the Existing Bonds' Conditions.
<b>Events of Default</b>	If any of the Events of Default (as defined in the Existing Bonds' Conditions) occurs, the Trustee may, and if so requested in writing by Existing Bondholders holding at least 25 per cent. in principal amount of the Existing Bonds then outstanding or directed by an Extraordinary Resolution shall, give notice to the Company that the Existing Bonds are, and they shall immediately become, due and repayable at their Early Redemption Amount together with accrued interest (if any) to the date of payment.	Substantially similar to the Existing Bonds' Conditions, subject to certain amendments to the Events of Default.	Substantially similar to the Existing Bonds' Conditions, subject to certain amendments to the Events of Default.
<b>Share Ranking</b>	Shares issued upon conversion of the Existing Bonds will be fully paid with	Same as the Existing Bonds' Conditions.	Same as the Existing Bonds' Conditions.

<b>Condition</b>	<b>Existing Bonds (<i>pursuant to the Existing Bonds' Conditions</i>)</b>	<b>Existing Bonds (<i>pursuant to the Amended Conditions</i>)</b>	<b>New Bonds (<i>pursuant to the New Bonds' Conditions</i>)</b>
	full voting rights and will rank pari passu with the Shares in issue on the relevant conversion date in respect of the Existing Bonds, save that Shares issued on conversion of the Existing Bonds shall not be entitled to any rights the record date for which precedes the relevant conversion date in respect of the Existing Bonds.		
<b>Market for the Shares, Listing and Share Ownership Restrictions</b>	The outstanding Shares of the Company are listed on, inter alia, the Indian Stock Exchanges. There are restrictions on investments in shares of Indian companies, including the Shares, by non-residents of India.	Same as the Existing Bonds' Conditions.	Same as the Existing Bonds' Conditions.
<b>Clearance</b>	The Existing Bonds will be cleared through the Clearing Systems. The Clearing Systems each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders.	Same as the Existing Bonds' Conditions.	Same as the Existing Bonds' Conditions.
<b>Listing</b>	Listed and quoted on the Official List of the SGX-ST. The Existing Bonds will be traded on the SGX-ST in a minimum board lot size of U.S.\$200,000 for so long as any of the Existing Bonds remain listed on the SGX-ST. The Company will also apply for the in-principle approval for the Shares issuable upon conversion of the Existing Bonds to be listed on the BSE and the	Same as the Existing Bonds' Conditions.	Same as the Existing Bonds' Conditions.

<b>Condition</b>	<b>Existing Bonds (<i>pursuant to the Existing Bonds' Conditions</i>)</b>	<b>Existing Bonds (<i>pursuant to the Amended Conditions</i>)</b>	<b>New Bonds (<i>pursuant to the New Bonds' Conditions</i>)</b>
	NSE.		
<b>Trustee</b>	The Bank of New York Mellon, London Branch.	The Bank of New York Mellon, London Branch	The Bank of New York Mellon, London Branch
<b>Principal Agent</b>	The Bank of New York Mellon, London Branch.	The Bank of New York Mellon, London Branch	The Bank of New York Mellon, London Branch
<b>Registrar</b>	The Bank of New York Mellon, (Luxembourg) S.A.	The Bank of New York Mellon SA/NV, Luxembourg Branch	The Bank of New York Mellon SA/NV, Luxembourg Branch
<b>Governing Law</b>	The Existing Bonds and any non-contractual obligations arising out of or in connection with the Existing Bonds will be governed by, and construed in accordance with, the laws of England.	Same as the Existing Bonds' Conditions.	Same as the Existing Bonds' Conditions.
<b>Common Code</b>	108133252 108133287	108133252 108133287	<i>To be applied for.</i>
<b>ISIN</b>	XS1081332527 XS1081332873	XS1081332527 XS1081332873	<i>To be applied for.</i>

## **RISK FACTORS AND OTHER CONSIDERATIONS RELATED TO THE PROPOSED EXCHANGE OFFER**

*The following section does not describe all of the risks for the Existing Bondholders participating in the Consent Solicitation. Prior to making a decision as to whether to participate, Existing Bondholders should consider carefully, in light of their own financial circumstances and investment objectives, all the information set out in this Consent Solicitation and Information Memorandum (as well as any documents incorporated by reference in this Consent Solicitation and Information Memorandum) and, in particular, the following risk factors that are specific to evaluating whether to participate in the Consent Solicitation set out below as well as the risk factors related to the Company and an investment in the New Bonds, Option A Shares and the Shares to be issued upon conversion of the New Bonds set out elsewhere in this Consent Solicitation and Information Memorandum. Existing Bondholders should make such inquiries as they think appropriate regarding the terms of the Consent Solicitation, the Proposed Exchange Offer, the New Bonds, the Option A Shares and the Company, all without relying on the Company, the Trustee, the Tabulation and Exchange Agent, the Principal Agent or any other person.*

*Investment in the New Bonds, Option A Shares and the Shares to be issued upon conversion of the New Bonds entails certain risks. Please refer to the section “Risk Factors—Risks associated with an investment in the New Bonds, Option A Shares and the Shares to be issued upon conversion of the New Bonds” included in Annexure I of this Consent Solicitation and Information Memorandum.*

### ***The Consent Solicitation and the Proposed Exchange Offer are subject to certain Conditions Precedent.***

The Consent Solicitation and the Proposed Exchange Offer are subject to the satisfaction of certain Conditions Precedent on or prior to the Cut-off Date. For further details, see “*Terms of the Consent Solicitation and the Proposed Exchange Offer—Conditions Precedent*” in this Consent Solicitation and Information Memorandum. There can be no assurance that the Conditions Precedent will be satisfied, and the Mandatory Conversion Record Date and the Bond Exchange Date will occur, on or prior to the Cut-off Date. In the event the Conditions Precedent have not been satisfied, or the Mandatory Conversion Record Date and the Bond Exchange Date has not occurred, on or prior to the Cut-off Date, (A) the Mandatory Conversion provisions, the Bond Exchange provisions and all other amendments pursuant to the Amended Conditions (as approved by the Bondholders’ Resolution) shall cease to have effect (and the provisions of the Trust Deed and the Existing Bonds’ Conditions shall operate without the effect of Conditions 8.2A and 8.2B of, and all other amendments pursuant to, the Amended Conditions (as approved by the Bondholders’ Resolution)); (B) the Company will not execute any New Bonds’ Trust Deed; and (C) the Company will not be able to proceed with the Proposed Exchange Offer.

### ***Differences between the Existing Bonds’ Conditions, the Amended Conditions and the New Bonds’ Conditions.***

There are certain key differences between the Existing Bonds’ Conditions, the Amended Conditions and the New Bonds’ Conditions. Bondholders are advised to carefully read the form of the Amended Conditions and the New Bonds’ Conditions set out in Annexures IIA and III, respectively, of this Consent Solicitation and Information Memorandum. The Amended Conditions and the New Bonds’ Conditions will be substantially consistent with the form thereof set out in Annexures IIA and III, respectively, of this Consent Solicitation and Information Memorandum.

### ***No consent fee.***

There is no consent fee payable in relation to this Consent Solicitation.

***Losses due to rounding down.***

As detailed in “*Terms of the Consent Solicitation and the Proposed Exchange Offer*”, Existing Bondholders each receive (A) (in relation to Option A) Option A Shares at the Mandatory Conversion Price; and (B) (in relation to Option B) the New Bonds in a denomination of U.S.\$320 each and integral multiples of U.S.\$10 in excess thereof, in exchange for their outstanding Existing Bonds. In relation to Option A, fractions of Option A Shares will not be issued on the Mandatory Conversion and no cash adjustments will be made in respect thereof. In relation to Option B, if the principal amount of the New Bonds mathematically derived for allocation to a New Bondholder is an amount which is not a multiple of U.S.\$320, such New Bondholder will receive the New Bonds rounded down to the nearest U.S.\$320. The Company will not pay any cash or other compensation for any Existing Bonds which are so rounded down. Existing Bondholders may therefore suffer certain minor losses due to the aforesaid.

***Responsibility for complying with the procedures of the Consent Solicitation and the Proposed Exchange Offer.***

Existing Bondholders are solely responsible for complying with all of the procedures for submitting Electronic Instructions, electronic withdrawal instructions or revocation instructions. None of the Company, the Trustee, the Tabulation and Exchange Agent, or the Principal Agent assumes any responsibility for informing Existing Bondholders of irregularities with respect to Electronic Instructions, electronic withdrawal instructions or revocation instructions.

Notwithstanding anything to the contrary in this Consent Solicitation and Information Memorandum, no beneficial or legal interest in the Existing Bonds to be exchanged pursuant to the Proposed Exchange Offer will transfer to the Company or its agents or any other person acting on its or their behalf prior to the Bondholder Meeting being held.

***Withdrawal of Electronic Instructions.***

The right of an Existing Bondholder to revoke any validly submitted Electronic Instruction is limited to the circumstances described in the section “*Terms of the Consent Solicitation and the Proposed Exchange Offer*”. Such revocation will only be accepted by the Company if a valid revocation instruction is submitted by an Existing Bondholder in accordance with the procedures and timing set out in that section.

***Blocking of Existing Bonds.***

When considering whether to participate in the Consent Solicitation, Existing Bondholders should take into account that restrictions on the transfer of the Existing Bonds by Existing Bondholders will apply during the Blocked Period. The Blocked Period is the period from (a) the time of the submission of (i) in the case of a Beneficial Owner attending in Person, the application through the Clearing Systems for, a Voting Certificate and (ii) in the case of all other Existing Bondholders, an Electronic Instruction to the relevant Clearing System, to (b) until the earliest of (A) the Restructuring Effective Date, or (B) 5.00 p.m. (London time) on the Cut-off Date, or (C) the date of termination of the Consent Solicitation and the Proposed Exchange Offer, or (D) the date upon which such Existing Bonds cease, in accordance with the procedures of the relevant Clearing System and with the agreement of the Principal Agent, to be held to its order or under its control; provided, however, in the case of (C) above, that, if the Beneficial Owner or Accountholder has caused a proxy to be appointed in respect of such Existing Bond(s), such Existing Bond(s) will not be released to the relevant Accountholder unless and until the Company, the Principal Agent or the Registrar has received notice of the necessary revocation of or amendment to such proxy.

The Existing Bondholders are deemed to have agreed that such Existing Bonds will be blocked during the Blocked Period in the relevant account in the relevant Clearing System to the order of the Tabulation and Exchange Agent and further provided that if the Beneficial Owner or Accountholder has caused a proxy to be appointed in respect of such Existing Bonds, such Existing Bonds will not be released to the relevant

Accountholder unless and until the Company, the Principal Agent or the Registrar has received notice of the necessary revocation of or amendment to such proxy. In any event, the Existing Bonds will be unblocked on or prior to 5.00 p.m. (London time) on the Cut-off Date.

***Compliance with Distribution Restrictions.***

Holders are referred to the distribution restrictions in the section “*Notice to Bondholders*” in this Consent Solicitation and Information Memorandum and the deemed representations and warranties included in the section “*Terms of the Consent Solicitation and the Proposed Exchange Offer*” in this Consent Solicitation and Information Memorandum.

***Effect of the Extraordinary Resolution, the Proposed Exchange Offer and deemed election of Option A.***

If the Proposal is effected, any or all of the Proposed Exchange Offer and the Proposed Waivers will be binding on all Existing Bondholders, whether or not those Existing Bondholders attended or were otherwise represented at the Bondholder Meeting and, if they attended or were represented at the Bondholder Meeting, whether they voted in favour of or against the Extraordinary Resolution. This possibility accordingly represents a risk to Existing Bondholders who choose not to participate in the Consent Solicitation.

In addition, as part of the Proposed Exchange Offer, if, and to the extent, any Existing Bondholder fails to make the election between Option A and Option B, it shall be deemed to have elected in favour of Option A subject to, and in accordance with, the Amended Conditions. The aforesaid involves the deemed election by the Existing Bondholders in favour of Option A in circumstances where they have failed to make an election. As a result, there are additional risks for the Existing Bondholders who fail to make an election in accordance with this Consent Solicitation and Information Memorandum.

***Residual Holders and forfeiture of rights to the Option A Shares.***

In relation to Existing Bondholders who have elected or are deemed to have elected Option A, the Issuer shall issue the Deed of Covenant in favour of the Residual Holders (if any). Under such Deed of Covenant, notwithstanding the cancellation of the Relevant Bonds, the Residual Holders shall have up to 12 months from the Share Completion Date to claim the relevant Option A Shares from the Issuer, provided that they can demonstrate to the Issuer’s reasonable satisfaction that they were holders of Existing Bonds as at the Share Completion Date. Residual Holders who fail to claim the Option A Shares within 12 months from the Share Completion Date will be deemed to have forfeited their right to the Option A Shares and no compensation or other amounts shall be due to them. Existing Bondholders should note that all Existing Bonds outstanding will be cancelled on or about the Share Completion Date and Residual Holders will thereafter only have a right to Option A Shares pursuant to, and in accordance with, the Deed of Covenant.

***Responsibility for information.***

Existing Bondholders are responsible for independently investigating the position of the Company. None of the Company, the Trustee, the Tabulation and Exchange Agent, or the Principal Agent assumes any responsibility for informing Existing Bondholders as to the position of the Company or the Group in connection with the Consent Solicitation and the Proposed Exchange Offer.

***Responsibility to consult advisers.***

Each Existing Bondholder is solely responsible for making its own independent appraisal of all matters as such Existing Bondholder deems appropriate (including those relating to the Proposal, the Proposed Exchange Offer, the Company and the Group) and each Existing Bondholder must make its own decision as to whether to vote in favour of the Extraordinary Resolution pursuant to the Consent Solicitation or whether to participate in the Proposed Exchange Offer.

None of the Company, the Trustee, the Tabulation and Exchange Agent or the Principal Agent (or their respective directors, employees or affiliates) makes any recommendation to any Existing Bondholder as to whether an Existing Bondholder should vote in favour of the Extraordinary Resolution pursuant to the Consent Solicitation or whether they should participate in the Proposed Exchange Offer, and none of them has authorised any person to make any such recommendation.

Bondholders should consult their own tax, accounting, financial and legal advisers regarding the suitability to themselves of the tax or accounting consequences of participating in the Consent Solicitation and the Proposed Exchange Offer. None of the Company, the Trustee, the Tabulation and Exchange Agent or the Principal Agent has made or will make any assessment of the merits of the Consent Solicitation and/or the Proposed Exchange Offer, or of the impact of the Consent Solicitation and/or the Proposed Exchange Offer on the interests of Bondholders either as a class or as individuals. Bondholders are liable for their own taxes and have no recourse to the Company, the Trustee, the Tabulation and Exchange Agent or the Principal Agent with respect to taxes arising in connection with the Consent Solicitation and/or the Proposed Exchange Offer.

***No indication of future intentions of the Company.***

The invitation of the Company to Existing Bondholders to participate in the Consent Solicitation and the Proposed Exchange Offer should not be taken as any indication of any future intentions of the Company with respect to the Existing Bonds.

## TERMS OF THE CONSENT SOLICITATION AND THE PROPOSED EXCHANGE OFFER

*Capitalised terms used but not defined herein have the meanings assigned to such terms in “Definitions”.*

### **Introduction to the Consent Solicitation and the Proposed Exchange Offer**

#### *Consent Solicitation*

1. The Company is soliciting, on the terms and subject to the conditions set forth in this Consent Solicitation and Information Memorandum, votes in favour of or valid and affirmative instructions to authorise the Principal Agent to attend the Bondholder Meeting as proxy for such Existing Bondholders and vote in favour of the Extraordinary Resolution put to the Bondholder Meeting.
2. Existing Bondholders (other than Beneficial Owners attending in Person) who consent to the Extraordinary Resolution must provide Favourable Instructions and must validly submit or deliver Electronic Instructions in accordance with the procedures set out in “—Voting/Participation Procedures” below on or prior to the Consent Deadline or such earlier deadline as may be set by the relevant Clearing Systems.
3. Beneficial Owners who have applied, through the relevant Clearing Systems for, and obtained valid Voting Certificates, may attend and vote at the Bondholder Meeting.
4. If passed, the Extraordinary Resolution will be binding on all the Existing Bondholders, whether or not present or represented at the Bondholder Meeting and whether or not voting.

#### *Proposed Exchange Offer*

1. The Company is inviting the Existing Bondholders to elect to exchange their outstanding Existing Bonds either for (A) Option A Shares pursuant to Option A; **OR** (B) the New Bonds pursuant to Option B, provided that if, and to the extent, any Existing Bondholder fails to make the aforesaid election, **it shall be deemed to have elected in favour of Option A** subject to, and in accordance with, the Amended Conditions.
2. Holders of the Existing Bonds that participate in the Proposed Exchange Offer with respect to their Existing Bonds will be deemed to agree to authorise the Principal Agent to attend the Bondholder Meeting as proxy for the relevant Existing Bondholder and vote in favour of the Extraordinary Resolution at the Bondholder Meeting.
3. The Proposed Exchange Offer does not involve any payment of cash.

**Pursuant to the Consent Solicitation, Existing Bondholders will each receive (A) (in relation to Option A) Option A Shares at the Mandatory Conversion Price; and (B) (in relation to Option B) the New Bonds in a denomination of U.S.\$320 each and integral multiples of U.S.\$10 in excess thereof, in exchange for their outstanding Existing Bonds.**

**In relation to Option A, fractions of Option A Shares will not be issued on the Mandatory Conversion and no cash adjustments will be made in respect thereof.**

**In relation to Option B, if the principal amount of the New Bonds mathematically derived for allocation to a New Bondholder is an amount which is not a multiple of U.S.\$320, such New Bondholder will receive the New Bonds rounded down to the nearest U.S.\$320. In no circumstance will any fractions of New Bonds be issued to New Bondholders upon exchange of their Existing Bonds and no cash adjustments will be made in respect of any portion of principal entitlements to the New Bonds below denominations of U.S.\$320.**

**The Company will not pay any cash or other compensation for any Existing Bonds which are rounded down as aforesaid. Existing Bondholders may therefore suffer certain minor losses.**

**The Consent Solicitation and the Proposed Exchange Offer are subject to the Conditions Precedent set out in “—Conditions Precedent” below.**

### **Voting/Participation Procedures**

1. All Existing Bondholders are entitled to participate in the Consent Solicitation, subject to the terms set out in this Consent Solicitation and Information Memorandum.
2. Existing Bondholders (other than Beneficial Owners attending in Person) who consent to any of the Extraordinary Resolution must provide Favourable Instructions in respect of the Extraordinary Resolution in their Electronic Instructions through the relevant Clearing Systems such that the Electronic Instructions reach the Tabulation and Exchange Agent on or prior to the Consent Deadline and, in any event, before such earlier deadline as may be required to be met by the relevant Clearing Systems (unless the Consent Solicitation and the Proposed Exchange Offer are withdrawn or terminated earlier).
3. Existing Bondholders who wish to participate in the Proposed Exchange Offer may do so by validly submitting or delivering Electronic Instructions through the relevant Clearing Systems such that the Electronic Instructions reach the Tabulation and Exchange Agent on or prior to the Consent Deadline and, in any event, before such earlier deadline as may be required to be met by the relevant Clearing Systems (unless the Consent Solicitation and the Proposed Exchange Offer are withdrawn or terminated earlier).
4. The Electronic Instruction must be duly completed and authenticated, must contain the information set out in Annexure V hereto, and must be submitted through the relevant Clearing Systems, in accordance with the procedures of the relevant Clearing Systems, for receipt by the Tabulation and Exchange Agent on or prior to the Consent Deadline.
5. If the Conditions Precedent are satisfied on or prior to the Cut-off Date, the Company will give effect to the Proposed Exchange Offer in accordance with the terms and within the timelines prescribed by this Consent Solicitation and Information Memorandum. In the event the Conditions Precedent are not satisfied on or prior to the Cut-off Date, the Company will not give effect to the Proposed Exchange Offer.
6. Existing Bondholders who are not Direct Participants will need to arrange for the Accountholders through which they hold their Existing Bonds to submit or deliver an Electronic Instruction on their behalf to and through the Clearing Systems in accordance with the procedures of, and within the time limits specified by, the relevant Clearing Systems for receipt by the Tabulation and Exchange Agent, no later than the Consent Deadline or apply, through the Clearing Systems for, and obtain valid Voting Certificate(s) to attend the Bondholder Meeting in person.
7. The receipt of such Electronic Instruction by the relevant Clearing System or the receipt of an application through the Clearing Systems for a Voting Certificate (in the case of a Beneficial Owner attending in Person) will result in the blocking of Existing Bonds in the relevant Clearing Systems so that no transfers may be effected in relation to such Existing Bonds during the Blocked Period. The Blocked Period is the period from (a) the time of the submission of (i) in the case of an Existing Bondholder attending the Bondholder Meeting in person, an application through the relevant Clearing System for a Voting Certificate, and (ii) in the case of all other Existing Bondholders, an Electronic Instruction to the relevant Clearing System, to (b) until the earliest of (A) the Restructuring Effective Date, or (B) 5.00 p.m. (London time) on the Cut-off Date, or (C) the date of termination of the Consent Solicitation and the Proposed Exchange Offer or (D) the date upon which such Existing

Bond(s) cease, in accordance with the procedures of the relevant Clearing System and with the agreement of the Principal Agent, to be held to its order or under its control; provided, however, in the case of (C) above, that, if the Beneficial Owner or Accountholder has caused a proxy to be appointed in respect of such Existing Bond(s), such Existing Bond(s) will not be released to the relevant Accountholder unless and until the Company, the Principal Agent or the Registrar has received notice of the necessary revocation of or amendment to such proxy. The Existing Bondholders are deemed to have agreed that such Existing Bonds will be blocked during the Blocked Period in the relevant account in the relevant Clearing System to the order of the Tabulation and Exchange Agent. During the blocked period, (A) the Existing Bonds which are the subject of such Electronic Instruction or in respect of which a Voting Certificate has been applied for through the relevant Clearing System cannot be transferred; and (B) the Existing Bonds which are the subject of an Account Holder Instruction cannot be transferred and no Conversion Rights can be exercised in respect of such Existing Bonds. In any event, the Existing Bonds will be unblocked on or prior to 5.00 p.m. (London time) on the Cut-off Date.

8. Existing Bondholders must take the appropriate steps through the relevant Clearing Systems to ensure that no transfers may be effected in relation to such blocked Existing Bonds at any time during the Blocked Period. By blocking its Existing Bonds in the relevant Clearing Systems, each Accountholder will be deemed to consent to the relevant Clearing Systems providing details concerning such Accountholder's identity to the Tabulation and Exchange Agent (and for the Tabulation and Exchange Agent to provide such details to the Company, the Trustee, the Principal Agent and their respective legal advisers).
9. Existing Bonds will be blocked in accordance with the procedures of, and within the time limits specified by, the relevant Clearing Systems. The Company and the Tabulation and Exchange Agent shall be entitled to treat submission or delivery of an Electronic Instruction as a confirmation that the Existing Bonds that are the subject of such Electronic Instruction have been so blocked.
10. There are no guaranteed delivery procedures in connection with the Consent Solicitation.
11. Only Direct Participants may submit Electronic Instructions. If an Existing Bondholder is not a Direct Participant, it must arrange for the Direct Participant through which it holds Existing Bonds to submit an Electronic Instruction on its behalf to the relevant Clearing System prior to the deadline specified by the relevant Clearing System.
12. Existing Bondholders whose Existing Bonds that are held in the name of a broker, dealer, bank, trust company or other nominee or custodian (each, an "**Intermediary**") should contact such entity sufficiently in advance of the Consent Deadline if they wish to provide Favourable Votes and/or participate in the Proposed Exchange Offer and procure that the Existing Bonds are blocked in accordance with the normal procedures of the relevant Clearing Systems and the deadlines imposed by such Clearing Systems.
13. The consent or participation through an Electronic Instruction may be revoked by the Consenting Bondholder or an Existing Bondholder that wishes to participate in the Proposed Exchange Offer (or the relevant Direct Participant on its behalf) by submitting an electronic withdrawal instruction to the relevant Clearing Systems. The electronic withdrawal instruction should reach the Tabulation and Exchange Agent on or prior to the Consent Deadline. See "*—Revocation and Withdrawal*" below for further details.
14. By submitting a valid Electronic Instruction to the relevant Clearing Systems in accordance with the standard procedures of the relevant Clearing Systems, Existing Bondholders and the relevant Direct Participant on their behalf shall be deemed to make the acknowledgements, representations, warranties and undertakings in "*—Acknowledgements, Representations, Warranties and Undertakings*" below to the Company and the Tabulation and Exchange Agent on each of the date of the Electronic Instruction

and the date of the Consent Deadline. If the relevant Existing Bondholder or the relevant Direct Participant on its behalf is unable to give such representations, warranties and undertakings, such Existing Bondholder or the relevant Direct Participant on its behalf should contact the Tabulation and Exchange Agent immediately.

15. Beneficial Owners who have applied through the Clearing Systems for, and obtained valid Voting Certificates but also provided Electronic Instructions and have not revoked or withdrawn such Electronic Instructions in accordance with and within the timelines detailed in “—*Revocation and Withdrawal*” herein may attend the Bondholder Meeting but cannot vote at the Bondholder Meeting. The instructions provided by Beneficial Owners who have submitted or arranged to have submitted on their behalf, Electronic Instructions and have not revoked or withdrawn such Electronic Instructions in accordance with “—*Revocation and Withdrawal*” herein shall be binding on such Beneficial Owners, even if they choose to attend the Bondholder Meeting in person.
16. Beneficial Owners attending in Person who do not send Electronic Instructions in accordance with this Consent Solicitation and Information Memorandum or who have revoked or withdrawn their Electronic Instructions in accordance with and within the timelines detailed in “—*Revocation and Withdrawal*” herein and who have applied, through the relevant Clearing Systems for, and obtained valid Voting Certificates may attend the Bondholder Meeting in person and vote at the Bondholder Meeting.

### **Extraordinary Resolution and Quorum and Voting**

#### *Extraordinary Resolution*

1. The Company is proposing for the Extraordinary Resolution set out in the Notice of Meeting to Existing Bondholders in respect of the Existing Bonds to approve the Proposal, the Proposed Exchange Offer and the Proposed Waivers, each as defined herein.

#### *Quorum and Voting*

1. The quorum required at the Bondholder Meeting in respect of the Extraordinary Resolution to be considered at such Bondholder Meeting is two or more persons present in person holding the Existing Bonds or being proxies or representatives and holding or representing in the aggregate over 75 per cent. in principal amount of the Existing Bonds for the time being outstanding.
2. At an adjourned Bondholder Meeting, the quorum in respect of the Extraordinary Resolution shall be two or more persons present in person holding Existing Bonds or being proxies or representatives and holding or representing in the aggregate over 25 per cent. in principal amount of the Existing Bonds for the time being outstanding.
3. If the Bondholder Meeting is adjourned, voting instructions given and the appointment of proxies for the Bondholder Meeting will remain valid for the adjourned Bondholder Meeting unless they are revoked or amended by the time being 24 hours before the time appointed for holding the adjourned Bondholder Meeting.
4. The Extraordinary Resolution will need to be passed by a majority consisting of not less than 75 per cent. of the votes cast at the Bondholder Meeting. If passed, the Extraordinary Resolution will be binding on all Existing Bondholders, whether or not present or represented at the Bondholder Meeting and whether or not voting.
5. For detailed information on voting and quorum (including adjournment) procedures in respect of the Existing Bonds, Existing Bondholders should refer to the Notice of Meeting set out in Annexure IV of this Consent Solicitation and Information Memorandum.

## Conditions Precedent

Existing Bondholders should note that in addition to the Extraordinary Resolution in relation to this Consent Solicitation being approved by the Existing Bondholders at the Bondholder Meeting, the following conditions are also required to be satisfied on or prior to the Cut-off Date:

- (a) The RBI Approval to implement the Bonds Restructuring (including the Mandatory Conversion and the Bond Exchange), pursuant to an application to be submitted to the RBI by the Issuer, which must have been received by the Issuer on or before the Cut-off Date;
- (b) The Issuer must have obtained all approvals that are necessary to implement the Bonds Restructuring (including the Mandatory Conversion and the Bond Exchange) from all other applicable legal and regulatory authorities in India including, but not limited to, the Indian Exchanges;
- (c) Approvals from the Issuer's board of directors and the Issuer's shareholders that are necessary to implement the Bonds Restructuring (including the Mandatory Conversion and the Bond Exchange);
- (d) The Debt Resolution Plan must have been approved by, and be legally binding upon, the Issuer and the Group Lenders, and the delivery by the Issuer to the Trustee (on behalf of the Existing Bondholders) and the Principal Agent of a certificate appending **any one of the following** (in each case confirming that the Group Lenders have granted their formal sanction to the Debt Resolution Plan in terms of the ICA:
  - (iv) one or more letters duly issued by the Group Lenders collectively representing at least 75 per cent. by value (including fund and non-fund based facilities outstanding) as at the Reconciliation Date and 60 per cent. of the Group Lenders; or
  - (v) a letter from the Lead Bank under the terms of the ICA; or
  - (vi) minutes of one or more meetings of the Group Lenders issued by the Lead Bank (and copied to all the Group Lenders);
- (e) The Issuer having paid such fee amounts as have been mutually agreed between it and HLSPL in relation to the engagement of HLSPL pursuant to an engagement letter dated 15 February 2019;
- (f) The Issuer having paid such fee amounts as have been mutually agreed between it and Kirkland & Ellis LLP ("K&E") pursuant to an engagement letter to be executed by the Issuer and K&E; and
- (g) The Issuer having paid such outstanding fees, costs and expenses of the Trustee as due under the terms of the Trust Deed and arising in connection with the execution of the Second Supplemental Trust Deed and implementation of the Proposal.

An application will be made, as soon as practicable, for the listing and quotation of the New Bonds on the SGX-ST. Further, the Company will apply, as soon as practicable, to each of the NSE and the BSE for their in-principle approval for the listing of the Option A Shares and the Shares to be issued upon conversion of the New Bonds.

***In the event the Conditions Precedent are not satisfied on or prior to the Cut-off Date, the Company will not give effect to the Proposed Exchange Offer.***

## Revocation and Withdrawal

1. An Existing Bondholder may revoke or amend its Electronic Instruction(s) once submitted through an electronic withdrawal instruction. The electronic withdrawal instruction must reach the Tabulation and Exchange Agent on or prior to the Consent Deadline.
2. Existing Bondholders are advised to check with the relevant Intermediary through which they hold their Existing Bonds as to whether such Intermediary would require receiving instructions to consent to the Extraordinary Resolution, or withdraw their instruction to do so, prior to the deadlines set out in this Consent Solicitation and Information Memorandum.

### **Publications**

Information with respect to the Consent Solicitation and the Proposed Exchange Offer will be provided to Existing Bondholders through the Clearing Systems. The expected timelines with respect to the Consent Solicitation and the Proposed Exchange Offer are as detailed in the section “*Expected Timetable*”.

Existing Bondholders are hereby informed that significant delays may be experienced in publishing notices through the Clearing Systems and on the website of the SGX-ST. Existing Bondholders are urged to contact the Tabulation and Exchange Agent at the contact details specified on the back cover page of this Consent Solicitation and Information Memorandum for the relevant announcements during the Consent Solicitation Period.

### **Acknowledgements, Representations, Warranties and Undertakings**

By submitting an Electronic Instruction, each Existing Bondholder and the relevant Direct Participant on its behalf represents, warrants and undertakes that:

1. It has received, reviewed and accepts the terms of this Consent Solicitation and Information Memorandum.
2. It is assuming all the risks inherent in (i) providing Favourable Instructions or Votes in Favour of the Extraordinary Resolution, as the case may be, and consenting to the Extraordinary Resolution, or (ii) participating in the Proposed Exchange Offer, and has undertaken all the appropriate analysis of the implications of providing the Favourable Instructions or Votes in Favour of the Extraordinary Resolution, as the case may be, and is aware and understands that an investment in the New Bonds, the Option A Shares and/or participation in the Proposed Exchange Offer involves a considerable degree of risk and that the New Bonds and the Option A Shares are a speculative investment, without reliance on the Company, the Trustee, the Tabulation and Exchange Agent or the Principal Agent (nor any of their respective directors, employees or affiliates).
3. It is aware that none of the Company, the Trustee, the Tabulation and Exchange Agent or the Principal Agent (or any of their respective directors, employees or affiliates) has made any finding or determination as to the fairness of any investment or any recommendation or endorsement of any such investment in the New Bonds, the Option A Shares and/or participation in the Proposed Exchange Offer.
4. By blocking Existing Bonds in the relevant Clearing Systems, the relevant Clearing Systems may provide details concerning its identity to the Company, the Tabulation and Exchange Agent and their respective legal advisers.
5. By providing a Favourable Instruction in its Electronic Instruction, upon the terms and subject to the conditions of the Consent Solicitation, unless it specifies that it wishes to attend and vote in person and withdraws or revokes such Electronic Instruction, it authorises the Principal Agent to attend the Bondholder Meeting as proxy for it and vote in favour of the Extraordinary Resolution put to the Bondholder Meeting.

6. It acknowledges that providing a Favourable Instruction in its Electronic Instruction constitutes its written consent to the Extraordinary Resolution and, unless it specifies that it wishes to attend and vote in person and withdraws or revokes such Electronic Instruction, appointment of the Principal Agent as its proxy to execute the Extraordinary Resolution.
7. It acknowledges that the Company will give effect to the Proposed Exchange Offer only if the Conditions Precedent are satisfied.
8. It agrees to ratify and confirm each and every act or thing that may be done or effected by the Company, any of its directors or any person nominated by the Company in the proper exercise of his or her powers and/or authority hereunder.
9. Notwithstanding anything to the contrary in this Consent Solicitation and Information Memorandum, no beneficial or legal interest in the Existing Bonds to be exchanged will transfer to the Company or its agents or any other person acting on its or their behalf prior to the Bondholder Meeting being held.
10. It has observed the laws of all relevant jurisdictions, obtained all requisite governmental, exchange control or other required consents, complied with all requisite formalities and paid any issue, transfer or other taxes or requisite payments due from the Company in each respect in connection with any offer or acceptance in any jurisdiction and that it has not taken or omitted to take any action in breach of the terms of the Consent Solicitation and/or the Proposed Exchange Offer or which will or may result in the Company or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with this Consent Solicitation and/or the Proposed Exchange Offer.
11. It is, or at the time the New Bonds and the Option A Shares are issued will be, an Existing Bondholder which is located outside the United States (within the meaning of Regulation S).
12. All authority conferred or agreed to be conferred pursuant to its representations, warranties and undertakings and all of its obligations in connection with the Consent Solicitation and/or the Proposed Exchange Offer shall be binding upon its successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives and shall not be affected by, and shall survive, its death or incapacity.
13. No information has been provided to it by the Company, the Trustee, the Tabulation and Exchange Agent or the Principal Agent with regard to the tax consequences to Bondholders arising from their participation in the Consent Solicitation. It acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the Consent Solicitation and agrees that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Company, the Trustee, the Tabulation and Exchange Agent or the Principal Agent, or any of their respective directors, officers, employee, agents or affiliates, or any other person in respect of such taxes and payments.
14. In respect of the Option A Shares and the New Bonds, it understands and acknowledges that the Option A Shares and the Shares to be issued upon the conversion of the New Bonds, respectively, will be listed on the BSE and the NSE and that the Company will therefore be required to publish certain business and financial information in accordance with applicable laws and rules. It confirms that it will be able to obtain access to the above-mentioned information.
15. It is not a person from whom it is unlawful to solicit consent pursuant to the Consent Solicitation or seek participation in the Proposed Exchange Offer, as the case may be, or to send this Consent Solicitation and Information Memorandum under the laws applicable to it in its jurisdiction of domicile or residence.

16. It has full power and authority to provide the Electronic Instruction. It will, upon request, execute and deliver any additional documents and/or do such other things deemed by the Company to be necessary or desirable to complete the delivery of the Electronic Instruction related to the Existing Bonds or to evidence such power and authority.
17. It holds and will hold, until the Restructuring Effective Date or until 5.00 p.m. (London time) on the Cut-off Date, whichever is earlier, the Existing Bonds blocked in the relevant Clearing Systems and, in accordance with the requirements of the relevant Clearing Systems and by the deadline required by the relevant Clearing Systems, it has submitted, or has caused to be submitted, an Electronic Instruction to the relevant Clearing System, as the case may be, to authorise the blocking of the Existing Bonds held by it with effect on and from the date thereof so that, at any time before the Restructuring Effective Date or 5.00 p.m. (London time) on the Cut-off Date, whichever is earlier, no transfers of such Existing Bonds may be effected.

The terms and conditions of the Consent Solicitation and the Proposed Exchange Offer are deemed to be incorporated in, and form a part of, the Electronic Instruction which shall be read and construed accordingly and that the information given by, or on behalf of, any Existing Bondholder in an Electronic Instruction (including these representations and warranties) is true and will be true in all respects at all times from the time of its delivery until the Restructuring Effective Date.

By submitting an Electronic Instruction, each Existing Bondholder and the relevant Direct Participant (on behalf of the relevant Beneficial Owner) acknowledges and agrees that the Tabulation and Exchange Agent, the Principal Agent, the Trustee and the Company have received and will rely upon its representations, warranties, acknowledgments and agreements set forth herein, and the Existing Bondholder agrees to notify the Tabulation and Exchange Agent, the Principal Agent, the Trustee and the Company promptly in writing if any of the representations, warranties, acknowledgments and agreements contained herein ceases to be accurate and complete.

#### **Responsibility for Delivery of Electronic Instructions**

1. None of the Company, the Trustee, the Tabulation and Exchange Agent or the Principal Agent will be responsible for the communication of Electronic Instructions by:
  - (a) Beneficial Owners to the Direct Participant through which they hold Existing Bonds; or
  - (b) the Direct Participant to the relevant Clearing Systems.
2. If an Existing Bondholder holds its Existing Bonds through a Direct Participant, such Existing Bondholder should contact that Direct Participant to discuss the manner in which to participate in the Consent Solicitation.
3. In the event that the Direct Participant through which an Existing Bondholder holds its Existing Bonds is unable to submit an Electronic Instruction on its behalf, such Existing Bondholder should contact the Tabulation and Exchange Agent for assistance.
4. In any case, Existing Bondholders and Direct Participants are solely responsible for arranging the timely delivery of their Electronic Instructions through the Clearing Systems.
5. If an Existing Bondholder offers its Existing Bonds through a Direct Participant, such Existing Bondholder should consult with that Direct Participant as to whether it will charge any service fees in connection with the participation in the Consent Solicitation.

#### **Irregularities/Calculations**

1. All questions as to the validity, form and eligibility (including the time of receipt) of any Electronic Instruction or revocation or revision thereof will be determined by the Company in its sole and absolute discretion, which determination will be final and binding. The Company reserves the absolute right to reject any and all Electronic Instructions not in proper form. The Company also reserves the absolute right to waive any of the conditions of the Consent Solicitation or defects in the Electronic Instructions with regard to any Existing Bonds (save where such waiver would vary the provisions of the Trust Deed governing meetings).
2. Existing Bondholders are solely responsible for complying with all of the procedures for submitting Electronic Instructions. None of the Company, the Trustee, the Tabulation and Exchange Agent or the Principal Agent shall be under any duty to give notice to Existing Bondholders of any irregularities in the Electronic Instructions; nor shall any of them incur any liability for failure to give such notice.
3. All calculations in relation to the Consent Solicitation and the Proposed Exchange Offer (including, without limitation, in respect of rounding) shall be performed by the Company and the Tabulation and Exchange Agent unless expressly stated otherwise and shall be final and binding on Existing Bondholders in the absence of manifest error. Neither the Company nor the Tabulation and Exchange Agent nor the Principal Agent shall be liable in any respect for the accuracy or inaccuracy in any mathematical calculation or formula in relation to the Consent Solicitation and/or the Proposed Exchange Offer.
4. Under no circumstances will any additional interest be payable because of any delay in the transmission of funds from the Tabulation and Exchange Agent or any Clearing Systems or any paying agent or any other intermediary with respect to such Existing Bonds.

#### **Amendment, Termination or Extension**

1. Subject to applicable law, the Trust Deed and as provided herein, the Company may, in its sole discretion, extend, re-open, amend or waive any condition of the Consent Solicitation at any time prior to the Consent Deadline. Details of any such extension, re-opening, amendment or waiver will be announced as soon as reasonably practicable after the relevant decision is taken.
2. The Company may, in its sole discretion, terminate or withdraw the Consent Solicitation, including with respect to Electronic Instructions (if any) submitted before the time of such termination.
3. If the terms and conditions of the Consent Solicitation are amended or if the Consent Solicitation has been terminated or withdrawn, including with respect to Electronic Instructions (if any) submitted before the time of such termination, the Company will promptly thereafter give notice to the Existing Bondholders of such termination, which notice will be delivered to the Clearing Systems for communication to the Direct Participants by way of an announcement submitted to the SGX-ST. Upon such termination, any Existing Bonds that are blocked in the Clearing Systems will immediately cease to be blocked.
4. Any Electronic Instruction submitted before the amended Consent Solicitation is made will be valid and binding in respect of any new Consent Solicitation (subject always to the revocation rights of the Existing Bondholders up to the Consent Deadline, as extended), provided that the terms of the new Consent Solicitation are considered by the Company to be no less favourable to the Existing Bondholders.

#### **Governing Law**

Each Electronic Instruction and all non-contractual obligations arising out of or in connection with it shall be governed by, English law. By submitting an Electronic Instruction or a Vote in Favour of the Extraordinary Resolution, as the case may be, an Existing Bondholder irrevocably and unconditionally agrees for the benefit of

the Company, the Trustee, the Tabulation and Exchange Agent and the Principal Agent that the courts of England are to have jurisdiction to settle any disputes which may arise out of, or in connection with, the Consent Solicitation and/or the Proposed Exchange Offer or any of the documents referred to above and that, accordingly, any suit, action or proceedings arising out of any Electronic Instruction or in connection with the foregoing may be brought in such courts.

**Assistance**

Existing Bondholders who need assistance with respect to the procedure relating to the acceptance of the Consent Solicitation should contact the Tabulation and Exchange Agent, the contact details of whom appear on the back cover page of this Consent Solicitation and Information Memorandum.

## **GLOBAL CERTIFICATE REPRESENTING THE NEW BONDS**

*The Global Certificate contains provisions that apply to the New Bonds in respect of which the Global Certificate is issued, some of which modify the effect of the Conditions of the New Bonds set out in Annexure III hereto. Terms defined in the Conditions of the New Bonds have the same meaning in the paragraphs below. The following is a summary of those provisions:*

### **Exchange and Registration of Title**

Owners of interests in the New Bonds in respect of which the Global Certificate is issued will only be entitled to have title to the New Bonds registered in their names and to receive individual definitive Certificates if either Euroclear or Clearstream, Luxembourg (or any other clearing system as shall have been designated by the Company and notified in writing to the Trustee on behalf of which the New Bonds evidenced by this Global Certificate may be held) is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so.

In such circumstances, the Company will cause sufficient individual definitive Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the Bondholders. A person with an interest in the New Bonds in respect of which this Global Certificate is issued must provide the Registrar with a written order containing instructions and such other information as the Company and the Registrar may require to complete, execute and deliver such individual definitive Certificates.

The Global Certificate is evidence of entitlement only. Title to the New Bonds passes only on due registration in the register of Bondholders and only the duly registered holder is entitled to payments on New Bonds in respect of which the Global Certificate is issued.

Certificates in definitive form for individual holdings of New Bonds will not be issued in exchange for interests in New Bonds in respect of which the Global Certificate is issued, except if either Euroclear or Clearstream, Luxembourg (or any Alternative Clearing System) is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so.

### **Meetings**

The registered holder (as defined in the relevant Conditions) of the Global Certificate will be treated as being two persons for the purposes of any quorum requirements of a meeting of Bondholders and, at any such meeting, as having one vote in respect of each U.S.\$ 10 in principal amount of New Bonds for which the Global Certificate is issued. The Trustee may (but is not obliged to) allow a person with an interest in New Bonds in respect of which the Global Certificate has been issued to attend and speak (but not vote) at a meeting of the Bondholders on appropriate proof of his identity and interest.

### **Cancellation**

Cancellation of any New Bond by the Company following its redemption, conversion or purchase by the Company will be effected by a reduction in the principal amount of the New Bonds in the Register.

### **Trustee's Power**

In considering the interests of Bondholders while the Global Certificate is registered in the name of a nominee for a clearing system, the Trustee may, to the extent it considers it appropriate to do so in the circumstances, but shall not be obliged to, (a) have regard to any information as may have been made available to it by or on behalf of the relevant clearing system or its operator as to the identity of its accountholders (either individually or by

way of category) with entitlements in respect of the New Bonds, and (b) consider such interests on the basis that such accountholders were the holders of the New Bonds in respect of which the Global Certificate is issued.

### **Conversion**

Subject to the requirements of Euroclear and Clearstream, Luxembourg (or any Alternative Clearing System), the Conversion Rights attaching to the New Bonds in respect of which the Global Certificate is issued may be exercised by the presentation thereof to or to the order of the Principal Agent of one or more Conversion Notices duly completed by or on behalf of a holder of a book-entry interest in such New Bonds. Deposit of the Global Certificate with the Principal Agent together with the relevant Conversion Notice(s) shall be required. The exercise of the Conversion Right shall be notified by the Principal Agent to the Registrar and the holder of the Global Certificate.

### **Payment**

Payments of principal, interest, and default interest (if any) in respect of New Bonds represented by the Global Certificate will be made without presentation or if no further payment is to be made in respect of the New Bonds, against presentation and surrender of the Global Certificate to or to the order of the Principal Agent or such other Paying Agent as shall have been notified to the Bondholders for such purpose.

All payments in respect of New Bonds represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where Clearing System Business Day means Monday to Friday inclusive except 25 December and 1 January.

### **Notices**

So long as the New Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream, Luxembourg or the Alternative Clearing System, notices to Bondholders may be given by delivery of the relevant notice to Euroclear or Clearstream, Luxembourg, or the Alternative Clearing System, for communication by it to entitled accountholders in substitution for notification as required by the Conditions.

### **Redemption at the option of the Company**

The options of the Company provided for in Conditions 8.3A and 8.3 shall be exercised by the Company giving notice to the Bondholders within the time limits set out in and containing the information required by Conditions 8.3A, 8.3 and 8.11.

### **Bondholder's Redemption**

The Bondholder's redemption options in Conditions 8.5 and 8.7 may be exercised by the holder of the Global Certificate giving notice to the Principal Agent or any other Paying Agent of the principal amount of New Bonds in respect of which the option is exercised and presenting the Global Certificate for endorsement or exercise within the time limits specified in those Conditions.

### **Transfers**

Transfers of interests in the New Bonds represented by the Global Certificate will be effected through the records of Euroclear and Clearstream, Luxembourg (or any Alternative Clearing System) and their respective participants in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg (or any Alternative Clearing System) and their respective direct and indirect participants.

## **Enforcement**

For the purposes of enforcement of the provisions of the Trust Deed against the Trustee, the persons named in a certificate of the holder of the New Bonds in respect of which the Global Certificate is issued shall be recognised as the beneficiaries of the trusts set out in the Trust Deed, to the extent of the principal amount of their interest in the New Bonds set out in the certificate of the holder, as if they were themselves the holders of New Bonds in such principal amounts.

For all purposes, each person who is for the time being shown in the records of Euroclear and Clearstream, Luxembourg (or of any Alternative Clearing System) as the holder of a particular principal amount of such New Bonds (in which regard any certificate or other document issued by Euroclear and Clearstream, Luxembourg (or of any Alternative Clearing System) as to the principal amount of the New Bonds represented by the Global Certificate standing to the account of any person shall be conclusive and binding for all purposes) shall be recognised as the holder of such principal amount of the New Bonds.

The Global Certificate shall not be valid for any purpose until authenticated by or on behalf of the Registrar.

## CLEARANCE AND SETTLEMENT OF THE NEW BONDS

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of the Clearing Systems currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Company believes to be reliable, but none of the Company, the Trustee, the Tabulation and Exchange Agent or any Paying Agent takes any responsibility for the accuracy of this section. The New Bondholders or prospective acquirers of the New Bonds wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. Neither the Company nor any other party to the New Bonds' Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the New Bonds held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.*

### **The Clearing Systems**

#### *Euroclear and Clearstream, Luxembourg*

Euroclear and Clearstream, Luxembourg each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry of changes in the accounts of their participants. Euroclear and Clearstream, Luxembourg provide their respective participants with, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear and Clearstream, Luxembourg is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Euroclear and Clearstream, Luxembourg participant, either directly or indirectly.

Distributions of principal and interest with respect to book-entry interests in the New Bonds held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by any Paying Agent, to the cash accounts of Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures.

#### *Registration and Form*

Book-entry interests in the New Bonds held through Euroclear and Clearstream, Luxembourg will be evidenced by the Global Certificate, registered in the name of a nominee of the Common Depositary. The Global Certificate will be held by the Common Depositary. Beneficial ownership in New Bonds will be held through financial institutions as direct and indirect participants in Euroclear and Clearstream, Luxembourg.

The aggregate holdings of book-entry interests in the New Bonds in Euroclear and Clearstream, Luxembourg will be reflected in the book-entry accounts of each such institution. Euroclear and Clearstream, Luxembourg, and every other intermediate holder in the chain to the beneficial owner of book-entry interests in the New Bonds, will be responsible for establishing and maintaining accounts for their participants and customers having interests in the book-entry interest in the New Bonds. The Principal Agent and the other Paying Agents will be responsible for ensuring that payments received by them from the Company for holders of interests in the New Bonds holding through Euroclear and Clearstream, Luxembourg are credited to Euroclear or Clearstream, Luxembourg, as the case may be.

The Company will not impose any fees in respect of the New Bonds; however, holders of book-entry interest in the New Bonds may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear and Clearstream, Luxembourg.

## **Global Clearance and Settlement Procedures**

### *Initial Settlement*

Interests in the New Bonds will be in uncertificated book-entry form. Purchasers electing to hold book-entry interests in the New Bonds through Euroclear and Clearstream, Luxembourg accounts will follow the settlement procedures applicable to conventional eurobonds. Book-entry interests in the New Bonds will be credited to Euroclear participant securities clearance accounts on the business day following the Restructuring Effective Date.

### *Secondary Market Trading*

Secondary market sales of book-entry interests in the New Bonds held through Euroclear or Clearstream, Luxembourg to purchasers of book-entry interests in the New Bonds through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional participants.

### **General**

Although the foregoing sets out the procedures of Euroclear and Clearstream, Luxembourg in order to facilitate the transfers of interests in the New Bonds among participants of Euroclear and Clearstream, Luxembourg, neither Euroclear nor Clearstream, Luxembourg is under any obligation to perform or continue to perform such procedures and such procedures may be discontinued at any time.

None of the Company, any of its agents, the Trustee, the Principal Agent or any Paying Agent will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective participants of their respective obligations under the rules and procedures governing their operations.

**ANNEXURE I**

**INFORMATION ABOUT THE COMPANY AND ITS BUSINESS OPERATIONS**

## RISK FACTORS

*The Consent Solicitation, the Proposed Exchange Offer and issuance of the New Bonds and Option A Shares involves risks. Any Bondholder, and prospective acquirer of the New Bonds and the Option A Shares, should pay particular attention to the fact that the Company is an Indian company and is subject to a legal and regulatory environment which may be different from that which prevails in other countries.*

*Prior to making a decision with respect to the Proposed Exchange Offer and the New Bonds and the Option A Shares offered hereby, all Bondholders should carefully consider all of the information contained in this Consent Solicitation and Information Memorandum, including the risk factors set out in “Risk Factors and other Considerations related to the Proposed Exchange Offer” of this Consent Solicitation and Information Memorandum, the risk factors set out below and the financial statements of the Company incorporated by reference in this Consent Solicitation and Information Memorandum and the related notes thereto. The occurrence of any of the events mentioned in these sections could materially and adversely affect the Group’s business, results of operations, financial condition (including cash flows) and future prospects and cause the market price of the New Bonds, Option A Shares and the Shares to be issued upon conversion of the New Bonds to fall significantly. These risks and uncertainties are not the only issues relevant to the New Bonds, the Option A Shares and the Shares to be issued upon conversion of the New Bonds or that the Group faces. Additional risks and uncertainties not presently known to the Group or that the Group currently believes to be immaterial may also materially and adversely affect the Group’s business, results of operations and financial condition (including cash flows). In making an investment decision, you must rely on your own examination of the Group and the terms of the Proposed Exchange Offer, including the merits and risks involved.*

*Unless specified or quantified in the relevant risk factors below, the Group is not in a position to quantify the financial or other implications of any of the risks described in this section.*

*This Consent Solicitation and Information Memorandum also contains forward-looking statements that involve risks and uncertainties. The Group’s results could differ materially from such forward-looking statements as a result of certain factors including the considerations described below and elsewhere in this Consent Solicitation and Information Memorandum.*

*Any references herein to “the Company” are to Suzlon Energy Limited and any references herein to the “Group” are to the Company, its domestic and international subsidiaries, associate companies and its joint ventures on a consolidated basis.*

### RISKS ASSOCIATED WITH THE DEBT RESOLUTION PLAN

***The Company has defaulted under several of its debt obligations, which has in turn given rise to defaults and cross defaults under the terms of such debt obligations.***

As has been reported in the Company’s recent financial statements and other public announcements, the Company has faced difficult business conditions over the past few years. See “Risk Factors— The Group has experienced significant losses during the Fiscal Years ended 2018, 2019 and the nine month period ended 31 December 2019. Difficult market conditions for the WTG industry may continue to adversely affect the Group’s business, financial condition, cash flows and results of operations.”. These adverse factors have resulted in the Company’s inability to meet its interest and repayment obligations under the terms and conditions of its indebtedness, including in respect of the Existing Bonds. In addition, the Company has defaulted in respect of payments of principal and interest due towards term loans, working capital facilities, bonds, fund-based and non-fund based facilities, certain statutory dues and payments due to their trade and operational creditors and on various contractual commitments to their lenders, suppliers, customers and other

counterparties. As a consequence, the Company defaulted in respect of these obligations and also, as a result of cross default provisions, in respect of its other borrowings. In addition, the Company may suffer certain adverse consequences in relation to its business and operations as a result of the application of certain laws in such circumstances, including the imposition of fines on, as well as restrictions on, and disqualification of the officers (including directors) of the Company. For further details, see “*Business*” in this Consent Solicitation and Information Memorandum.

Existing Bondholders and prospective acquirers of the New Bonds, Option A Shares or the Shares should also note that the Company has been unable to raise equity funds in recent years and may not be in a position to raise any new debt in order to refinance its existing liabilities. All of these factors have material and adversely affected the Company’s cash flow position and its liquidity. As a result, the Company may not have sufficient cash flows to redeem all or any of the New Bonds or pay all amounts due under the New Bonds.

***The Company is in discussions with the Group Lenders to arrive at a plan to restructure its indebtedness. However, there can be no assurance that any such plan will successfully meet the Group’s requirement to restructure a substantial portion of its debt or that such plan will be able to address the Group’s cash flow and liquidity concerns.***

As a result of the defaults by the Group under their respective debt obligations, the Company and other members of the Group have been in discussions with the Group’s lenders with the aim of restructuring such indebtedness. The Company has also been in discussions with certain Existing Bondholders for the resolution of its payment obligations under the Bonds.

As a consequence of discussions between the Issuer and the Group Lenders, the Issuer presented the Debt Resolution Plan to SBI in its capacity as the Lead Bank under the terms of an inter-creditor agreement dated 1 July 2019 entered into among the Group Lenders. In response to the Issuer’s proposal, SBI approved certain credit facilities on certain terms and conditions which reflected in SBI’s proposed Debt Resolution Plan, which are briefly described in the section titled “*Debt Resolution Plan*”.

The Debt Resolution Plan is currently under discussion between the Company and the Group Lenders and has not been finalised as of the date of this Consent Solicitation and Information Memorandum. The Debt Resolution Plan will require certain conditions to be satisfied by the Group, in addition to approvals of the relevant majority of Group Lenders in order to be successfully implemented and in order to address the Company’s requirement to restructure a substantial portion of its debt. For example, the agreement of the Existing Bondholders to the Bonds Restructuring and the Proposal is a condition to the approval of the Debt Resolution Plan by the Group Lenders. Moreover, certain of the Company’s subsidiaries, SWECO, Seventus and SEFL, have borrowings that are not covered by the Debt Resolution Plan and that remain subject to separate discussions with their respective lenders.

The summary of the Debt Resolution Plan set out in this Consent Solicitation and Information Memorandum (and the amounts discussed therein) is indicative only and is subject to change as a result of a change in circumstances and the discussions between the Issuer and the Group Lenders. The final Debt Resolution Plan may be substantially different from the summary set out below and Existing Bondholders should not rely on this summary for their investment decision. There can be no assurance that the Company and its subsidiaries will be able to satisfy the conditions set out in the Debt Resolution Plan, or any additional resolution plans that may be agreed between SWECO, Seventus and SEFL and their respective lenders or that the Debt Resolution Plan will be approved by the Group Lenders or that, if approved, it will be able to successfully address any of the Group’s cash flows and liquidity concerns, which could in turn materially and adversely affect the Group’s business, liquidity, prospects, financial condition and results of operations.

For further details, see “*Debt Resolution Plan*” in this Consent Solicitation and Information Memorandum.

***Any failure by the Company to obtain approval of its Group Lenders for the proposed Debt Resolution Plan, or the non-implementation or failure of such Debt Resolution Plan, may result in a termination of***

***the Bond Restructuring and the Proposed Exchange Offer and will materially and adversely affect the Group's liquidity and cash flows.***

The Company is exposed to certain uncertainties surrounding the proposed Debt Resolution Plan. The proposed Debt Resolution Plan relies upon on the restructuring of overall debt facilities of the Company, aggregating to approximately ₹134,010 million. There can be no assurance that the proposed Debt Resolution Plan will be completed within the anticipated timeframe, or at all. The proposed Debt Resolution Plan is also based on certain assumptions and cash flow projections in relation to the various businesses that the Group is engaged in. The facts and circumstances on which these assumptions are based may change due to certain unforeseen factors or factors beyond the control of the Company. As a result, the actual cash flows may deviate from the projections made by the Company, resulting in the Company being unable to meet its obligations under the Debt Resolution Plan. If any of these risks materialise, it may in turn result in the proposed Debt Resolution Plan becoming unsuccessful.

The approval of the Debt Resolution Plan by the Group Lenders is also a condition precedent for the implementation of the Bond Restructuring and the Proposed Exchange Offer. In the event the Company is not able to obtain the necessary approvals for the Debt Resolution Plan from the Group Lenders within the expected timeframe, or at all, it could result in a termination of the proposed Bond Restructuring and the Exchange Offer, which could adversely affect the Group's business, results of operations, financial condition and cash flows.

There can be no assurance that the proposed Debt Resolution Plan will be implemented within the anticipated timeframe, or at all, or that it will be implemented on the terms that are currently being discussed among the Company and the Group Lenders. Further, there can be no assurance that any terms of the proposed Debt Resolution Plan will not adversely affect the Group's business, operations, financial performance or that such modified terms will not result in an Event of Default or Potential Event of Default under the Amended Conditions or the New Bonds' Conditions, as the case may be. As a result, the Group Lenders may take action to declare a default or accelerate the Group's debt. Any such action by the Group Lenders to declare the members of the Group in default may trigger cross-default and cross-acceleration clauses under other loan agreements, including the cross-acceleration provisions under the Amended Conditions or the New Bonds' Conditions, as the case may be. If all or a significant portion of the Company's indebtedness is accelerated and becomes due and payable, it is unlikely that it will be able to repay its lenders, debenture holders or the Bondholders. These consequences could severely impact the interests of the Company and its shareholders (including the public shareholders), employees, lenders (including its domestic lenders and the Bondholders) and its customers and suppliers, in addition to potentially leading to the initiation and admission of the corporate insolvency resolution process for the Company before the National Company Law Tribunal under the provisions of the Indian Insolvency and Bankruptcy Code, 2016, as amended, and other related proceedings in India.

Any failure of the Company to obtain approval of the Group Lenders for the proposed Debt Resolution Plan or any additional resolution plans that may be agreed between SWECO, Seventus and SEFL and their respective lenders, or the non-implementation or failure of these plans, could result in consequences which could materially and adversely affect the Group's liquidity, cash flows and credit rating as well as its business, financial condition, results of operations and prospects. The Company's ability to deliver Option A Shares or make payments under the New Bonds or deliver Shares upon conversion of the New Bonds could also be adversely affected.

***The Group has extremely high leverage levels which exposes it to certain risks.***

The Group has extremely high leverage levels. As at 31 March 2019, the Group had outstanding total secured and unsecured loans of ₹96,239.3 million, comprising of non-current borrowings of ₹62,441.4 million, current borrowings of ₹33,797.9 million and current maturities of long term borrowings of ₹19,281.0 million. After the

issuance of the New Bonds, the Group will continue to have a substantial amount of indebtedness and may incur substantial additional indebtedness in the future. In addition, the aggregate consolidated debt to equity ratio of the Group as at 31 March 2019 was very high and the Group had a negative net worth as at 31 March 2019. This, in conjunction with adverse economic conditions, is likely to result in certain adverse conditions for the Group which include, among others:

- difficulties for the Group to satisfy its repayment or service obligations with respect to its overall indebtedness (including its ability to redeem the New Bonds at maturity);
- increasing the Group's vulnerability to, and reducing its flexibility to respond to, general adverse economic and industry conditions;
- requiring the dedication of a substantial portion of the Group's cash flow from operations to the payment of interest on its indebtedness thereby reducing the availability of such cash flow;
- limiting the Group's ability to obtain additional financing to fund working capital expenses, capital expenditures, debt service requirements, statutory and other liabilities or other general corporate purposes;
- limiting the Group's flexibility in planning for, or reacting to, changes in its business and the competitive environment; and
- placing the Company at a competitive disadvantage as compared to its competitors, to the extent that its competitors are not as highly leveraged.

Crucially, these consequences will continue to intensify until the proposed Debt Resolution Plan is successfully implemented, which will in turn materially and adversely affect the Group's business, cash flows, financial condition, results of operations and prospects.

## **RISKS ASSOCIATED WITH THE COMPANY'S BUSINESS**

***The Group has experienced significant losses during the Fiscal Years ended 2018, 2019 and the nine month period ended 31 December 2019. Difficult market conditions for the WTG industry may continue to adversely affect the Group's business, financial condition, cash flows and results of operations.***

The Group announced a loss after tax of ₹18,576.2 million for the nine months period ended 31 December 2019 as compared to ₹12,425.5 million for nine months period ended 31 December 2018. In comparison, the Group had a loss after tax of ₹15,371.9 million for the Fiscal Year 2019, and a loss after tax of ₹3,840.1 million for the Fiscal Year 2018. The Group had a profit after tax of ₹8,516.4 million for the Fiscal Year 2017. As at 31 March 2019, the Group recorded negative shareholders' funds of ₹85,030.9 million. The deterioration of the Group's business has been the result of a number of factors, including but not limited to:

- transition from feed-in tariff based power purchase agreement mechanism to competitive bidding in India, which has resulted in difficult market conditions for the WTG industry and lower demand for wind energy projects;
- the economic downturn and ongoing difficulties in the credit markets, which restricted the Group's access to financing;
- adverse regulatory factors, such as the withdrawal of the generation-based incentive scheme in relation to wind energy projects and depreciation benefits in India; and

- significant interest and finance costs due to high debt obligations of the Group.

Such factors have resulted in lower sales volumes, under-absorption of fixed costs, constraints on working capital financing, foreign exchange losses, higher interest and finance costs and an uncertain macro policy environment including project financing difficulties, rupee depreciation and tax benefits withdrawal in India.

No assurance can be given that the difficulties experienced in recent years will not continue to adversely impact the Group's results of operations and cash flow position in the future or that the Group's operational losses will not continue in the future.

***The Group's cash flows have been severely constrained. In addition, the Auditors have drawn attention to a material uncertainty about the Company's ability to continue as a going concern and the Company's ability to generate adequate cash flows to support its operations.***

As a consequence of the various factors, including those mentioned above, the Group is experiencing significant liquidity constraints and has not had sufficient cash to meet its short-term obligations. The Group failed to repay the Existing Bonds on maturity, and the resulting cross-defaults in relation to the Group's other indebtedness has resulted in the Group's business being impacted materially. Further, the Company has defaulted in repayment of principal and interest payable to lenders aggregating to ₹ 4,375.0 million in respect of the term loans and working capital facilities as on 31 March 2019 and have also defaulted in making payments to certain overdue creditors. The Group has defaulted in repayment of term loans, working capital facilities, the Existing Bonds and payment of interest aggregating to ₹80,920 million as on 31 December 2019. The liquidity crisis that the Group has faced has had a number of consequences for the Group, including factors which have further exacerbated the Group's liquidity problems and affected the Group's reputation:

- The constraints on working capital to fund its operations have resulted in delays in executing orders, which has impacted the Group's reputation as customers have expressed concerns about the Group's ability to satisfy orders. As a result, customers have cancelled orders, and imposed more stringent contractual terms, such as a requirement for higher levels of bank guarantees, performance guarantees, lower prices and longer payment schedules.
- The Group has also had to delay payments to its suppliers, which has caused suppliers to express concerns about continuing to supply the Group. As a result, suppliers have also imposed more stringent contractual terms, such as a requirement for letters of credit, front-ended payment cycles, higher prices and longer lead times. See also "*Risk Factors – Risks associated with the Company's business – .*" below.
- The Group's access to working capital lines has been restricted and the Group has not been able to refinance its existing indebtedness.
- The Group has defaulted in timely payment of salary and statutory dues.

The constraints on the Group's working capital have severely constrained its production volumes and its manufacturing facilities have had to operate at well below their rated capacity, with the Group retrenching a significant proportion of its employees. There can be no assurance that the delays in executing orders or delays to payments of suppliers will not continue, or that there will not be similar delays in the future, which may result in the Company having to pay liquidated damages and other penalties or being subject to other legal proceedings. Further, constraints on availability of working capital are likely to continue in the near term and interest rates on working capital facilities will also increase.

As a result of the financial impact of such liquidity constraints, the Auditors have, in their audit report with respect to the consolidated financial statements for the Fiscal Year 2019, drawn attention to material uncertainty

about the Company's ability to continue as a going concern. The Auditors have in their review report on the Interim Unaudited Financial Statements also drawn attention to material uncertainty about the Company's ability to continue as a going concern. The ability of the Company to continue as a going concern is dependent on a number of factors, including the Company's ability to repay its lenders and certain overdue creditors, improve efficiencies to make its operations profitable and generate adequate funds to support its operations. Bondholders should read note 4 to the consolidated financial statements for the Fiscal Year 2019 and should read note 4 to the Interim Unaudited Financial Statements for further details.

***The Group may incur substantial additional indebtedness in the future, which could adversely affect its financial condition.***

The Group's operations require new capital to finance its operations, future development and growth. Following completion of the restructuring, continued limitations on access to capital will impair the Group's ability to operate its business and execute its strategy. If the Group's cost of capital is high, it may not be able to raise the necessary funds to finance its strategy.

If the Group is able to raise additional finance in the future, the Group may from time to time incur substantial additional indebtedness and contingent liabilities. The terms of the New Bonds do not limit the Group from incurring additional debt and contingent liabilities. Any such indebtedness could increase the risks that the Group faces as a result of its already substantial indebtedness and leverage.

***Projects included in the Group's order book may be modified or there may be delays in execution, which could have a material adverse effect on its business, financial condition, cash flows and results of operations.***

As at 31 December 2019, the Group's order book stood at approximately ₹ 43,990 million for the delivery of 857 MW. The Group's order book comprises firm orders that it has received from customers by means of a formal binding agreement. However, there can be no assurance that such orders will not be cancelled or reduced, or that customers will fulfil their payment obligations and other obligations, in a timely manner or at all, in accordance with the agreements, or that customers will not dispute the amounts owed to the Group. While the Group's order book represents business that is considered likely, cancellations or scope or schedule adjustments may and do occur. Adverse conditions in the global financial markets, any delay or failure to obtain the necessary permits, authorisations, permissions or other factors beyond the Group's control or the control of its customers may cause the Group's customers to postpone or cancel a project. However, it should be noted that a firm order cancellation also results in potential penalties levied on the customer. There is also the possibility of cancellations or changes in the scope of the project and schedule because of the exercise of customer discretion, technology issues, or problems encountered by the Group in the timely execution of the project for reasons outside the control of the Group or its customers. Accordingly, the Group's order book should not be considered as representative of future revenues.

In addition, the Group may also encounter certain problems while executing a project as ordered or executing it on a timely basis. If the Group is unable to commission the WTGs on schedule, it may have to pay liquidated damages to its customers. The Group cannot predict with certainty when, if, or to what extent, an order will be performed and will generate revenue. Additionally, delays in the delivery of key WTG components, delays in the construction schedule or any delays associated with collection of receivables from customers, could result in delays in the Group being able to recognise revenue in relation to its ongoing projects in its financial statements. Any delay, cancellation or payment default could adversely affect the Group's cash flow position, revenues or profits, and adversely affect the trading price of the New Bonds and the Shares. Further in the event of delay in payments by customers, the rate of absorption of fixed overheads by the Group may decrease.

The Group generally enters into medium to long-term WTG supply contracts which require the Group to supply WTGs at various times over the life of the contract and provides for staggered payments to the Group. Even relatively short delays or minor difficulties in the execution of a project could result in the non-payment or late

payment to the Group of customer dues in respect of a project. Any delay, reduction in scope, cancellation, execution difficulty, payment postponement or payment default in relation to order book projects, or disputes with customers in respect of any of the above, could have a material adverse effect on the Group's business, financial condition, cash flows and results of operations.

***Change in, or elimination of, government initiatives and incentives relating to renewable energy sources, and in particular to wind energy, may have a material adverse effect on the demand for wind energy.***

In recent years, governments of many countries, including India, have enacted legislation or have established policies that support the expansion of renewable energy sources, such as wind energy, and such support has been a significant factor in contributing to the growth of the wind energy industry. Support for investments in wind energy is generally provided through fiscal incentive schemes or public grants to the owners of wind energy systems, for example through preferential tariffs on power generated by WTGs or tax incentives for promoting investments in wind energy.

In addition, the governments of some countries also prescribe specified levels of electricity that utilities are required to obtain from renewable energy sources. Further, internationally, there has been an increasing focus on reducing dependence on fossil fuels and cutting carbon dioxide emissions, leading to additional taxes being imposed on those sources of energy. Such additional taxation has indirectly supported the expansion of power generated from renewable energy and, in turn, the wind energy industry in general. These policies have encouraged many of the Group's customers to purchase WTGs and participate in wind farm projects.

However, faced with high fiscal deficits, rising levels of public debt and increasing electricity prices, many governments have recently sought to scale back or eliminate completely some or all of these government support systems. In the past, the decrease in, or elimination of, direct or indirect government support schemes for renewable energy, including wind energy, in a country has had a negative impact on the market for wind energy in that country. For example, in 2017, the Indian Government withdrew the accelerated depreciation and generation based incentives which, in turn, had a negative impact on the wind energy market in India. There is also the risk that any such decrease in, or elimination of, government support may be imposed retroactively by governments, thereby increasing the impact on the market of any such policy reversals. In addition, policy incentives may be available for a limited period, and there can be no assurance that the validity of such schemes will be extended. For example, in relation to wind energy projects the generation based incentives scheme is applicable only to projects commissioned on or before 31 March 2017 and the prices fixed by the Central Electricity Regulatory Commission of India for the renewable energy certificate market trading mechanism were valid only until fiscal year 2017. There can be no assurance that government support will continue at the same level or at all.

Further, the Indian Government has accorded renewable energy "must-run" status, which means that any renewable power that is generated must always be accepted by the grid. However, certain state utilities may order the curtailment of renewable energy generation despite this status and there have been instances of such orders citing grid safety and stability issues being introduced in the past. This may occur as a result of the state electricity boards purchasing cheaper power from other sources or transmission congestion owing to a mismatch between generation and transmission capacities. There can be no assurance that the Indian Government will continue to maintain the "must-run" status for renewable energy or that the state electricity boards will not make any orders to curtail the generation of renewable energy.

The Indian Government and different states have enacted regulations for forecasting and scheduling of all forms of renewable energy. Such regulations apply to all renewable projects commissioned and connected to the grid. The regulations require the Company to submit a schedule of electricity generation. If the Company fails to adhere to these regulations, the Company may be exposed to penalties, which could have a material adverse effect on its business, prospects, financial condition and results of operations and cash flows.

If direct and indirect government support for wind energy is terminated or reduced in any jurisdiction which is material for the Group's business, or if the government provides greater support to other sources of renewable energy, it would make producing electricity from wind energy less competitive. In addition, there is a risk that government policies could change in a manner that makes it less attractive for investors to establish captive energy generating facilities in general, and wind energy projects in particular. A reduction in demand for the Group's WTGs would have a material adverse effect on the Group's business, financial condition, cash flows, results of operations and the market price of the New Bonds and the Shares.

Further, governments in jurisdictions where the Company operates may introduce more attractive incentives for other forms of renewable energy, such as solar or bio-mass, which might affect the wind energy industry generally and the Group's business in particular. The results of such changes may include attracting potential investors and customers towards other forms of renewable energy to benefit from investment tax credit schemes on other forms of renewable energy. This may also have a material adverse effect on the Group's business, financial condition, cash flows and results of operations and negatively impact the price of the New Bonds and the Shares.

Grid connectivity, related cost sharing mechanism and support for ancillary industries are critical in relation to wind energy. Any delay in implementing policies in relation to any of these may affect the growth of the wind sector, which is a key growth driver for the Group.

***Wind energy is generally not considered viable as a primary source of electricity.***

Wind energy is generally not considered a viable base load source of electricity. This means that, while demand for wind energy is expected to increase, it appears unlikely in the foreseeable future that it will be considered a large-scale substitute for nuclear or fossil-fuel generated power and for renewable energy from more reliable sources, such as hydropower. In addition, there have been several technological innovations within the renewable energy industry which could lead to other forms of renewable energy, such as solar or bio-diesels, emerging as more cost competitive, thereby taking market share away from wind technology, adversely affecting the future growth prospects of the wind energy industry in general and the Group's growth prospects in particular. In recent times, the abundant availability of shale gas in the United States has resulted in low wholesale electricity prices, which, in turn, has directly affected the demand for wind energy.

Furthermore, the cost of oil, coal and other fossil fuels is a key factor in determining the effectiveness of wind energy from an economic perspective. Cheaper and large supplies of fossil fuels favour non-wind energy generation, while more expensive and limited supplies of fossil fuels would favour wind energy generation. Discovery of new and significant oil, gas and coal deposits or a decline in the global prices of oil, gas and coal and other petroleum products, could result in lower demand for wind energy projects, which would have a material adverse effect on the Group's business, financial condition, cash flows and results of operations.

***The terms of financing that the Group's customers can obtain for wind energy projects has a significant influence on the Group's business, financial condition, cash flows and results of operations.***

Most customers require bank financing for purchasing a WTG, and, therefore, the financing terms available in the market have a significant influence on the wind energy industry's opportunities to sell its products. Higher interest rate levels will increase the costs of investing in wind energy, making wind energy a less attractive investment proposition. Further, wind energy plants are generally financed for a shorter term than fossil fuel-based power plants. As a result, WTG customers assume a higher degree of risk regarding upward interest rate movements in the event a WTG project requires refinancing. The ability to obtain financing for a wind energy project also depends on the willingness of banks and other financing institutions to provide loans to the wind energy industry, including their willingness to participate in financing of large wind energy projects. If banks and other financing institutions decide to reduce their exposure to the wind energy industry or to one or more suppliers of WTG components, this could have a material adverse effect on the Group's business, financial

condition, cash flows and results of operations. Factors having an adverse impact on the financing terms for wind energy plants therefore influence the Group's opportunities for selling its products and could adversely affect its business, financial condition, cash flows and results of operations.

***The Group is involved in litigation proceedings that may have an adverse outcome.***

The Group is involved in certain legal proceedings, including insolvency and bankruptcy related legal proceedings at different levels of adjudication before various courts, and adjudicating authorities. The outcome of these disputes cannot be presently ascertained due to it being highly technical and legalistic in nature.

Should any new developments arise, such as a change in law or rulings against the relevant Group entity or a Director by appellate courts or tribunals, the Company may need to make provisions in its financial statements, which could adversely impact its reported financial condition, cash flows and results of operations. Furthermore, if significant claims are determined against the relevant Group entity or a Director and the Group is required to pay all or a portion of the disputed amounts, there could be a material adverse effect on the Group's reputation, business, financial condition, cash flows and results of operations. In addition, if the Company is successful in defending itself, it will likely still be subject to legal and other costs, as well as management time relating to such litigation, and such costs could be substantial.

For further details of the material legal proceedings involving the Company and its Subsidiaries, see the section titled "Legal Proceedings" of this Consent Solicitation and Information Memorandum.

***Any technical deficiencies in the WTGs sold or maintained by the Group could adversely affect its financial condition, cash flows and future orders.***

The Group's business, financial condition, results of operations and cash flows are directly related to the continued technical performance of its products and, in particular, the technical performance of WTGs, which are its key product. The performance of the Group's WTGs in the medium and long term is subject to certain material technical risks.

Although WTGs are generally designed for a 20-year life cycle, there can be no assurance on the service life of WTGs or WTG components, or about their medium to long-term operational reliability. The Group provides various product warranties under which the Group typically guarantees minimum machine availability and, as a result, may be involved in disputes with its customers based on actual or alleged product defects.

The Group undertakes various testing processes on new models of WTGs and WTG components in different operating conditions to acquire data for making decisions for serial production of new models, and the WTGs and WTG components used in the course of such tests may be damaged or become unfit to be used. In accordance with the agreement of the Group with its customers, any loss incurred in the course of such tests is borne by the Group. There can be no assurance that the new WTGs will operate without any technical issues, in actual conditions, despite being fully certified and tested extensively under laboratory conditions. Any product failure of WTGs or WTG components or any failure of such products to meet specified performance levels could damage the reputation of the Group and therefore impair the marketability or lifespan of its products and O&M services thereby restructuring or decreasing the sales of the Group.

WTGs and WTG components supplied and maintained by the Group may get damaged where the design loads are exceeded. Insurance coverage may not be available for such damage or may not be sufficient to cover the costs incurred, in which event the Group may be required to bear the amount of customer claims or replace the WTG or WTG components.

***Any deficiencies in the services provided by the Group may adversely affect its business prospects, results of operations, financial condition and cash flows.***

The Group is particularly vulnerable because it is liable to pay liquidated damages, amounting to a certain percentage of the total order value, if there are any delays or disruptions in delivery and installation of WTGs. In most cases the Group provides various types of warranties and guarantees in relation to its products, including in certain instances, performance guarantees. For example, the Group typically guarantees a minimum annual average machine availability of 95-97 per cent. after commissioning of the WTGs during the warranty period and during the O&M period. If the products that the Group supplies fail to meet the performance levels guaranteed, the Group may have to pay warranty claims, which could have a material adverse effect on the Group's business, financial condition, cash flows and results of operations. See "*Business —Product Warranties*" of this Consent Solicitation and Information Memorandum.

While the Group believes it has made adequate provisions for potential claims arising from warranties, guarantees and liquidated damages, there can be no assurance that the provisions it has made and will make in the future will be sufficient to cover these claims. In the event that such provisions are insufficient, the amount of claims arising from any cancellations of orders, deferrals or other unanticipated delays, which arise on account of the fault of the Group or from the warranties and guarantees in relation to its products, could have a material adverse effect on the Group's business, financial condition, cash flows and results of operations.

***The Group is dependent on external suppliers for key raw materials, components, equipment and machinery, which could have a material adverse effect on its business.***

The success of the Group's existing and planned operations will depend on, among other things, its ability to source sufficient amounts of raw materials at competitive prices for its projects and O&M services. WTGs require certain components, which are specifically designed for application in wind energy generation. The type and configuration of particular WTGs also require specifically designed components. The Group sources raw materials such as steel, glass fibre and epoxy resin for rotor blades, as well as several key WTG components (such as gearboxes, yaw and pitch drives, gear rims, slowing rings, brake callipers and castings, as well as a portion of its nacelle cover, tower and generator requirements) from third party suppliers in India and overseas. The quality of the Group's products (and consequently, customer acceptance of such products) depends on the quality of the raw materials and components and the ability of suppliers to timely deliver the materials. Suitable alternative suppliers who can meet the Group's technical and quality standards, and who can supply the necessary quantities, may be hard to find in the event of a supply failure.

The failure of any of the Group's suppliers to deliver these raw materials or components in the necessary quantities, to adhere to delivery schedules for WTG supply and O&M services, or to comply with specified quality standards and technical specifications, could adversely affect the Group's production processes, O&M services and its ability to deliver orders and service WTGs on time and at the desired level of quality. This, in turn, could give rise to contractual penalties or liabilities for the Group, loss of customers and damage to its reputation. In the past, the Company has been subject to shortages in the supply of certain key components, due to the inability of component suppliers to meet demand. In certain cases, this has led to and can lead to delay in supplying and commissioning WTGs or maintenance of break down and thus delay the Group's ability to recognise revenues in relation to its ongoing projects and also may lead to the payment of liquidated damages and performance guarantees.

The Company may also face instances where claims against suppliers for losses caused to customers by faulty components are disputed and recovery of such losses from the supplier is delayed, leading to the Company having to compensate the customer from its own revenue.

As a result of the Company's recent cash flow issues, it has not been able to make all payments due to suppliers on time. Generally, suppliers continue to be supportive and have supported the Group in difficult financial

conditions in spite of significant overdues. However, there may be instances where a supplier has delayed or stopped deliveries pending full settlement of all payments due or requires upfront payment or increases prices. If such events continue for extended periods of time, it could have a material adverse effect on the Group's order execution, O&M services, business prospects, results of operations, financial condition and cash flows.

The Group relies on equipment and machinery that are built by third parties and may be susceptible to malfunction. Although, in certain cases, the Group is entitled to be compensated by manufacturers for certain equipment failures and defects, such arrangements may not fully compensate the Group for the damage and loss suffered as a result thereof. The Group is also subject to mechanical failure and equipment shutdowns. In such situations, undamaged manufacturing units that are dependent on, or interact with, damaged sections of the Group's facilities may also have to be shut down. Such events could have a material and adverse impact on the Group's manufacturing capacity. If such shutdowns continue for extended periods, there could be a material adverse effect on the Group's business reputation, financial condition, cash flows and results of operations.

***The Group is subject to the risk of additional costs because of an increase in the prices of raw materials, components and shipping.***

The prices and supply of raw materials and components depend on factors that are not within the Group's control. The costs of raw materials and components required for making WTGs (including gearboxes) and O&M services could rise due to factors such as an increase in demand or commodity prices or shortages in supply. Further, increasing inflation in India could also cause a rise in the price of transportation, wages, raw materials and other expenses. If any of these were to happen, the Group may be unable to pass on these additional costs to its customers by increasing the prices of its WTGs and O&M services and may be unable to implement cost-saving measures in other parts of its business. Where possible, the Group includes price escalation clauses in its agreements with customers. However, these clauses do not comprehensively protect the Group from an increase in the price of all of its key inputs. These factors could have a material adverse effect on the Group's business, financial condition, cash flows and results of operations.

***The demand for wind energy projects is primarily dependent on the demand for electricity.***

The demand for electricity in India is closely linked to economic growth and demand for electricity. As the economy grows, economic activities, such as industrial production and personal consumption, also tend to grow, which increases the demand for electricity. Conversely, in economic downturns, activities such as industrial production and consumer demand decline or stagnate, causing demand for electricity to decrease. If the Indian economy or the economies of major international markets, such as North America, Latin America, China, Australia and Europe, do not grow, or if any of them enter a period of recession, or if there is an economic downturn (such as the one caused by the global financial crisis beginning in 2007), demand for electricity, including the demand for renewable energy sources such as wind energy, is likely to stagnate or decrease. A significant and sustained economic downturn would have a material adverse effect on the Group's business, financial condition, cash flows and results of operations.

***The viability of wind energy projects is dependent on the price at which electricity can be sold.***

The viability of a wind energy project in a particular region is also dependent on the price at which electricity can be sold, as well as the cost of wind-generated electricity compared to electricity generated from other sources of energy in such region. Wind energy projects require higher initial capital investment per kWh of energy produced as compared to that required for a fossil fuel-based power plant. The cost of electricity produced by wind energy projects is dependent on the cost of establishment of the wind energy projects themselves, including access to the electricity grid, financing costs, maintenance costs and wind conditions at the designated site. Continued investment in product techniques and technical advances in WTG design have led to an overall reduction in the cost per kWh of power from wind energy over a period of time. However, an increase in cost competitiveness or significant developments in technology for other sources of power

generation including solar could result in lower demand for wind energy products, which would have a material adverse effect on the Group's business, financial condition, cash flows and results of operations.

***The viability and level of wind energy generation is dependent on wind patterns, which are not constant and vary over time.***

The viability of wind energy projects is primarily dependent on the wind patterns at project sites conforming to the patterns that had previously been recorded to determine the suitability of these sites for wind energy projects. Although the Group uses data collected by the C-WET and conducts wind resource assessments based on long-term wind patterns at identified sites, there can be no assurance that wind patterns at a particular site will remain constant. Any changes in wind patterns at particular sites that have been previously identified as suitable for wind energy projects could affect the Group's ability to sell WTGs to potential customers and could also damage its reputation and prospects. Failure on the part of the Group to identify suitable locations or any subsequent changes in the wind pattern could have a material adverse effect on the Group's business, financial condition, cash flows and results of operations.

***Any failure or delay in the transportation and logistics arrangements entered into by the Group could have a material adverse effect on its business and operations.***

The Group depends on various forms of transport, such as air, sea-borne freight, rail and road, to receive raw materials and components used in the production of WTGs and to deliver its products from its manufacturing facilities to its customers. Such transportation and logistics may not be adequate to support the Group's future or continued operations. Further, the Group is vulnerable (in relation to both itself and its suppliers) to disruptions of transportation and logistical operations because of weather-related problems, strikes, lock-outs, inadequacies in road and rail infrastructure and port facilities, lack of or vaguely defined regulations or other events. The Group also has limited storage facilities and may not be able to store sufficient WTG components and raw materials, making it more dependent on efficient logistical operations. All of these factors could adversely affect the Group's ability to supply its products to its customers on time or at all and could have a material adverse effect on the Group's business, financial conditions, cash flows and results of operations.

***The construction and operation of wind energy projects has faced opposition from local communities and other parties in the past and there can be no assurance that the Group will not encounter similar opposition in the future, which could delay future construction or operations and impact the financial results of the Group.***

The construction and operation of wind energy plants in a number of countries has faced opposition from the local communities where these plants are located and from special interest groups. The Group has faced protests at certain of its wind farms in India and a number of its WTGs have been damaged in the course of these protests, requiring expensive and time-consuming repairs. WTGs also cause noise pollution and are considered by some to be aesthetically unappealing. Certain environmental organisations have expressed opposition to WTGs based on allegations that wind farms affect weather patterns, kill birds and have other adverse effects on the environment. There are also many jurisdictions in which the acceptable distance between wind energy plants and urban areas is regulated to specifically guard against the effects of noise. A significant increase in the extent of such legislation may require additional approvals or other restrictions which could lead to significant constraints on the growth of the wind energy industry as a whole. This would have an adverse effect on the Group's business, financial condition, cash flows and results of operations.

***The construction and operation of wind energy projects is subject to regulation, including environmental controls, and changes in these regulations could have a material adverse effect on the Group's business, financial condition, cash flows and results of operations.***

Many countries, including India, have introduced legislation governing the manufacture, erection, operation and decommissioning of WTGs, including compliance with procedures relating to the acquisition of land to be used for wind energy farms, compliance with relevant planning regulations and approvals for the commencement of a wind energy project, including clearances from the environmental regulators. Further, there are also a number of ancillary activities that are regulated, such as preparatory activities on the land used for wind farms and the refining and consumption of raw materials used in the manufacture of WTGs. The Group is also subject to regulations on noise pollution in relation to its manufacturing facilities and transport to and from production sites. Licences and approvals relating to the Group's business and operations require periodic renewal. Failure to obtain them in a timely manner or at all may adversely affect the Group's operations. The Group cannot guarantee that it will at all times be in compliance with such laws and regulations, and may be required to pay fines, limit production at its facilities or be subject to other penalties.

It is also possible that legislation and regulation relating to the above-mentioned activities are made more stringent in a particular country, such as an increase in the requirements for obtaining approvals or meeting government standards. As a consequence, the Group may have to change the infrastructure necessary for wind energy projects and the technical requirements for WTGs and/or the methods used to manufacture them, or in some instances even relocate its operations, resulting in an increase to the Group's costs. This could also increase the risk of the Group being subject to penalties for non-compliance with such regulations. These developments could have a material adverse effect on the Group's business, financial condition, cash flows and results of operations.

***The Group's multinational operations subject it to risk.***

The Group's presence in foreign countries exposes it to risks associated with operating a business in different economic conditions in each country. It also exposes the Group to the risk of having to comply with different (and potentially more onerous) legal and taxation regimes in such countries, including those relating to liability and warranty requirements in relation to its products and services. The Group's international presence also increases its exposure to risks of fluctuation in foreign currency exchange rates. All these factors could have a material adverse effect on the Group's business, financial condition, cash flows and results of operations.

***The Group's capital expenditure plans are subject to delay and other risks and may not yield the benefits intended. Further, the Group's manufacturing facilities may remain under-utilised.***

The Group's operations are capital intensive, as a substantial amount of capital is required for setting up new manufacturing facilities and expanding its existing manufacturing and storage facilities. The Group also requires significant amount of capital to market and distribute its services and products, to develop new services and products and to develop and implement new technologies. Given current cash flow constraints, the Group does not have any material capital expenditure plans except maintenance capital expenditure.

Future capital expenditure plans will be based on management estimates, which may prove to be incorrect or based on incorrect assumptions. The capital expenditure plans also depend on local regulations in respect of local content requirements in countries where the Group has operations or plans to enter. In addition, the Group's capital expenditure plans are subject to a number of risks including, among other things, possible cost overruns, construction and/or development delays or defects, failure or delay in receiving governmental or other approvals, and the availability of financing on acceptable terms. The Group may also require additional financing to expand and upgrade existing facilities. Such financing may not be available on acceptable terms or at all. The actual amount and timing of its future capital requirements may differ from the Group's estimates as a result of, among other things, unforeseen delays or cost overruns, unanticipated expenses, economic, political

and other conditions within and outside India, regulatory changes, engineering design changes, weather-related delays and technological changes. Such factors will have an adverse impact on the Group's profitability, financial condition and cash flows.

***The Group may be unable to keep pace with rapidly evolving technology in the design and production of WTGs and WTG components.***

The global market for WTGs and WTG components involves rapidly evolving technology. The Group's component manufacturing equipment and technology may not be suited for future generations of products being developed by other wind energy companies. WTGs are progressively becoming larger and their operational performance has improved, resulting in the Group's customers demanding more cost efficient WTGs. Developing such new product platforms requires huge investment. To maintain a successful business in the WTG sector, the Group needs to quickly and consistently design and develop new and improved WTGs and WTG components that keep pace with technological developments and changing customer standards and meet the growing demands of its customers for improved WTG performance in supply of WTGs and O&M services. The Group is vulnerable to technological failures and failures of its information/software systems, which could affect its business. The Group's ability to design, develop, manufacture, maintain and market financially viable and cost-efficient WTGs on an ongoing basis is particularly important. The Group's inability to either invest sufficiently in the development of new product platforms or adequately respond to the technological changes in the WTG industry in a timely manner could have a material adverse effect on its business, financial condition, cash flows and results of operations.

***The market for WTGs is highly competitive, which could limit the Group's ability to grow.***

The market for WTGs is intensely competitive. Important factors affecting competition in the WTG industry include performance of WTGs, reliability, product quality, technology, price, and the scope and quality of services, including operations and maintenance ("O&M") services and training offered to customers. Although the Group has expended considerable resources on the design, development and manufacture of WTGs, some of its competitors have longer industry experience and greater financial, technical and other resources, as well as larger customer bases and greater brand recognition. Some competitors may also be able to react faster to technological developments, trends and changes in customer demand. The Group's competitors may be willing and able to spend more resources to develop products and sales and provide O&M services, and may be able to provide comparable products and services faster or at a lower price than the Group can. Further, if the Group's competitors consolidate through joint ventures or co-operative agreements with each other, or otherwise, the Group may have difficulty competing with them in the sale of WTGs and providing O&M services. There can be no assurance that the Group will be able to compete successfully against such competitors, or that it will not lose potential customers to such competitors. There can be no assurance that the Group will be able to renew the O&M services contracts. Indeed, the Group's recent financial difficulties have constrained its ability to compete and competitors have increased their market share at the expense of the Group (in India in particular). Additionally, growing competition could result in a decline in the Group's market share or volume of WTGs under O&M or may force it to reduce the prices of its products and services, which may reduce revenues, margins and cash flows. If the demand for Independent Power Producers ("IPPs") from the wind energy market in India decreases, there may be a reduction or change in the overall scope of work, which may increase competition and, in turn, affect the market share and profit margins of the Group in India.

***Foreign currency fluctuations could adversely affect the costs of raw materials, the cost of borrowings and repayment of indebtedness, revenues from exports, profitability, cash flows, the operating results and any derivatives portfolio of the Group.***

The Group generates revenues and makes payments in a number of different currencies, including Indian Rupees, Euros, U.S. dollars and Australian dollars. The exchange rates between these currencies can fluctuate

substantially, which could have a material adverse effect on the Group's financial condition, cash flows and results of operations.

The depreciation of the Indian Rupee against the U.S. dollar and other foreign currencies in recent years has increased the Indian Rupee cost of servicing and repaying the Group's foreign currency borrowings and their value in the Group's balance sheet.

The Company's exchange rate risk primarily arises from its foreign currency revenues, costs and other foreign currency assets and liabilities, to the extent that there is no natural hedge.

A devaluation or depreciation in the value of the Indian Rupee increases the total costs of the Group's imports of raw materials and components and the Group may be unable to recover these costs through cost-saving measures elsewhere or by passing on these increased costs to its customers, which in turn may affect revenues, costs and cash flows. Similarly, the Group sources certain types of equipment from outside India, which it pays for primarily in Euros and U.S. dollars. A depreciation of the Indian Rupee against the Euro or U.S. dollar increases the cost of such equipment in Indian Rupee terms. All of these factors could have a material adverse impact on the Group's business, financial condition, cash flows and results of operations.

In conducting its business, the Group uses certain derivative and non-derivative instruments to partly manage risks arising from fluctuations in exchange rates and interest rates. Such instruments are used for risk management purposes only and in the last few years, their use has been very limited. However, there can be no assurances that the Group will be able to successfully hedge its risks or that it will not incur such losses in the future.

***The Group is dependent on Developers to deliver integrated wind energy solutions to its customers in India.***

The Group's business strategy in India involves offering customers integrated solutions relating to wind energy projects. This involves procurement and acquisition and/or leasing of land and capacity allocations suitable for wind farms by the Group in house or procuring through Developers which also includes certain Affiliated Companies. Such land is then sold, leased or sub-leased to the customers by the Group.

***There can be no assurance that customers will agree to use the land acquired through the Developers. The Developers have been and may continue to be subject to certain litigation proceedings in connection with such land acquisitions. An adverse order in any such proceeding would affect the ability of the Developers to deliver land to the Group and have a material adverse effect on the Group's business, financial condition, cash flows and results of operation. The inability of the Group and the Developers to secure suitable locations for wind energy projects may have an adverse impact on the Group's business.***

The ability of the Group and the Developers to acquire sites that the Group has identified as suitable for wind energy projects through lease agreements or purchase agreements depends on many factors. These factors include whether the land is private or state-owned, whether the classification of the land under applicable regulations permits its use for a wind energy project site, availability of evacuation infrastructure for transmission of the power from the land sites, the willingness of the owners to sell or lease their land and the difficulty in obtaining rights of way. In many cases, the area identified as a suitable site is owned by numerous small landowners.

In certain states in India, the Group and Developers are required to directly acquire or lease the land on which a wind energy project will be established. Acquisition of private land in India can involve many difficulties, such as dealing with ongoing litigation relating to ownership, the existence of liens or encumbrances and the lack of any conclusive means of conducting comprehensive title searches on the land, inaccurate title records, negotiating with numerous land owners, land conversion (e.g. agricultural to non-agricultural) and obtaining government approvals. Further, in the recent past, certain social interest groups in India compelled the reversal

of government policies in respect of land grant, compelling the interested company to relocate its operations. The Group may also become liable for environmental hazards on land that it acquires and may be subject to fines and other claims in connection therewith. The Group also faces competition from other WTG manufacturers and operators in relation to the acquisition of suitable sites for wind energy projects. Given that the acquisition of these sites is of fundamental importance to the Group's integrated solutions business strategy in India, difficulties in acquiring new sites could have a significant impact on future project development by the Group and the Developers as well as the Group's sales. These difficulties include litigation and other costs such as the payment of settlements in connection with land disputes, all of which may cause delays. Land negotiations can be time-consuming and can require the Group to incur substantial additional costs and devote a significant amount of management time. In certain cases, the Group and the Developers may not be able to acquire land at all. Further, leasing government land will require a number of approvals, which take time to acquire. Any of these factors could have a material adverse effect on the Group's business, financial condition, cash flows and results of operations.

***Any disruption affecting the Group's manufacturing facilities or operations could have a material adverse effect on its business, financial condition, cash flows and results of operations.***

At present, the Group's manufacturing facilities are located in India. The manufacture of the Group's WTGs and WTG components involves significant hazards that could result in fires, explosions, spills, and other unexpected or dangerous conditions or accidents. The project and O&M operations of the Group are serviced from remote sites. Any significant interruption to the Group's operations because of labour unrest, industrial accidents, floods, severe weather or other natural disasters could have a material adverse effect on the Group's business, financial condition, cash flows and results of operations. There can be no assurance that such events or natural disasters will not occur in the future and the occurrence of such events will have a material adverse impact on the Group's manufacturing, project execution and O&M service ability and capacity and therefore its financial condition, cash flows and results of operations.

The Group also requires power for its manufacturing facilities. Industrial accidents, natural disasters or other factors may affect the Group's ability to produce or procure the necessary power to operate its manufacturing facilities. This could have a material adverse effect on the Group's business, financial condition, cash flows and results of operations.

***The Company's results of operations could be adversely affected by strikes, work stoppages or increased wage demands by its employees or other disputes with its employees.***

The Group is exposed to the risk of strikes, lock-outs, trade union activities and other industrial actions. As at 31 March 2019, the Group employed approximately 7,250 people. Other than certain employees at its centres in Coimbatore, Puducherry and Satara, none of its employees belong to a union. The Group believes that its relationship with its employees is generally good. However, there have been occasions in the past where short disruptions have occurred and currently there is delay in timely payment of salary to employees.

There can be no assurance that the Group's other employees will not unionise or that the Group will not experience any strike, work stoppage, lock-out or other industrial action in the future and there may be delay in payment of salary and other dues to employees. Further, efforts by labour unions may divert the management's attention and result in increased costs. The Group may be unable to negotiate any acceptable collective bargaining agreements with such employees who have chosen to be represented by unions, which could lead to union-initiated stoppages. Any such event could disrupt the Group's operations, possibly for a significant period of time, result in an increase in wages and other benefits or otherwise have a material adverse effect on its business, financial condition, cash flows and results of operations.

***The Group has entered into various related party transactions. Some of these are subject to transfer pricing regulations. These may be subject to regulatory challenges, which may subject the Group to higher taxes and adversely affect the Group's earnings.***

The Company enters into transactions with related parties such as its Subsidiaries and Affiliated Companies in the ordinary course of its business, such as supply of components, related services and the acquisition and use of land. The Company also extends loans and guarantees to some of its Subsidiaries. Pursuant to these transactions, it has determined transfer prices that it believes are at arm's length. However, if the tax authorities of India or other jurisdictions were to challenge these or past transactions successfully or require changes in its transfer pricing policies, the Company could be required to re-determine transfer prices and/or pay additional taxes with respect to past transactions, which may result in a higher tax liability to it and, as a result, its earnings would be adversely affected. The Company believes that it operates in compliance with all applicable transfer pricing laws in all applicable jurisdictions. However, there can be no assurance that it will be found to comply with transfer pricing laws, or that such laws will not be modified. This may require changes to the Company's transfer pricing policies or operating procedures. Any modification of transfer pricing laws may result in a higher overall tax liability to the Group and adversely affect its earnings and results of operations. The Group will continue to enter into related party transactions in the future, in the normal course of its business.

***The Group may not be able to obtain or maintain adequate insurance cover.***

The Group's operations are subject to various hazards and risks, including risks inherent in the use of chemicals and other hazardous materials in the course of its production processes. These risks include the occurrence of thefts, explosions, chemical spills, storage tank leaks, discharges or releases of hazardous substances and other environmental risks, mechanical failure of equipment at its facilities and natural disasters. In addition, many of these operating and other risks could cause personal injury, loss of life, severe damage to or destruction of the Group's properties and the property of third parties and environmental pollution, and may result in the suspension of operations and the imposition of civil or criminal penalties. While the Group believes that its insurance coverage is consistent with industry norms, it does not carry business interruption insurance for its entire operations globally. For its Indian operations, the Group has obtained insurance coverage for the WTG erection process. If any or all of the Group's production facilities are damaged in whole or in part and its operations are interrupted for a sustained period, there can be no assurance that its insurance policies will be adequate to cover the losses that may be incurred as a result of such events. If the Group suffers a large uninsured loss, or any insured loss suffered by it significantly exceeds its insurance coverage, its business, financial condition, cash flows and results of operations may be adversely affected.

In addition, the Group's insurance coverage is generally subject to annual renewal. In the event that premium levels increase, it may not be able to obtain the same levels of coverage in the future as it currently has or it may only be able to obtain such coverage at substantially higher cost. If it is unable to pass these costs on to its customers, the costs of higher insurance premiums could have an adverse effect on its financial condition, cash flows and results of operations. Alternatively, the Group may choose not to insure, which, in the event of any damage or destruction to its facilities or defects to its products, could have a material adverse effect on its business, financial condition, cash flows and results of operations for example, the Group does not insure against warranty claims by customers.

***A prolonged impact of COVID-19 and future occurrence of any other infectious diseases in India and elsewhere could adversely affect the Group.***

An outbreak of an infectious disease and other similar events may have a negative impact on the Indian and global economy, which in turn could adversely affect our business and operations. The Coronavirus ("COVID-19") has spread to various countries and territories in the world including India and, as at the date of this Consent Solicitation and Information Memorandum, there have been an excessive number of deaths that have been reported due to the COVID-19 infection. In this context, on 11 March 2020, the World Health

Organization declared the COVID-19 outbreak as a pandemic. Travel and work restrictions have been implemented by the Government of India, including a nationwide lockdown. The outbreak of COVID-19 has severely interrupted economic activities nationwide and globally, and has, adversely effected global business operations. The Group has faced intermittent suspensions of its manufacturing plants, delays in the shipment of raw materials from China and other disruptions in the supply chain. Should the impact of COVID-19 continue for a protracted period, it may negatively affect our supply as well as the general demand for our products. The outbreak of such communicable diseases on a global, persistent scale may affect trade across industries as well as market sentiment, and may lead to an economic slowdown. Past outbreaks of the H7N9 strain of flu (Avian Flu), Severe Acute Respiratory Syndrome and H1N1 virus (Swine Flu) in Asia, Ebolavirus in West Africa, and the Middle East Respiratory Syndrome in the Middle East. The impact of COVID-19 or any future outbreak of epidemics, pandemics or other similar adverse public developments may, among other things, significantly disrupt our business. The aforesaid may also severely restrict the level of economic activity in affected areas, which may in turn have a material and adverse effect on our results of operations, revenue, profitability, financial condition and business. The Group's financial condition is substantially dependent on the commercial success of any new products launched by it.

The Group's growth depends on designing, developing and marketing new and more cost-efficient WTGs. The development of new WTG models requires considerable investment. The Group operates several research and testing centres in India and at overseas locations.

There is a risk that the development of new and existing products may be delayed, which may result in incurrance of higher than expected costs. Further, there can be no assurance that the newly developed products will deliver the expected technological results. Further, the Group's competitors may develop new and technologically more advanced WTG models, which are better equipped to satisfy customer demand. There can be no assurance that the Group will be able to develop more cost-efficient products or that this will lead to increased profitability or that it will be able to continue to develop successfully and exploit its expertise in the future. Furthermore, the cost of developing new products may prove to be greater than the income expected from those products. The newly developed WTGs may also face initial technical issues, which the Group may not be able to overcome or which may lead to a significant number of customer claims. Any of these factors could have a material adverse effect on the Group's business, financial condition, cash flows and results of operations.

***Any failure to keep the Group's technical knowledge confidential and protect its intellectual property could erode its competitive advantage.***

Like many of its competitors, the Group possesses extensive technical knowledge about its products. The Group relies on copyright and licence agreements, among other protections, to safeguard its intellectual property rights. There can be no assurance that the Group's rights will not be challenged, invalidated or circumvented, or that the Company will successfully renew its rights or licences. Further, the Group's know-how may not be adequately protected by intellectual property rights such as patents, copyrights and trademarks. Some know-how is protected only by secrecy and any contractual protection. As a result, the Group cannot be certain that its know-how will remain confidential in the long run. Further, there can be no assurance that the Group will be able to protect its intellectual property rights in respect of newly developed or upgraded products. The Group's competitors may be able to take advantage of this and develop and market similar or superior products which will impact the Group's business, financial conditions, cash flows and results of operation. In addition, following the defaults, certain of the Group's customers have been requesting that intellectual property in relation to designs be placed in escrow pending completion of their contracts by the Group.

Even if all reasonable precautions, whether contractual or otherwise, are taken to protect confidential technical knowledge about the Group's products and its business, there is still a risk that such information may be disclosed to others or become public knowledge in circumstances beyond its control. In the event that

confidential technical information or know-how about its products or its business becomes available to third parties or to the public, the Group's competitive advantage over other companies in the wind energy industry could be harmed. This could have a material adverse effect on the Group's business, financial condition, cash flows and results of operations.

***The Group may inadvertently infringe the intellectual property rights of others.***

Although the Group believes that its products, services and proprietary information do not infringe upon the intellectual property rights of others and that it does and will have all the rights necessary to use the intellectual property employed in its business, there can be no assurance that infringement claims, including the possibility of substantial monetary claims, will not be asserted against the Group. Such claims may force it to alter its technologies, obtain licences or cease some significant portions of its operations. Irrespective of their merit, these claims could: (i) adversely affect the Group's relationships with current or future customers; (ii) result in costly litigation; (iii) cause product shipment delays or stoppages; (iv) divert management's attention and resources; (v) subject the Group to significant liabilities; (vi) require the Group to enter into potentially expensive royalty or licencing agreements; and (vii) require the Group to cease certain activities, including the manufacture/supply of certain products and provisions of services. Furthermore, necessary licences may not be available to the Group on satisfactory terms, if at all. All of these factors could have a material adverse impact on the Group's business, financial condition, cash flows and results of operations.

***The loss of the services of the Company's Chairman and Managing Director, or of its key senior management personnel, could adversely affect its business.***

The Company's success depends in part on the knowledge, skill, industry experience and continued services of its Chairman and Managing Director, Mr. Tulsi R.Tanti, and other key members of senior management. If the Company loses the services of the Chairman and Managing Director or any of its key senior management personnel, it would be very difficult to find and integrate replacement personnel in a timely manner, which could significantly impair the Group's ability to develop and implement its business strategies. This could have a material adverse effect on the Group's business, financial condition, cash flows and results of operations.

***The Group may be unable to hire and retain sufficient numbers of the qualified professional personnel that it needs.***

The success of the Group's business will depend on its ability to identify, attract, hire, train, retain and motivate skilled personnel. Any failure to hire and retain sufficient numbers of qualified professional personnel for functions such as finance, marketing and sales, engineering, research and development and operations and management services, could adversely affect the Group's business, operating results, financial condition and cash flows. As part of an internal restructuring, the Group reduced its total employees from 7,600 in 31 March 2018 to 7,250 as on 31 March 2019 and as of February 2020, the Group had a total of 6,003 employees. Further, as a consequence of cash flow and funding constraints, the Group has been unable to invest as much as it previously did in human resource development and the negative publicity surrounding the Group's financial difficulties may dissuade talented individuals from applying for a position within the Group. As a consequence, this could have a material adverse effect on the Group's ability to hire and retain qualified professional personnel.

In addition, competition for qualified professional personnel is intense as these personnel are in limited supply, particularly as the wind energy industry is specialised and continues to expand. The Group might not be able to hire and retain sufficient numbers of such personnel to grow or sustain its business. In addition, any of its existing qualified personnel may terminate their employment with the Group and join the Group's competitors. There can be no assurance that the Group will be able to attract, assimilate or retain sufficiently qualified personnel successfully. A failure to do so could have a material adverse effect on the Group's business, financial condition, cash flows and results of operations.

***Compliance with and changes in safety, health and environmental laws and regulations may adversely affect the Group's results of operations, financial condition and cash flows.***

The Group is subject to a broad range of safety, health and environmental laws and regulations in the jurisdictions in which it operates. The manufacturing facilities of the Group are located in India and are subject to various laws and government regulations. These laws and regulations require the Group to obtain and maintain permits and approvals, undergo environmental impact assessments, review processes and implement environmental health and safety programmes, impose controls on the Group's air and water discharges, storage, handling, discharge and disposal of chemicals, employee exposure to hazardous substances and other aspects of its operations and products. Some of the manufacturing and O&M processes of the Group are hazardous and require the Group to comply with stringent safety standards. The Group has incurred, and expects to continue to incur, operating costs and capital expenditure to comply with such laws and regulations. While the Group believes it is in compliance in all material respects with all applicable safety, health and environmental laws and regulations, the discharge of raw materials that are chemical in nature or of other hazardous substances or other pollutants into the air, soil or water may nevertheless cause it to be liable to the Indian Government, State Governments or Union Territories, where certain of its manufacturing facilities and wind farms are located, or to private persons or other third parties. In addition, it may be required to incur costs to remedy the damage caused by any such discharges or environmental incidents, or pay fines or other penalties for non-compliance with applicable laws and/or regulations.

The Group could also be affected by the adoption or implementation of new safety, health and environmental laws and regulations, new interpretations of existing laws, increased governmental enforcement of environmental laws or other similar developments in the future. Safety, health and environmental laws and regulations particularly in India are becoming increasingly stringent and it is possible that they will become more stringent in the future. The costs of complying with these requirements could be significant. The measures that the Group implements in order to comply with these new laws and regulations may be deemed insufficient by governmental authorities and its compliance costs may significantly exceed current estimates. If the Group fails to meet environmental requirements, it may also be subject to administrative, civil and criminal proceedings by governmental authorities, as well as civil proceedings by environmental groups and other individuals, which could result in substantial fines and penalties against it as well as orders that could limit or halt its operations. This could have a material adverse effect on the Group's business, financial condition, cash flows and results of operations.

***The members of the Promoter Group have pledged certain of their shareholding in the Company and the Group cannot assure acquirers that the Promoter Group will satisfy their debt service obligations in respect of such pledges and/or continue to form part of the Promoter Group of the Company. In addition, the Company and some of its Subsidiaries have also pledged and have provided non-disposal undertakings for their respective shareholdings in certain entities in favour of the Group Lenders***

As at 31 December 2019, of the 1,052,784,456 Shares owned by the Promoter Group, representing 19.79 per cent. of the total Shares in the Company, 76.34 per cent. have been pledged to banks, financial institutions and other lenders to secure loans of the Company. The majority of such pledges are not linked to market prices and are provided as collateral to banks as secondary security.

In addition, the Company and its Subsidiaries have also pledged their shareholding in their respective subsidiaries, as shown below:

<b>S. No.</b>	<b>Name of Subsidiary</b>	<b>No. of Shares Pledged by the Company's/ Subsidiary</b>	<b>Percentage of Pledged Shares in Respect of Total Shareholding of the Company/ Subsidiary (per cent.)</b>
1	Suzlon Global Services Limited (formerly Suzlon Structures Limited)	29,366,800	100.00
2	Suzlon Gujarat Wind Park Limited	1,999,400	0.16
3	Suzlon Generators Limited	26,226,800	61.46
4	Suzlon Power Infrastructure Limited	194,610,000	100.00
5	SE Drive Technik GmbH	1	100.00

If any of the members of the Promoter Group, the Company or its Subsidiaries default in fulfilling their obligations under their respective financing arrangements, it is possible that the lenders may exercise their rights under the share pledges to sell all or a portion of such pledged shares in the stock market or to one or more third parties, or have the pledged shares transferred to their names and take significant control over the Company or its Subsidiaries. Any of these events may adversely affect the Group's business strategy, financial condition, cash flows and the market price of the New Bonds and the Shares.

***The Company's principal Shareholders may have interests that are adverse to the interests of the Shareholders and/or the Company and the Company does not control the Affiliated Companies.***

The Company's principal Shareholders, comprising the Promoters and the Promoter Group, owned 19.79 per cent. of the Company's issued and paid-up equity share capital as at 31 December 2019. As significant Shareholders, the Promoter Group may have interests that are adverse to the interests of other Shareholders and/or the Company and the Group's own interests. Specifically, the Company's Chairman and Managing Director, along with other members of the Promoters and the Promoter Group, are the controlling Shareholders of both the Company and the Affiliated Companies and have significant voting power to influence the Company's policies, business and affairs. There may therefore be a conflict of interest in dealings between the Company and the Affiliated Companies, which may not necessarily be resolved in the Company's favour.

***The Group's earnings from Subsidiaries based outside India may be subject to double taxation.***

A part of the Group's earnings may comprise dividends received from the Company's Subsidiaries based outside India. The Group may be subject to double taxation on any dividends paid by such Subsidiaries based outside India. Further, dividend payments will also be subject to foreign currency fluctuations. In such an event, the Group's earnings and cash flows may be adversely affected.

***Consolidated negative net worth of the Group may impact its ability to get large orders.***

As a consequence of continued losses in the last two Fiscal Years, and losses in earlier Fiscal years, the consolidated net worth of the Group turned negative in Fiscal Year 2014 and has since continued to be negative. The negative net worth of the Group could increase depending on its performance in Fiscal Year 2020 and beyond. There is a possibility that the Group may carry such negative net worth for at least a year, if not more. This may pose difficulties for the Group while bidding for large orders, or bidding in tenders, as some customers and nodal agencies may demand a healthy balance sheet as eligibility criteria for bidding or before awarding an order to the Group.

**RISKS ASSOCIATED WITH AN INVESTMENT IN THE NEW BONDS, OPTION A SHARES AND THE SHARES TO BE ISSUED UPON CONVERSION OF THE NEW BONDS**

*For risks relating to the Consent Solicitation and the Proposed Exchange Offer, see “Risk Factors and other Considerations related to the Proposed Exchange Offer” of this Consent Solicitation and Information Memorandum.*

***There are limitations on the ability of New Bondholders to exercise their Conversion Rights.***

The New Bonds are convertible into Shares at the option of the New Bondholders pursuant to the New Bonds’ Conditions (included in Annexure III of this Consent Solicitation and Information Memorandum). New Bondholders will be able to exercise their right to convert the New Bonds into Shares (the “**Conversion Right**”) only on and after about 40 days from the Bond Exchange Date and up to the close of business on the date seven business days prior to the New Bond’s Maturity Date and will not be able to exercise their Conversion Right during any closed period specified in the New Bonds’ Conditions. Further, Conversion Rights may only be exercised in respect of the full nominal amount of each New Bond, being U.S.\$320 and integral multiples of U.S.\$10 in excess thereof. Partial conversion of a New Bond is not permitted and, accordingly, no fractional amounts of the New Bonds will be considered for conversion.

***Certain corporate actions to adjust the initial Conversion Price of the New Bonds may require certain regulatory approvals.***

A Ministry of Finance, Government of India Notification dated 27 November 2008 (the “**Pricing Circular**”), has prescribed certain pricing guidelines in relation to the conversion of FCCBs. These guidelines stipulated by the Pricing Circular have also been incorporated under the FCCB Scheme. Accordingly, the FCCB Scheme provides, among other things, that the conversion price of FCCBs should not be less than the average of the weekly high and low of the closing prices of the related shares quoted on the relevant Indian Stock Exchanges during the two weeks preceding the relevant date. The relevant date for the purpose of determining the regulatory floor price for conversion of FCCBs means the date on which the board of directors of an issuer, or a duly empowered committee thereof, decides to open the issue. The Pricing Circular applies to the issue of the New Bonds by the Company and accordingly, the regulatory floor price for the conversion of the New Bonds will be the average of the weekly high and low of the closing prices of the Shares on the relevant Indian Stock Exchanges during the two weeks preceding the date on which the Board of Directors or a duly empowered committee of the Board of Directors decides to open the issue of the New Bonds (thereby fixing the regulatory floor price for conversion of the New Bonds).

The conversion price at which the New Bonds may be converted into Shares (the “**Conversion Price**”) is subject to adjustment in certain circumstances as described in the New Bonds’ Conditions (included in Annexure III of this Consent Solicitation and Information Memorandum). Adjustments to the Conversion Price as a result of certain corporate actions may violate the applicable pricing guidelines prescribed under the Pricing Circular and the Company may not be able to take any corporate action that will cause the Conversion Price to be adjusted in accordance with the New Bonds’ Conditions to below the floor price referred to above.

The Company may be required to obtain the prior approval of the RBI before effecting a change in the Conversion Price if such change is not in accordance with the FCCB Scheme and applicable FEMA provisions.

There can be no assurance that the potential adjustments to the Conversion Price which are provided for under the New Bonds’ Conditions would be permitted by the RBI, if an adjustment resulted in the Conversion Price falling below the “regulatory floor price” referred to above.

***Except as specifically covered by the RBI Approval, further approval of the RBI or an authorised dealer bank may still be required for repayment of the New Bonds prior to maturity, including upon an event of default.***

Under the ECB Guidelines, any early redemption of an external commercial borrowing prior to its stated maturity requires the prior approval of the RBI or a designated authorised dealer bank category I (“**AD Bank**”), as the case may be. The Company has applied for the RBI Approval under the ECB Guidelines for the Proposed Exchange Offer as well as certain features of the New Bonds which entail the early redemption of the New Bonds prior to the New Bonds’ Maturity Date in the manner contemplated in the New Bonds’ Conditions. Any other redemption of the New Bonds prior to the maturity date in respect of which the approval of the RBI has not been obtained (such as a redemption pursuant to Conditions 8.3A, 8.3, 8.5, 8.6 and 8.7 of the New Bonds’ Conditions or acceleration of the New Bonds upon occurrence of an Event of Default pursuant to Condition 10) or which is contrary to the terms of RBI Approval, may require the Company to obtain further approval of the RBI or an AD Bank, as the case may be, in accordance with the ECB Guidelines and other applicable rules and regulations issued by the RBI under the provisions of the FEMA, before providing a notice for, or effecting, such a redemption.

There can be no assurance that such approval would be obtained in a timely manner, or at all. In the absence of such an approval, the Company may not be able to redeem all or any of the New Bonds prior to their stated maturity.

***Remittances of funds outside India pursuant to indemnification by the Company in relation to the New Bonds requires prior RBI approval.***

Remittance of funds outside India by the Company pursuant to indemnity clauses under the New Bonds' Conditions, the New Bonds' Trust Deed or any other agreements in relation to the New Bonds requires prior RBI approval. Any approval, if and when required, for the remittance of funds outside India is at the discretion of the RBI and the Company can give no assurance that it will be able to obtain such approvals.

***There are risks presented by fluctuations in exchange rates between the Indian Rupee and the U.S. Dollar.***

There are currency fluctuation risks and convertibility risks that apply since the Option A Shares and the Shares to be issued upon conversion of the New Bonds are quoted in Indian Rupees on the Indian Stock Exchanges. Any dividends in respect of the Option A Shares or Shares to be issued upon conversion of the New Bonds will be paid in Indian Rupees and subsequently converted into appropriate foreign currency for repatriation. This entails risks which include, without limitation, the possibility of significant changes in the exchange rate between INR and U.S. Dollars if such currency risk is unhedged and the possibility of imposition or modification of exchange controls by the RBI. Such risks are usually dependent on various economic and political events over which the Company does not have any control.

India maintains a managed floating exchange rate system under which market forces determine the exchange rate for the Indian Rupee. Rates of exchange between U.S. Dollars and INR may be significantly varied over time. Political, economic or stock exchange developments in India or elsewhere could lead to significant and sudden changes in the exchange rate between INR and U.S. Dollars. Recently, exchange rates have been volatile and such volatility is expected in the near future as well, so the risk pertaining to exchange rate fluctuation persists, which may materially and adversely affect the value of the New Bonds, Option A Shares and the Shares to be issued upon conversion of the New Bonds and the returns from the New Bonds, Option A Shares and the Shares to be issued upon conversion of the New Bonds, independent of the Company's operating results. For further details, see "Exchange Rates" in this Consent Solicitation and Information Memorandum.

The New Bonds are denominated in U.S. Dollars. However, all of the Company's revenues are earned in INR. Any volatility of the exchange rate between INR and the U.S. Dollar during the term of the New Bonds, and in particular, any depreciation of INR against the U.S. Dollar during the term of the New Bonds could adversely affect the U.S. Dollar value of the Company's earnings and could adversely affect the Company's ability to satisfy its obligations (including principal as well as the interest payments in U.S. Dollars) under the New Bonds.

***The Trustee may request the New Bondholders to provide an indemnity and/or security and/or prefunding to its satisfaction.***

In certain circumstances (including without limitation giving of notice to the Company pursuant to Condition 10.1 and taking enforcement steps pursuant to Condition 13 under the relevant series of the New Bonds), the Trustee may (at its sole discretion) request New Bondholders to provide an indemnity and/or security and/or prefunding to its satisfaction before it takes actions on behalf of the New Bondholders. The Trustee shall not be obliged to take any such actions if not first indemnified and/or secured and/or prefunded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or prefunding can be a lengthy process and may impact on when such actions can be taken. The Trustee may not be able to take actions, notwithstanding the provision of an indemnity or security or prefunding to it, in breach of the terms of the New Bonds' Trust Deed or the related Conditions and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations and, to the extent permitted by the agreements and the applicable law, it will be for the New Bondholders to take such actions directly.

***The Company may not be in a position to meet its obligations to pay or redeem the New Bonds.***

In certain circumstances, the New Bondholders may require the Company to redeem all or a portion of the New Bonds and the Company would be required to pay all amounts then due under the New Bonds. In particular, upon a delisting of the Shares from the Indian Stock Exchanges or a non-permitted conversion price adjustment event in respect of the New Bonds (in each case as described in the New Bonds' Conditions (included in Annexure III of this Consent Solicitation and Information Memorandum)), the New Bondholders may require the Company to repurchase all (or in some cases, a portion of) such holders' New Bonds, and following an acceleration of the New Bonds upon an event of default as described in the New Bonds' Conditions, the Company would be required to pay all amounts then due under the New Bonds which it may not be able to meet. The Company may not be able to redeem all or any of such New Bonds or pay all amounts due under the New Bonds if the Company does not have sufficient cash flow to redeem or repay the New Bonds or the requisite regulatory approval from the RBI is not received. See "*—Except as specifically covered by the RBI Approval, further approval of the RBI or an authorised dealer bank may still be required for repayment of the New Bonds prior to maturity, including upon an event of default.*".

***The New Bonds constitute unsecured obligations of the Company and the New Bondholders' rights to receive payment on the New Bonds are subordinated to the company's secured indebtedness and structurally subordinated to the indebtedness and liabilities of the Company's Subsidiaries.***

The New Bonds will constitute direct, unsubordinated, unconditional and subject to the New Bonds' Conditions (included in Annexure III of this Consent Solicitation and Information Memorandum — *Negative Pledge*) unsecured obligations of the Company and shall at all times rank pari passu and without any preference or priority among themselves. Substantially all of the Company's properties and assets are being used to secure its existing debt obtained from its lenders in India. As at 31 December 2019, the Company's total consolidated secured long-term and short-term debt was approximately ₹130,830.0 million (U.S.\$1,832.8 million), which represents 100 per cent. of the total consolidated indebtedness of the Company. The New Bonds will be effectively subordinated to any of the Company's secured obligations with respect to the assets that secure such obligations. The New Bonds' Conditions do not prevent any of the Company or its subsidiaries from incurring additional debt and the Company's subsidiaries are generally permitted to secure their indebtedness. In addition, the New Bonds will be structurally subordinated to the existing and future indebtedness and other liabilities and obligations of the Company's Subsidiaries. Should the Company be unable to meet its repayment obligations, in the event of insolvency, winding-up, or bankruptcy of the Company, the secured lenders will be able to realise the value of these assets in priority to holders of the New Bonds. Claims of creditors of such entities will have priority over the assets of such entities over the Company and its creditors, including the New Bondholders.

***The right of the Bondholders to receive payments on the New Bonds is junior to certain tax and other liabilities preferred by law.***

The Indian Insolvency and Bankruptcy Code, 2016 (the "**Bankruptcy Code**") provides for the corporate insolvency resolution process ("**CIR Process**") of a corporate debtor. In the event that the CIR Process does not result in an approval of a resolution plan or if no resolution plan is proposed within the timeframe under the Bankruptcy Code for the CIR Process, the NCLT is required to commence liquidation proceedings with respect to the corporate debtor, on its own accord. The Bankruptcy Code further provides for the following priority for the distribution of proceeds in case of a liquidation. See "*Description of Shares*" in this Consent Solicitation and Information Memorandum.

In accordance with the Bankruptcy Code, in the event of liquidation proceedings, the proceeds from the sale of the liquidation assets shall be distributed in the following order of priority: (i) insolvency resolution process costs and liquidation costs in full; (ii) the following debts which rank equally between themselves and among the following: (a) workmen's dues for a period of 24 months preceding the liquidation commencement

date; and (b) debts owed to a secured creditor in the event such secured creditor has relinquished security in accordance with the manner set out in the Bankruptcy Code; (iii) wages and any unpaid dues owed to employees other than workmen for a period of 12 months prior to the liquidation commencement date; (iv) financial debts owed to unsecured creditors; and (v) the following dues shall rank equally between and among the following: (a) any amount due to the Central Government and the State Government including the amount to be received on account of the Consolidated Fund of India and the Consolidated Fund of a State, if any, in respect of the whole or any part of the period of two years preceding the liquidation commencement date; and (b) debts owed to a secured creditor for any amount unpaid following the enforcement of security interest. Thus, the Company's assets will be available to pay obligations on the New Bonds only after all of those liabilities that rank senior to these New Bonds have been paid. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining, after paying the amounts relating to these proceedings, to pay amounts due on the New Bonds.

***Future issuances or sales of the Shares or issues of securities convertible or exchangeable into Shares could significantly affect the trading price of the New Bonds, the Option A Shares or the Shares to be issued upon conversion of the New Bonds and such issues or sales may not result in an adjustment to the Conversion Price pursuant to provisions in the New Bonds' Conditions and the New Bonds' Trust Deed.***

The future issuance of Shares by the Company or other securities convertible into, or exchangeable with, Shares, or the disposal of Shares by any of its major shareholders, including the Promoters, or the perception that such issuance or sales may occur, may significantly affect the trading price of the New Bonds, the Option A Shares or the Shares to be issued upon conversion of the New Bonds. There can be no assurance that the Company will not issue further Shares or that such issue will result in an adjustment to the Conversion Price pursuant to the New Bonds' Conditions (included in Annexure III of this Consent Solicitation and Information Memorandum) and the New Bonds' Trust Deed or that the major shareholders will not dispose of, pledge or otherwise encumber their Shares. Future issues or sales of the Shares may significantly affect the trading price of the New Bonds, the Option A Shares or the Shares to be issued upon conversion of the New Bonds. The future issue of Shares by the Company or the disposal of Shares by any of the major shareholders of the Company or the perception that such issues or sales may occur may significantly affect the trading price of the New Bonds, the Option A Shares or the Shares to be issued upon conversion of the New Bonds. There can be no assurance that the Company will not issue Shares or that any such substantial shareholder will not dispose of, encumber, or pledge its Shares or related securities.

***New Bondholders will have no rights as shareholders until they acquire the Shares upon conversion of the New Bonds.***

Unless and until they acquire the Shares upon conversion of the New Bonds, New Bondholders will have no rights with respect to the Company's Shares, including any voting rights or rights to receive any regular dividends or other distributions with respect to the Shares. New Bondholders who acquire the Company's Shares upon the exercise of a Conversion Right will be entitled to exercise the rights of holders of the Company's Shares only as to actions for which the applicable record date occurs after the Conversion Date.

***It may take up to 40 days after the relevant Conversion Date before the Shares arising from the conversion of the New Bonds are listed on the NSE and the BSE and credited to a New Bondholder's securities account.***

The Company has undertaken to cause, as soon as practicable, and in any event not later than 40 days after the relevant Conversion Date, the relevant securities account of the New Bondholder exercising his Conversion Right, or of his nominee, to be credited with the Shares arising from the conversion of the New Bonds. Within this time period, the price of the Shares may fluctuate and this may have an adverse effect on the price that the New Bondholder anticipates to receive from the transfer of any Shares. The Company has also undertaken in the New Bonds' Trust Deed to obtain and maintain a listing for all the Shares issued on the exercise of Conversion Rights on the NSE and the BSE. Shares issued upon conversion of the New Bonds will have to

be listed on the NSE and the BSE before they are tradable on such stock exchanges, which listing is expected to occur within 40 days after the relevant Conversion Date. However, there is no assurance that the approval of the NSE and the BSE will be obtained within such a time frame. If there is any delay in obtaining the approval of the NSE and the BSE to list such Shares, such Shares shall not be tradable on the NSE and the BSE until the listing occurs.

***There is no existing market for the New Bonds and an active market for the New Bonds may not develop, which may cause the price of the New Bonds to fall.***

The New Bonds are securities for which there is currently no trading market. The Company intends to make an application for the listing and quotation of the New Bonds on the Official List of the SGX-ST. Even if such listing is obtained, no assurance can be given that an active trading market for the New Bonds will develop, or as to the liquidity or sustainability of any such market, the ability of holders to sell their New Bonds or the price at which holders of the New Bonds will be able to sell their New Bonds. If an active market for the New Bonds fails to develop or be sustained, the trading price of the New Bonds could fall. If an active trading market were to develop, the New Bonds could trade at lower prices than anticipated. Whether or not the New Bonds will trade at lower prices depends on many factors, including: (i) prevailing interest rates and the market for similar securities, (ii) general economic conditions, (iii) the Company's financial condition, financial performance and future prospects, (iv) the exchange rate between the U.S. Dollar and the Indian Rupee; and (v) the market price of the Shares to be issued upon conversion of the New Bonds. There can be no assurance that the markets for the New Bonds, if any, will not be subject to disruptions that may cause substantial volatility in the prices of securities similar to the New Bonds. Any disruptions in these markets may have an adverse effect on the market price of the New Bonds.

***The trading price of the Option A Shares and the Shares to be issued upon conversion of the New Bonds may be subject to volatility and holders thereof may not be able to sell their Option A Shares or their Shares to be issued upon conversion of the New Bonds at or above the issue price.***

The trading prices of publicly traded securities may be highly volatile. Factors affecting the trading price of the Option A Shares or the Shares to be issued upon conversion of the New Bonds include:

- variations in the Company's operating results;
- announcements of new material contracts, strategic alliances or other agreements by the Company or by its competitors;
- recruitment or departure of key personnel;
- favourable or unfavourable reports by a section of the media concerning the industry in general, or in relation to the Company's business and operations;
- changes in the estimates of the Company's operating results or changes in recommendations by any securities analysts that elect to research and report on the Shares;
- market conditions affecting the economy as a whole, in particular the industries in which the Company operates; and
- adoption or modification of regulations, policies, procedures or programs applicable to the Company's businesses.

In addition, if the stock markets experience a loss of investor confidence, the trading price of the Shares could decline for reasons unrelated to the Company's business, financial condition or operating results. The trading

price of the Shares might also decline in reaction to events that affect other companies in industries in which the Company operates even if these events do not directly affect the Company. Each of these factors, among others, could materially affect the price of the Shares. For certain other such factors, see “*Risk Factors— A prolonged impact of COVID-19 and future occurrence of any other infectious diseases in India and elsewhere could adversely affect the Group.*” and “*Risk Factors— The Group's results of operations have been, and may continue to be, adversely affected by Indian and international financial markets and economic conditions.*”

***The Existing Bondholders and the New Bondholders shall be subject to Indian taxes arising out of capital gains on the sale of the Option A Shares or the sale of Shares to be issued upon conversion of the New Bonds, respectively.***

Capital gains arising from the sale of shares in an Indian company are taxable in India. The Existing Bondholders and the New Bondholders will therefore be subject to capital gains tax in India on any capital gains arising from the sale of the Option A Shares or the Shares to be issued upon conversion of the New Bonds, respectively. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India irrespective of whether such gain was liable for tax in their own jurisdiction upon the sale of the Shares issued upon conversion of the New Bonds. It should be noted that from Fiscal Year 2017, GAAR provisions under the Income Tax Act became effective, which codifies the doctrine of ‘substance over form’ and overrides tax treaties to prevent treaty abuse. The tax consequences of the GAAR could result in denial of tax benefits and other consequences, and if the GAAR is made applicable to the Company, it may have an adverse tax impact on the Company. See the section “*Taxation*” for more details.

***The Company’s ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.***

The amount of future dividend payments, if any, will depend upon the Group’s future earnings, financial condition, cash flows, working capital requirements, the terms and conditions of its indebtedness and capital expenditures. Any declaration and payment as well as the amount of dividend will also be subject to the constitutional and contractual documents including the financing documents of the Group and applicable laws and regulations in India, including, in case of any final dividend, the approval of shareholders. There can be no assurance that the Company will be able to pay dividends in the future.

## **RISKS ASSOCIATED WITH INDIA**

***The Group's results of operations have been, and may continue to be, adversely affected by Indian and international financial markets and economic conditions.***

The Group's business is highly dependent on Indian and international markets and economic conditions. There have been fluctuations in interest rates, corporate or other scandals that reduce confidence in the Indian financial markets. A slowdown in the Indian economy could adversely affect the Group's business and customers and contractual counterparties, especially if such a slowdown were to be continued and prolonged. In periods of high rates of inflation, the Group's operating expenses may increase which could have an adverse effect on cash flows and results of operations.

Further, in light of the increasing linkage of the Indian economy to other global economies, the Indian economy is increasingly influenced by economic developments and volatility in securities markets in other countries. In addition, there have been concerns in relation to the liquidity of the global financial markets, the level and the volatility of debt and equity prices as well as interest rates, investor sentiment, inflation, the availability and cost of capital as well as credit and the degree in which international economies are expanding or experiencing recessionary pressures. The global financial markets have been and continue to be extremely volatile as the international financial markets were materially and adversely affected by a lack of liquidity, decreased

confidence in the financial sector, disruptions in the credit markets, reduced business activity, rising unemployment and eroding consumer confidence.

Under the terms of the ratified EU-UK article 50 withdrawal agreement (the **article 50 withdrawal agreement**), a transition period has now commenced which will last until 31 December 2020. During this period, most EU rules and regulations will continue to apply to and in the UK and negotiations in relation to a free trade agreement will be ongoing. Under the article 50 withdrawal agreement, the transition period may, before 1 July 2020, be extended once by up to two years. However, the UK legislation ratifying the article 50 withdrawal agreement (the European Union (Withdrawal) Act 2018 as amended by the European Union (Withdrawal Agreement) Act 2020 (as so amended, the **EUWA**)) contains a prohibition on a Minister of the Crown agreeing any extension to the transition period. While this does not entirely remove the prospect that the transition period will be extended (as the UK Parliament could pass legislation that would override the effect of the prohibition in the EUWA), the likelihood of a further extension is reduced. During the transition period, the UK and the EU may not reach agreement on the future relationship between them, or may reach a significantly narrower agreement than that envisaged by the political declaration of the European Commission and the UK Government.

Such on-going political uncertainty as regards the structure of the future relationship between the UK and the EU could lead to a further slowdown and instability in financial markets.

In addition, starting April 2018, there has been ongoing trade tension between the PRC and the United States involving the mutual introduction of tariffs on certain imported products. Although the United States and the PRC signed a “phase one” trade agreement on 15 January 2020, there is no assurance that this will ease the sustained tension between the United States and the PRC over trade policies which could significantly undermine the stability of the global economy.

In January 2020, the International Monetary Fund projected that global economic growth would rise from an estimated 2.9% in 2019 to 3.3% in 2020 and 3.4% for 2021, which represents a downward revision of 0.1 percentage point for 2019 and 2020 and 0.2 for 2021 compared to its forecast made in October 2019. The cut in the forecast indicates that the world economy is growing more slowly than expected and risks are rising. The development of significant global macroeconomic events, such the US-China trade tensions and the exit of the United Kingdom from the European Union, continue to bring uncertainty which could have a significant negative impact on international markets. A weakening sentiment in the global financial markets is also projected to be deeper than anticipated. These could include further falls in stock exchange indices, a fall in the value of Sterling, an increase in exchange rates between Sterling and the Euro and/or greater volatility of markets in general due to the increased uncertainty. This and any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material adverse effect on our business, financial condition and results of operations.

***Acts of terrorism, civil unrest, other acts of violence or war and other similar threats to security could adversely affect the Group’s business, cash flows, results of operations and financial condition.***

Increased political instability, evidenced by the threat or occurrence of terrorist attacks, enhanced national security measures, conflicts in several regions in which the Group operates, strained relations arising from these conflicts and the related decline in consumer confidence may hinder its ability to do business. Any escalation in these events or similar future events may disrupt the Group’s operations or those of its customers, suppliers and counterparties and could affect the availability of raw materials needed to conduct its business operations or the means to transport those materials to its facilities and finished products to customers. India has also witnessed civil disturbances, as well as other unfavourable social, economic and political events in recent years. All these events have had and may continue to have an adverse impact on the global economy and customer confidence and spending on infrastructure projects in particular, which could in turn adversely affect the Group’s revenue, operating results and cash flows. The impact of these events on the volatility of global financial markets could

increase the volatility of the market price of the securities and may limit the capital resources available to the Group and to its customers and suppliers.

***Natural disasters could have a negative impact on the Indian economy and damage the Group's facilities.***

Natural disasters such as floods, tsunamis, earthquakes, drought or famines have in the past had a negative impact on the Indian economy. If any such event were to occur, the Group's business could be affected due to the event itself or due to the Group's inability to effectively manage the effects of the particular event. Potential effects include the damage to infrastructure and the loss of business continuity, business information or inventories of raw materials or finished goods. In the event that the Group's facilities are affected by any of these factors, the Group's operations may be significantly interrupted, which may materially and adversely affect its business, results of operations, financial condition and prospects. Further, prolonged spells of below normal rainfall or other natural calamities could have a negative impact on the Indian economy thereby, adversely affecting the Group's business.

***Political instability or significant changes in the economic liberalisation and deregulation policies of the Government of India or in the State Governments where the Group operates could disrupt its business.***

The Indian Government has traditionally exercised and continues to exercise a significant influence over many aspects of the Indian economy. The Group's businesses, and the market price and liquidity of its securities may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments in or affecting India. In recent years, India has been following a course of economic liberalisation and the Group's business could be significantly influenced by economic policies followed by the central government. Further, the Group's businesses are also impacted by regulation and conditions in the various states in India where the Group operates. Since 1991, successive central governments have pursued policies of economic liberalisation and reforms. However, the Group cannot provide assurance that such policies will continue in the future. Indian government corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalisation and deregulation. The rate of economic liberalisation could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well. A significant change in India's economic liberalisation and deregulation policies, in particular, those relating to the businesses in which the Group operates, could disrupt business and economic conditions in India generally and, its businesses in particular.

***Any adverse change in India's credit rating by an international rating agency could adversely affect the Group's business.***

In May 2013, Standard and Poor's, an international rating agency, reiterated its negative outlook on India's credit rating. It identified India's high fiscal deficit and heavy Government borrowing as the most significant constraints on its ratings, and recommended the implementation of reforms and containment of deficits. In June 2013, Fitch, another international rating agency, returned India's sovereign outlook to "stable" from "negative" a year after its initial downgrade of the outlook, stating that the authorities had been successful in containing the upward pressure on the central Government budget deficit in the face of a weaker-than-expected economy and that the authorities had also begun to address structural factors that have weakened the investment climate and growth prospects. Similarly, Standard and Poor's upgraded its outlook on India's sovereign debt rating to "stable" in September 2014 and retained such rating in October 2015, while reaffirming the "BBB" long-term rating on bonds. Standard and Poor's stated that the revision reflects the view that India's improved political setting offers an environment which is conducive to reforms that could boost growth prospects and improve fiscal management. Going forward, the sovereign ratings outlook will remain dependent on whether the Government is able to transition the economy out of a low-growth and high inflation environment, as well as exercise adequate fiscal restraint. Any adverse change in India's credit ratings by international rating agencies may adversely impact the Company's business and limit its access to capital markets.

***Significant differences exist between Ind AS used to prepare the Company's financial statements and other accounting principles, such as Indian GAAP and IFRS, with which the Bondholders or prospective acquirers of the New Bonds may be more familiar.***

On 16 February 2015, the MCA issued the IAS Rules for the purpose of enacting changes to Indian GAAP that are intended to align Indian GAAP further with IFRS. The IAS Rules provide that the financial statements of the companies to which they apply shall be prepared and audited in accordance with Ind AS, although any company may voluntarily implement Ind AS for the accounting period beginning from 1 April 2015. The Company has transitioned to Ind AS accounting principles during Fiscal Year 2017. The consolidated financial statements of the Group for the Fiscal Year 2017 are the first the Group has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2016, the Group prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules.

However, India has adopted the IFRS-converged or IFRS synchronised accounting standards and not IFRS. Ind AS, therefore, differs in certain significant respects from IFRS and other accounting principles and standards with which the Bondholders or prospective acquirers of the New Bonds and the Shares may be more familiar. The Company has not made any attempt to quantify the impact of IFRS on the financial data included in this Consent Solicitation and Information Memorandum nor does the Company provide a reconciliation of its financial statements to those of IFRS. If the Company were to prepare its financial statements in accordance with such other accounting principles, its results of operations, financial condition and cash flows may be substantially different. The significant accounting policies applied in the preparation of the Company's and the Group's historical Indian GAAP and Ind AS financial statements are set forth in the notes to the Audited Financial Statements and the Interim Unaudited Financial Statements. Bondholders should review the Indian GAAP and Ind AS accounting policies applied in the preparation of the Company's and the Group's financial statements summarised in those financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Accordingly, the degree to which the Company's financial statements incorporated by reference in this Consent Solicitation and Information Memorandum will provide meaningful information is entirely dependent on your level of familiarity with Indian accounting practices under Indian GAAP and Ind AS. Any reliance by persons not familiar with these accounting practices on the Company's financial disclosures incorporated by reference in this Consent Solicitation and Information Memorandum should accordingly be limited.

***Businesses operating in India are subject to a variety of central and state government taxes and surcharges.***

Tax and other levies imposed by the central and state governments in India that affect the Group's tax liability include: (i) central and state taxes and other levies; (ii) income tax; (iii) value added tax; (iv) turnover tax; (v) service tax; (vi) stamp duty; and (vii) other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. Moreover, the central and state tax schemes in India are extensive and are subject to change from time to time. The statutory corporate income tax in India, which includes a surcharge on the tax and a health and education cess on the tax and the surcharge, is currently 34.94 per cent. However, the Central Government has launched schemes offering lower corporate tax rates (i.e., 22%, excluding applicable surcharge and cess) if the prescribed conditions of the scheme are satisfied. The central or state government may vary the corporate income tax in the future. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Additional tax exposure could adversely affect the Company's business, cash flows and results of operations. Further, the central government has amended its tax residency rules with effect from April 1, 2017. Previously, a foreign company could be a tax resident of India only if its control and management was situated wholly in India. Under the amended rules, a company will be treated as tax resident of India if (i) it is an Indian company; or (ii) its Place of Effective Management ("POEM") is in India. POEM is defined in the Income Tax Act, to mean a place where key management and commercial decisions that are necessary for the conduct of the

business of an entity as a whole are, in substance, made. The central government also issued the final guidelines for determining the POEM of a company on 24 January 2017. Also, The Income Computation and Disclosure Standards (“ICDS”) will be applied in computing taxable income, and payment of income taxes thereon, beginning in the financial year 1 April 2016 and onwards. ICDS applies to all taxpayers following an accrual system of accounting for the purpose of computation of income under the headings of "profits and gains of business or profession" and "income from other sources." The applicability of the amended rules may have a material adverse effect on our business, financial condition, cash flows and results of operations.

***Any volatility in the exchange rate may lead to a decline in India's foreign exchange reserves and may affect liquidity and interest rates in the Indian economy, which could adversely impact the Company.***

Capital inflows into India have remained extremely volatile responding to concerns about the domestic macroeconomic landscape and changes in the global risk environment. While the current account deficit (“CAD”) remained a main area of concern over fiscal year 2012 and fiscal year 2013, it has shrunk sharply in fiscal year 2015 and fiscal year 2016. A substantial decline in the imports bill, mainly on account of lower crude oil prices led to a significant narrowing in the trade deficit that in turn reduced the size of the CAD. However, the primary challenge for the Indian Rupee was the volatile swings in capital flows. Since calendar year 2017 to date, the Indian Rupee has been depreciating and it may come under further pressure given the increased likelihood of a gradual reversal in U.S. monetary policy that may result in a rotation of global fund flows from emerging markets to the U.S. markets over the medium term. Although the Indian Rupee is less vulnerable given the improvements in the CAD and visible moderation in inflation rates, there remains a possibility of needing to intervene in the foreign exchange market to control volatility of the exchange rate. The need to intervene at that point in time may result in a decline in India's foreign exchange reserves and subsequently reduce the amount of liquidity in the domestic financial system. This in turn could impact domestic interest rates.

***There may be less information available in the Indian securities markets than in more developed securities markets in other countries.***

There is a difference between the level of regulation and monitoring of the Indian securities markets and that of the activities of investors, brokers and other participants in securities markets in more developed economies. SEBI is responsible for monitoring disclosure and other regulatory standards for the Indian securities market. SEBI has issued regulations and guidelines on disclosure requirements, insider trading and other matters. There may be, however, less publicly available information about Indian companies than is regularly made available by public companies in more developed countries, which could adversely affect the market for the Shares. As a result, Bondholders may have access to less information about the Company’s business, financial condition, cash flows and results of operation, on an on-going basis, than investors in companies subject to the reporting requirements of other more developed countries.

***Bondholders or the prospective acquirers of the New Bonds may not be able to enforce a judgment of a foreign court against the Company.***

The Company is a limited liability company incorporated under the laws of India. All of the Group’s Directors and substantially all of its senior management are residents of India. All of the Group’s assets and the assets of its Directors and executive officers are located in India. As a result, it may be difficult for the Bondholders or prospective acquirers of the New Bonds to effect service of process upon the Group or such persons outside India or to enforce judgments obtained against the Group or such parties outside India. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with Indian practice or public policy in India, and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. For further details, see “Enforcement of Civil Liabilities” in this Consent Solicitation and Information Memorandum.

***The ability of Indian companies to raise foreign capital may be constrained by Indian law.***

As an Indian company, the Company is subject to exchange controls that regulate borrowing in foreign currencies, including those specified under the FEMA and the rules thereunder. Such regulatory restrictions limit the Group's financing sources for its projects under development and hence could constrain the Group's ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, the Group cannot assure you that the required approvals will be granted to it without onerous conditions, or at all. Limitations on foreign debt may adversely affect the Group's business, results of operations and financial condition.

***The Group's businesses and activities are regulated by the Competition Act, 2002.***

The Competition Act, 2002 (the "**Competition Act**") was enacted for the purpose of preventing practices having an adverse effect on competition in India and has mandated the CCI to regulate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to adversely affect competition in India is void and may result in substantial penalties. Any agreement among competitors which directly or indirectly determines purchase or sale prices, directly or indirectly results in bid rigging or collusive bidding, limits or controls production, supply, markets, technical development, investment or the provision of services, or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or types of goods or services or number of customers in the relevant market or any other similar way, is presumed to adversely affect competition in the relevant market in India and shall be void. The Competition Act also prohibits the abuse of dominant position by any enterprise. Further, if it is proved that any contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the contravention and may be punished. Separately, any "combination" (i.e. an acquisition of an enterprise, or a merger or amalgamation of enterprises which crosses the asset and turnover jurisdictional thresholds set out in the Competition Act) require notification to, and approval from, the CCI prior to completion.

Consequently, all agreements entered into by the Group may fall within the purview of the Competition Act. Further, the CCI has extraterritorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination adversely affects competition in India. The applicability of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, may adversely affect the Group's business, results of operations and prospects.

***Inflation in India may adversely affect the Company's business.***

India has experienced in the past high rates of inflation. The Company can provide no assurance that such high rates of inflation will not occur in the future. In addition, the Government of India has taken measures to control inflation, which have included tightening monetary policy by raising interest rates, restricting the availability of credit and inhibiting economic growth. Inflation, measures to combat inflation and public speculation about possible governmental actions to combat inflation have also contributed significantly to economic uncertainty in India and heightened volatility in the Indian capital markets.

Periods of higher inflation may also slow the growth rate of the Indian economy. Moreover, the reporting currency of the Company's financial statements is the Indian Rupee, and fluctuations in the value of the Indian Rupee that result from inflation, could adversely affect the Company's results of operations and financial condition. Further, inflation could cause a rise in the price of transportation, wages or any other of the Company's expenses. If the Company is unable to reduce costs or pass the increased costs along to customers, the Company's results of operations and financial condition may be materially and adversely affected. Also, a

rise in interest rates will impact interest payable on any future debt, thus increasing the cost of new financing, increasing our interest expense and hindering our ability to implement our growth strategies. Such a rise in interest rates could materially and adversely affect the Company's results of operations and financial condition.

## MARKET PRICE INFORMATION AND OTHER INFORMATION CONCERNING THE SHARES

The Shares have been listed on the BSE and the NSE since 19 October 2005. On 31 December 2019, the closing price of the Company's Shares on the BSE was ₹1.87 per Share and on the NSE was ₹1.85 per Share. The table below sets forth, for the period indicated, the high and low closing prices in Indian Rupees for the Shares on the BSE and the NSE and the average volume of trading activity for the Shares on the BSE and the NSE.

	High	NSE Low	Average Daily Traded Volume	High	BSE Low	Average Daily Traded Volume
February 29, 2020	3.00	2.15	16,674,433	3.00	2.14	5,305,891
January 31, 2020	3.50	1.85	25,179,863	3.60	1.85	6,305,191
<b>Nine Months Ending 31 December 2019</b>						
First Quarter	7.35	3.35	59,509,144	7.37	3.35	5,322,070
Second Quarter	5.10	2.25	15,333,156	5.15	2.27	2,709,988
Third Quarter	3.00	1.85	12,199,613	2.98	1.87	3,082,629
<b>Fiscal Year Ending 31 March 2019</b>						
First Quarter	12.20	7.40	24,796,039	12.20	7.41	3,350,876
Second Quarter	8.40	5.45	32,364,599	8.40	5.49	3,555,256
Third Quarter	6.45	5.10	27,235,032	6.42	5.10	3,232,997
Fourth Quarter	7.90	3.35	62,247,073	7.88	3.37	6,623,600
<b>Fiscal Year Ending 31 March 2018</b>						
First Quarter	21.25	17.65	49,005,216	21.25	17.70	7,220,698
Second Quarter	20.00	15.25	47,932,526	19.90	15.30	6,410,914
Third Quarter	16.95	13.30	37,982,428	16.95	13.31	5,169,295
Fourth Quarter	16.45	10.70	38,163,003	16.45	10.74	5,618,279
<b>Fiscal Year Ending 31 March 2017</b>						
First Quarter	18.15	13.75	28,144,680	18.15	13.78	6,247,366
Second Quarter	18.75	14.50	18,946,122	18.75	14.50	3,798,846
Third Quarter	15.40	13.65	14,505,639	15.42	13.66	3,972,945
Fourth Quarter	19.45	14.05	38,787,351	19.45	14.09	7,758,200

Source: NSE and BSE, available on [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com), respectively.

For as long as the Shares are listed on the BSE and the NSE, the trading and closing price of the Shares will be available on [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com).

The Company had a total of 1,007,145 shareholders as at 31 December 2019.

## **DIVIDEND POLICY**

The declaration and payment of dividend by the Company is governed by the applicable provisions of the Companies Act, and the Articles of Association. For further information, see “*Description of Shares*”. Under the Companies Act read with the applicable secretarial standards for declaration of dividends, the board of directors of a company recommends the payment of dividend and the shareholders approve of the same at a general meeting. In India, dividends are generally declared as a percentage of the face value of the equity shares. The dividend recommended by the board of directors and approved by the shareholders at a general meeting is distributed and paid to shareholders in proportion to the paid-up value of their shares as at the record date for which such dividend is payable.

The Company has not paid or declared any dividend in any of the last three Fiscal Years. The amounts paid as dividends in the past are not necessarily indicative of the Company’s dividend policy or dividend amounts, if any, in the future. There can be no assurance that any future dividend will be declared or paid, or that the same rate of payment will be maintained.

For a description of the Company’s regulation of dividends, see “*Description of Shares—Dividends*”.

For information relating to taxes payable on dividends, see “*Taxation*”.

## CAPITALISATION

The Company's authorised share capital is ₹24,980.0 million divided into 12,490,000,000 Shares of ₹2 each as at 31 December 2019. As at 31 December 2019 the Company's issued share capital is ₹10,677.4 million divided into 5,338,706,098 Shares of ₹2 each and the Company's subscribed and paid up capital is ₹10,639.5 million divided into 5,319,774,121 Shares of ₹2 each.

The following table sets forth the Company's capitalisation (including indebtedness) as at 31 December 2019 on the basis of its Interim Unaudited Financial Statements, on a consolidated basis, as at 31 December 2019.

*In addition, please refer to the section headed "Debt Resolution Plan" under this Consent Solicitation and Information Memorandum.*

	<b>As at 31 December 2019</b> (₹ million)
<hr/>	
<b>Short-term debt<sup>(1)</sup></b>	
Secured debt <sup>(3)</sup>	85,698.9
Unsecured debt	Nil
Current Maturities of Long-Term Secured debt <sup>(1)(3)</sup>	13,757.1
Current Maturities of Long-Term Unsecured debt <sup>(1)</sup>	12,803.4
<b>Total short-term debt</b>	<b>112,259.4</b>
<b>Long-term debt<sup>(2)</sup></b>	
Secured debt <sup>(3)</sup>	18,308.7
Unsecured debt	265.4
<b>Total long-term debt</b>	<b>18,574.1</b>
<b>Equity</b>	
Issued Share capital:	10,639.5
5,338,706,098 Equity Shares of ₹2 each fully paid	
Other equity <sup>(4)</sup>	(113,302.6)
Non-controlling interests	(451.1)
<b>Total Shareholder's Fund</b>	<b>(103,114.2)</b>
<b>Total capitalisation<sup>(5)(6)</sup></b>	<b>27,719.3</b>

**Notes:**

- (1) *Short-term debt includes the current portion of long-term debt.*
- (2) *The Company has given corporate guarantees for the debt to its subsidiaries other than STG. The outstanding amount of debt of subsidiaries against which such corporate guarantee is given as at 31 December 2019 was ₹991.8 million.*
- (3) *Secured debt is secured by charges on substantially all of the assets of the Company and certain specified assets of certain entities within the Group.*
- (4) *Other equity includes securities premium, general reserve, capital redemption reserve, capital reserves on amalgamation, capital reserve, retained earnings, equity component of compound financial instruments, legal and statutory reserves, foreign currency translation reserve, other items of other comprehensive income.*
- (5) *Total capitalisation consists of long-term debt, short-term debt and total shareholders' funds.*
- (6) *Short-term debt excludes interest accrued of ₹4,818.0 million*

## FINANCIAL INFORMATION ABOUT THE COMPANY

Each of the Interim Unaudited Financial Statements, the Audited Financial Statements, and related reports thereon, are incorporated by reference in this Consent Solicitation and Information Memorandum. In addition, any quarterly financial statements submitted by the Company with the Indian Stock Exchanges until the date of the Bondholder Meeting, and related reports thereon, shall be considered to be incorporated in this Consent Solicitation and Information Memorandum by reference. See “*Documents Incorporated by Reference*” in this Consent Solicitation and Information Memorandum.

The Company has not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data incorporated by reference in this Consent Solicitation and Information Memorandum, nor does the Company provide a reconciliation of its financial statements, to those of U.S. GAAP or IFRS. In addition, this Consent Solicitation and Information Memorandum does not include a section highlighting the Significant Differences among Indian GAAP, IFRS and Ind AS. See “*Risk Factors—Significant differences exist between Ind AS used to prepare the Company’s financial statements and other accounting principles, such as Indian GAAP and IFRS, with which the Bondholders or prospective acquirers of the New Bonds may be more familiar.*”.

## BUSINESS

### Overview

The Suzlon Group is one of India's renewable energy solutions provider, with approximately 12.5 GW installed capacity in India (which is more than 35% of total installed base in the country) and an internationally installed capacity of approximately 6 GW; aggregating to an installed capacity of approximately 18.5 GW globally. The Group develops and manufactures technologically advanced WTGs with an emphasis on high performance and cost-efficiency. The Group also provide service for operation and maintenance of WTGs. As on 30 September 2019, the total fleet under Group's service division was approximately 15.5 GW. The Group has developed several specialised products and services and customised them to meet different geographical needs and demands to improve the value offered to customers. These include providing engineering, procurement and construction ("EPC") and O&M services to markets including India, the United States, Europe, Australia and South Africa. In India, the Group has positioned itself as an integrated solution provider of services related to wind energy. Besides manufacturing WTGs, the Group is also involved in wind resource mapping, identification of suitable sites, technical planning of wind energy projects, EPC and after-sales O&M services. The Group also provides power evacuation facilities through SPIL and land and balance of plant work through SGWPL for WTGs it supplies in India. SGWPL and certain Developers including Affiliated Companies acquire land for sites that the Group has identified as suitable for wind energy projects. In the international markets, the Group currently provides O&M Services for approximately 3 GW WTGs.

The Group is an integrated developer of WTGs, focused on the design, engineering and development of WTGs. The majority of its components (which include hybrid lattice and tubular tower sections, controllers, including control panels and control monitoring software, turbine nacelles with covers, generators hubs and rotor blades) are developed and manufactured by Group entities for its multi-MW WTGs. The Group has also established supply sources for a few of these components and for components that it does not manufacture, such as gearboxes, casting parts and a portion of its nacelle and tower requirements. Through SE Forge Limited ("SEFL"), the Group has also set up facilities to manufacture forging and foundry components that are required for the manufacture of WTGs and their components. Raw materials for WTG rotor blades, such as glass fibre, epoxy resin and foam, are also sourced from leading suppliers.

The Group conducts R&D activities primarily at its in-house R&D facilities set up in Germany, The Netherlands, Denmark and India.

These entities focus on designing and developing new WTG models, upgrading the Group's current models and developing efficient and effective rotor blade technology for its WTGs. See "*Business — Research and Development*" of this Consent Solicitation and Information Memorandum.

The Company had two rounds of private equity raisings from CVC Capital Partners ("CVC") and Chrys Capital between 2004 and 2005. The Company's initial public offering in 2005 was oversubscribed more than 45 times. Between 2006 and 2009, the Group's business grew by a CAGR of 61%, buoyed by the Group's presence in diverse global markets. To consolidate its global position, the Company made two acquisitions – Hansen Transmissions International NV, Belgium in Fiscal Year 2006 and REpower Systems AG (later renamed as Senvion SE) in Fiscal Year 2007 for a consideration of approximately EUR1.80 billion funded through a mix of debt, equity and internal accruals. To rationalise the debt, the Company also raised equity through a qualified institutions placement amounting to ₹2,1830.0 million, GDR amounting to USD 108.4.0 million and FCCB's of USD590.0 million during this period.

The Company also expanded its manufacturing capacities from time to time to meet the increased demand and also set up large component manufacturing facilities to secure availability and optimize costs. However, in order

to reduce the debt obligations and finance costs, the Group divested its 100% stake in Senvion SE at significant loss for approximately ₹71,000 million.

The accumulated sales of WTGs of the Group stood at 1,572.9 MW, 942.9 MW and 495.6 MW as of 31 March 2017, 31 March 2018 and 31 March 2019, respectively. India with 495.6 MW accounted for 100 per cent. of the Group's sales of WTGs (by volume in MW) in the Fiscal Year 2019.

The Group's consolidated revenue from operations was ₹126,925.3 million, ₹80,746.1 million and ₹49,784.6 million for the Fiscal Year 2017, the Fiscal Year 2018 and the Fiscal Year 2019, respectively. Net profit for the Fiscal Year ended 31 March 2017 was ₹8516.4 million and net loss for the Fiscal Years ended 31 March 2018 and 31 March 2019 was ₹3,840.1 million and ₹15,371.9 million, respectively. As at 31 March 2019, the Group had negative equity of ₹ ₹85,030.9 million.

The following tables set forth the breakdown of the Group's total consolidated income for the Fiscal Years 2017, 2018 and 2019:

	<b>Fiscal Year 2017</b>	<b>Per cent. of Total Revenue</b>	<b>Fiscal Year 2018</b>	<b>Per cent. of Total Revenue</b>	<b>Fiscal Year 2019</b>	<b>Per cent. of Total Revenue</b>
	(in ₹ million)		(in ₹ million)		(in ₹ million)	
<b>Revenue from operations:</b>						
WTG and its components .....	102,557.8	80.10	53,877.2	65.74	28,491.0	56.14
Foundry and forgings.....	4,907.6	3.83	3,598.3	4.39	3,566.1	7.03
Operation & Maintenance Service.....	17,550.8	13.71	17,539.2	21.40	19,067.3	37.57
Others .....	6,030.1	4.71	12,727.9	15.53	881.6	1.74
Inter segment sales.....	(4,121.0)	(3.21)	(6,996.5)	(8.54)	(2,221.4)	(4.37)
<b>Total revenue from operations .....</b>	<b>126,925.3</b>	<b>99.14</b>	<b>80,746.1</b>	<b>98.52</b>	<b>49,784.6</b>	<b>98.11</b>
<b>Other operating income.....</b>	<b>218.4</b>	<b>0.17</b>	<b>4,15.9</b>	<b>0.51</b>	<b>462.3</b>	<b>0.91</b>
<b>Other income</b>	<b>888.2</b>	<b>0.69</b>	<b>791.7</b>	<b>0.97</b>	<b>499.5</b>	<b>0.98</b>
<b>Total revenue.....</b>	<b>128,031.9</b>	<b>100.00</b>	<b>81,953.7</b>	<b>100.00</b>	<b>50,746.4</b>	<b>100.00</b>

The following table sets forth the percentage breakdown of the total sales and service income geographically of the Group for the Fiscal Years 2017, 2018 and 2019:

	<b>For the Fiscal Years (in per cent.)</b>		
	<b>2017</b>	<b>2018</b>	<b>2019</b>
India .....	93.85	90.56	84.22
Europe .....	0.80	1.36	2.09
United States and Canada .....	3.25	5.17	10.35
China.....	0.11	0.06	-
Australia .....	1.03	1.55	2.10
Others .....	0.96	1.30	1.24
<b>Total .....</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

### **Current Status of the Company**

The 2008 global financial crisis had a significant impact on the global wind energy market. New orders for wind farm projects from international market virtually dried up and business significantly decreased for all major

global original equipment manufacturers. The Indian market managed to maintain its growth trajectory for a while following this occurrence, even though the size of the Indian market was not very large at the time. However, the shrinkage of export market coupled with repayment obligations and interest servicing towards its two acquisitions (Hansen Transmissions International NV, Belgium in Fiscal Year 2006 and REpower Systems AG (later renamed as Senvion SE) in Fiscal Year 2007) put the Company into a difficult financing situation.

During Fiscal Years 2009 and 2010, the Company consolidated all its debts under an “*obligor – co-obligor structure*” amongst its key operating entities, which also enabled it to schedule its entire debt repayment plan with its future business performance. The growth in the market was slow during this phase, nevertheless, the Company serviced its debt obligations in a timely manner. The Company initiated selling off its stake in Hansen Transmission and exited completely during the Fiscal Year 2011 and during this period, the Promoters also infused about ₹11,870 million under a rights issue to meet the financial obligations of the Company. The Company also issued additional FCCBs of US\$ 175 million during Fiscal Year 2011.

From Fiscal Year 2012 onwards, while the global markets exhibited a slight recovery, the Indian market slowed down on account of certain changes to the renewable energy policy. At this time the Company had to focus on liability management arising out of significant financial commitments resulting from its global expansion in the prior years. This resulted in severe liquidity constraints and the Company along with its identified domestic subsidiaries collectively known as Suzlon ‘The Group’ (“**STG**”) had to opt for Corporate Debt Restructuring (“**CDR**”) in September 2012, whereby its outstanding Indian Rupee debt was restructured. The CDR package was approved by CDR EG in December 2012 and was implemented by execution of Master Restructuring Agreement (“**MRA**”) on 28 March 2013. In March 2013, AERH issued covered bonds which were backed by an SBLC from State Bank of India for refinancing of the outstanding loans. In July 2014, the Company refinanced its various outstanding series of FCCBs.

In April 2015, the Group divested its 100% stake in Senvion SE. In May 2015, the DSA Group subscribed Equity Shares of ₹18,000 million in the Company under preferential allotment. During Fiscal Year 2016 and 2017, the Group increased its sales volume and posted positive profits. The Group also commissioned and sold 340 MW solar projects during Fiscal Year 2017 and Fiscal Year 2018.

During February 2017, there was introduction of competitive bidding in the wind sector through and there was transition from feed in tariff based state power purchase agreements to competitive bidding. During the transition, there has been significant reduction in the order book of the Group and the Group posted consecutive losses in the Fiscal Year 2018 and Fiscal Year 2019. From March 2019 onwards, the Group defaulted in the servicing of its debt obligations.

The details of the key activities carried out by the companies forming part of the STG are as follows:

<b>Sr. No.</b>	<b>Company Name</b>	<b>Activity</b>
1	Suzlon Energy Limited	Manufacturer of: <ul style="list-style-type: none"> <li>• WTGs,</li> <li>• fabricated structural products of iron and steel (hybrid lattice and tubular tower for WTG’s),</li> <li>• generators, transformers, panel WTG units and rotor blades for WTGs, and</li> <li>• nacelles, hubs and nose cones for WTGs</li> </ul>
2	Suzlon Power Infrastructure Limited	Engaged in business of development and sale or right of use of power evacuation infrastructure facility

Sr. No.	Company Name	Activity
3	Suzlon Generators Limited	Manufacturer of generators of various capacities & its various components and provides repairing and after sale services for generators catering to both domestic and international markets.
4	Suzlon Gujarat Wind Park Limited	Engaged in civil work, electrical work, erection, installation and commissioning, construction and sale of power evacuation facility, power generation and sale and lease/ sublease of land for WTGs.
5	Suzlon Global Services Limited	Engaged in the business of operation and maintenance of WTGs.

*All the companies comprising STG are public limited companies. Only the Company is listed on BSE and NSE.*

Subsequently, the Company was unable to redeem the outstanding principal amount under the Existing Bonds on their maturity date, i.e., 16 July 2019. As a consequence of the failure to redeem at maturity, the Company defaulted in respect of these obligations, in addition to a default under the terms of certain other financing facilities obtained from the lenders to the Issuer and/or its Subsidiaries (together, the “**Group Lenders**”).

The Company is now proposing a restructuring of the respective debt claims of the Group Lenders and the existing Bondholders, pursuant to the Debt Resolution Plan and the Consent Solicitation.

The Company's operations are currently at a standstill since it has been unable to execute its existing order book and the Company also does not have access to new credit lines in order to continue operating as a going concern. In view of the Company's over-leveraged balance sheet and constrained liquidity position, near-term debt maturities and the lack of interest from other investors in pursuing a similar transaction, the Company believes that the implementation of the Debt Resolution Plan and the Consent Solicitation is in the best interest of all stakeholders.

### **Business Strategies**

The Group has short to medium-term strategies designed to respond to its recent liquidity issues and the challenges in the WTG market, along with longer term strategies to ensure the long-term growth of the Group's businesses.

The Group's key business term strategies are as follows:

#### ***Improving the balance sheet through a comprehensive liability management programme***

The Group aims to improve its balance sheet by refinancing, restructuring and reducing its outstanding debt. The Group has launched a comprehensive liability management programme to restructure the Group's debt through the Debt Resolution Plan and the Consent Solicitation.

The Group Lenders have approved in-principle the Debt resolution Plan in order to settle their outstanding claims against the Group. The proposed Consent Solicitation is in the last stage in the Group's comprehensive liability management programme.

#### ***Deleveraging the Group through monetising its assets and business divisions***

In addition to being “debt light”, the Group aims to be “asset light”. The Group has launched a non-critical asset sale programme with the objective of reducing its debt. Pursuant to this programme, the Group has identified certain non-core assets and investments as suitable for sale including some of its component business and real

estate.. In Fiscal Year 2015, the Group also divested its 100% stake in Senvion at significant losses for approximately ₹71,000 million.

The Company is seeking to position its business to take advantage of new opportunities, and as part of this, had reorganised its India O&M services business vertical into a separate independent service company within the Group. This reorganisation has helped to isolate the O&M services business from the cyclical WTG business and thereby allowed it to independently scale the O&M services business to respond to new growth opportunities in the market. In addition, this will also allow the Company to monetise its interest in this business, including by seeking future equity or debt investments. The Company will also seek to pursue a similar strategy of subsidiarising certain of its other businesses in the future.

#### ***Achieving business efficiencies and optimise fixed costs***

The Group is also seeking to achieve greater operational efficiencies and reduce fixed cost by: (i) focusing on sale of WTG in the India market; (ii) reorganising various business divisions within the Group; (iii) developing new WTG models suitable for the India market; and (iv) expand the O&M service business in India; and (v) Optimising the working capital requirements of the Group.

#### ***Improving cost efficiency to improve competitive positioning***

In order to enhance its competitive position in the wind sector, the Group is constantly striving to enhance cost efficiencies to provide the lowest cost per MW generated to its customers. A vertically integrated business model supports the Group's objective to achieve leadership within the wind energy industry. Vertical integration ensures timely and long-term availability and control over the critical components in the manufacture of WTGs. It also enables the Group to control manufacturing costs and thus improve margins.

The Group's manufacturing facilities that are located across various states in India give it a cost advantage in terms of capital, manufacturing and labour costs over some of the Group's larger competitors. Further, the Group is able to source many key components, such as castings and towers, from lower-cost suppliers based in India and China. The Group will seek to achieve greater supply chain synergies through realigning its supplier base to Asia and driving centralised strategic procurement. The Group's strategy is to establish manufacturing facilities for WTGs and key components close to markets with growing demand for power generated by wind energy.

#### ***Continuous product improvement through technological leadership in the wind energy sector***

The Group aims to develop innovative technology that will allow it to lead in the Indian market. In spite of the pressures the Group has faced in previous years, the Group has continued to invest in research and development and launched a number of new and enhanced products, aimed at raising energy yields and lowering manufacturing costs, thereby reducing the cost of electricity and increasing its customers' returns.

Newer technology with better energy yields and returns for the customer commands better pricing and margins for manufacturers and during O&M services. Therefore, constantly upgrading the product portfolio is one of the most important strategies of the Group in order to gain market share and improve profitability.

#### ***Enhancing product portfolio to meet customer needs***

The Group is focused on developing a market leading product portfolio, with an emphasis on bigger WTGs that provide a higher energy yield at lower costs, resulting in higher returns. The Group has capabilities to develop and manufacture different kinds of multi-MW WTGs ranging from 2.10 MW to 2.80 MW. The current principal products of the Company are WTG models of S111, S120 and S133 having capacity ranging from 2.10 MW to

2.80 MW. The Group believes this diversified product portfolio will help the Group strengthen its presence in India.

### **Structure of the Group**

The Group comprises the Company, its domestic and international Subsidiaries, associate companies and its joint ventures. The following chart sets out the principal legal entities within the Group as at the date of this Consent Solicitation and Information Memorandum. Entities are 100 per cent. owned, unless otherwise indicated:



## **Major Corporate Events**

The Company was incorporated on 10 April 1995. It completed its initial public offering in 2005 and listed its equity shares on the BSE and the NSE on 19 October 2005.

Key corporate events in recent years include the following:

### ***Sale of Senvion***

In April 2015, the Group divested its 100% stake in Senvion SE at significant loss for ~₹71,000 million primarily to reduce the debt obligations and finance costs.

### ***Equity Infusion by the DSA Group***

In May 2015, the DSA Group subscribed to Equity Shares of ₹18,000 million in the Company by way of preferential allotment.

### ***Sale of Solar SPVs***

The Company has developed and commissioned 340 MW solar projects under various Solar SPVs and divested the stake of the same to different investors during the fiscal year 2017 and 2018.

## **Products**

The Group's key business is designing, developing and manufacturing cost-efficient WTGs, including developing and manufacturing some of the key WTG components for its sub-MW and multi-MW class of WTGs, such as rotor blades, control panels, hybrid lattice and tubular towers, generators, as well as forging and foundry work.

### ***Wind turbine generators***

A WTG comprises a tower (or mast), a nacelle (which contains the essential mechanical and electrical parts) and rotor blades. The generation of electricity by a WTG is a result of the interplay between the following highly developed and synchronised components:

**The rotor blades:** The rotor blades form the motor of the WTG. The rotor blades collect kinetic energy from wind and convert this energy into mechanical energy. The area swept by the rotor blades, their aerodynamic profile and the rotational speed of the blades are the key factors that determine the power generation capacity of the WTG.

**The drive train and generator:** The unit comprising the rotor shaft, gearbox and generator is called the "drive train" of the WTG. The generator at the end of the drive train converts the mechanical energy of the rotor blades into electrical power. The WTG's gearbox serves to increase the rotational speed of the rotor to match the speed of the generator.

**Power regulation and limitation (stall and pitch regulation):** Depending on the technique employed to regulate and limit their capacity, WTGs are generally classified as "stall-regulated" or "pitch-regulated":

**Stall regulation:** In a WTG with stall regulation, power regulation is achieved by causing the air flow to stall by means of the aerodynamic profile of the blade when a certain wind speed is exceeded, preventing the WTG from capturing an increasing amount of energy.

*Pitch regulation:* In a WTG with pitch regulation, power regulation is achieved by mounting the rotor blades on the hub so that they can be rotated around their longitudinal axis, in order to control their aerodynamic properties and thus their capacity to capture energy according to the wind conditions.

*Variable-speed wind turbines:* In variable-speed WTGs with pitch regulation, the electronic controls are the “brain” of the WTG and adjust the angle of incidence of the rotor blades with the generator to keep them working smoothly together. The electronic controls measure the generator’s power output and, through pitch regulation, adjust the angle of incidence of the rotor blades accordingly, ensuring that the WTG delivers the maximum possible energy output from wind in all conditions.

**WTG towers:** The Group is has developed expertise in WTG towers. Strong forces act on the mast, which is of a height of approximately 80-140 metres, over the entire life of the WTG. The tower has to be constructed to withstand these forces and to provide a secure foundation to the nacelle and the rotor.

## **Product Range**

The Group’s product range covers a wide range of WTG models, with nominal outputs from 2.10 MW to 2.80 MW. The Group has a range of WTG models that allow it to supply different types of WTGs that can suit the varying needs of its customers, in terms of both cost and wind conditions at a proposed WTG site. Apart from their nominal output and size, the various WTGs in the Group’s product range vary primarily in the technology used for output regulation. Turbines are typically equipped with pitch regulation. The Group believes that the advantages offered by the higher energy yield of these pitch-regulated models will, in certain circumstances, compensate for the higher costs associated with pitch regulation. Almost all of the Group’s WTGs feature an advanced control system that includes precisely calibrated sensors that monitor factors such as temperature, wind speeds and vibrations. The Group’s rotor blades are manufactured using advanced vacuum-assisted resin infusion moulding. This results in each rotor blade having a lower weight-to-swept area ratio that assists in reducing the cost per kWh of energy produced by WTGs manufactured.

The Company launched the S9X platform in Fiscal Year 2013, based on its S88 platform. The Company had also launched S111 and S 120, a further improvement over the S97 turbines. The S111 and S120 turbines are specifically designed for low wind sites. The Company has also launched new 120M and 140M hybrid towers, which is a combination of tubular and lattice towers. The 140M hybrid tower enables the Company to save on the costs of production, whilst its 140 metre height ensures better capture of wind. The Company has also successfully installed the prototype for S133 WTG models.

All the terms of WTG orders, including the technical specifications of the WTG or WTG components to be supplied, payment terms and delivery schedules, are set forth in the purchase order issued by the customer and accepted by the relevant counterparty within the Group and the production phase shall start once the type certification for WTGs is received.

## **Services — India**

In India, the Group, sells integrated wind energy solutions to its customers. In addition to the Group’s manufacture of WTGs, the services provided to customers cover the entire technical value chain, from the identification of suitable sites and the planning of wind farms to their technical implementation, O&M services, online monitoring and training of personnel.

In implementing the “integrated solutions” approach for its customers, the Group have developed and implemented several large-scale wind farms located throughout India. The primary cost advantage of wind farms is related to expected economies of scale. The larger the wind farm, the greater the number of WTGs that can be installed allowing the project costs to be spread across a larger number of WTGs. Similarly, larger projects have lower O&M costs per kWh due to efficiencies obtained in managing a larger wind farm, such as being able to manage more WTGs with fewer personnel.

Detailed studies on wind energy resources in India for the installation of wind energy projects began in 1986 and were initially carried out by MNRE (then known as the Department of Non-Conventional Energy Sources) and are currently conducted by C-WET. The programme involves the identification of locations with strong winds that are close to electricity grids and have adequate land available nearby for prospective wind energy projects. Once these have been identified, wind monitoring stations are established and data on wind speed and direction is collected and processed over time at various heights at such locations. The Group uses the data collected by C-WET to conduct its own wind resource mapping activities in areas which it believes may be suitable for wind farms. Once the Group is satisfied with the suitability of an area, it directly and through Developers undertakes land acquisition activities. The Group supplies customers with WTGs, including rotor blades, transformers and towers. The Group also provides O&M services and power evacuation facilities for certain wind farm projects.

Over the years, the Group has built up extensive local expertise in wind resource mapping throughout India and in identifying suitable sites for wind farms.

The services that the Group provides include:

**Planning of wind farms:** Planning wind farms includes identifying suitable sites based on wind resource data collected by the Group from both C-WET and its own independent studies. The planning also involves inspecting the sites, calculating capacity levels, wind resource mapping, data collection and processing, analysing project feasibility and ascertaining the availability of land and power transmission facilities.

**Land acquisition:** The land used for setting up wind power projects may be private land, “revenue land” (which is owned by the government) or forest land. Private land is purchased directly from its owner and if such land is agricultural land, it is converted into non-agricultural land if required by the applicable State Government. In the case of land owned by the government, it is made available by the respective State Governments on a long-term lease or outright sale basis as per the prevailing policies of the relevant State Government. Certain State Governments, like that of Gujarat and Rajasthan, have special policies for the allotment of revenue land for wind energy projects. The land so allotted can also be transferred to third parties, such as the Group’s customers, through either a lease or a sub-lease with the consent of the relevant State Government.

**Development and technical design of wind farms:** The Group’s services include micro-siting, which involves the identification (through the use of sophisticated computer models) of the exact locations where a WTG will be installed, taking into consideration the distance requirements between two WTGs. Micro-siting helps maximise land utilisation at each suitable site and assists in optimising power generation at each site.

**Infrastructure development and installation of WTGs:** The construction and development of infrastructure for entire wind farms is undertaken by the Group. These activities include the building of approach roads, power evacuation facilities (such as transmission lines to the nearest sub-stations and, in some cases, the sub-stations themselves) and levelling of land for WTG tower foundations, as well as the installation and commissioning of the WTGs.

**O&M services:** The Group offers O&M services for its WTGs, which include round-the-clock remote and on-site monitoring, and maintenance and repair of the WTGs. The Group’s service package includes preventive and planned maintenance of WTGs, transformers and related structures. The Group also provides free warranty and maintenance for the periods generally ranging from one to three years after the commissioning of the WTGs.

The Group provides its customers with various types of warranties and guarantees. See “*Business - Product Warranties*” below.

## **Services — International**

Internationally, the Group provides O&M services on a project-specific basis in certain international markets.

## **Manufacturing Facilities**

The following tables set forth information regarding the Company's existing manufacturing facilities and the installed capacity of each of these facilities, including SEZ units in India.

State or Union Territory	Location	Capacity (MW per annum)
<b>Nacelle Capacity</b>		
Daman.....	Daman	1,890
Puducherry .....	Puducherry	1,260
<b>Tower Capacity*</b>		<b>3,150</b>
<b>Blade Capacity</b>		
Gujarat .....	Bhuj	840
Maharashtra .....	Dhule	840
Rajasthan .....	Jaisalmer	420
Madhya Pradesh.....	Ratlam	420
Andhra Pradesh.....	Kuderu	840
Puducherry	Purucherry	840
<b>Tower Capacity*</b>		<b>4,200</b>
<b>Generator Capacity</b>		
Maharashtra .....	Chakan	1,890
Tamil Nadu	Coimbatore (SEZ)	2,520
		<b>4,410</b>
<b>Other Components/Facilities</b>		
Tamil Nadu .....	Coimbatore (Panel)	3,150
Gujarat .....	Vadodara (Transformer)	2,520
		<b>5,670</b>

As on 31 March 2019, the Company has a cumulative installed more than approximately 18.5 GW in 18 countries across 6 continents, details of which are as follows:

S. No.	Countries	Installed in GW (as on 31 March 2019)
1	Asia	13.46
2	North America	2.78
3	South America	0.81
4	Australia	0.76
5	Europe	0.51
6	South Africa	0.14
<b>Total</b>		<b>18.46</b>

Suzlon has approximately 2.9 GW under maintenance in international subsidiaries as on March 31, 2019. Location wise details are as follows:

Country	Name of Subsidiary	MW under Service (as on 31 March 2019)
Europe	Suzlon Wind Energy Romania SRL	42.0
	Suzlon Energy Portugal, Lda.	98.7
	Suzlon Wind Eberji Sanayi Ve Ticaret Ltd. Şti	109.2
	Suzlon Wind Energy Espana S.L.U	233.1
South Africa	Suzlon Wind Energy South Africa Proprietary Ltd	138.6
Sri Lanka	Suzlon Wind Energy Lanka Pvt Ltd	31.0
USA	Suzlon Wind Energy Corporation	1,726.0
Nicaragua	Suzlon Wind Energy Nicaragua S.A	63.0
Australia	Suzlon Energy Australia Pty Ltd	409.5
	<b>TOTAL</b>	<b>2,851.1</b>

Currently, the Group has the capacity to manufacture nacelles, hubs, rotor blades, panels, nacelle covers, towers and generators. The remaining components and various small parts are sourced from third party manufacturers and suppliers either on a purchase order basis or pursuant to negotiated supply agreements. The Group also sources raw materials for rotor blade manufacturing, such as glass fibre, foam and epoxy resin, from third party suppliers. See *“Risk Factors - The Group has experienced significant losses during the Fiscal Years ended 2018, 2019 and the nine month period ended 31 December 2019. Difficult market conditions for the WTG industry may continue to adversely affect the Group’s business, financial condition, cash flows and results of operations.”*.

As a result of working capital constraints and the slow-down in the wind turbine markets, the Group’s manufacturing facilities, in particular, those in India, have been operating at levels substantially below their rated capacity. In addition, employee numbers have been reduced significantly and capital expenditures on plant and equipment constrained. See *“Risk Factors - The Group has experienced significant losses during the Fiscal Years ended 2018, 2019 and the nine month period ended 31 December 2019. Difficult market conditions for the WTG industry may continue to adversely affect the Group’s business, financial condition, cash flows and results of operations.”*

### Sales and Marketing

In India, the Group has an extensive sales and marketing division that reports to the Group’s corporate office in Pune.

### Customers

The Group has bifurcated the customers in India under (i) independent power producers and power utilities; (ii) public sector undertakings and (iii) retail, corporates and entities having captive power requirements.

The Group’s agreements with customers generally operate in phases with payment milestones for each stage. Additionally, the agreements provide for liquidated damages to be paid to customers if the project is not completed on schedule. In the past, working capital constraints and delay in supply and project execution have resulted in delays to some orders and hence liquidated damages claims.

As at 31 December 2019, the Group’s order book stood at approximately ₹ 43,990.0 million for the delivery of 857 MW. As part of its standard practices, the Group conducts credit checks and reviews the balance sheet of each potential customer in order to ensure that it has the financial capacity to acquire and operate WTGs.

## **Quality Management Certification**

Pursuant to the Group's internal policies, all of the design and manufacturing facilities of the Group and each of its O&M services have either been certified as ISO 9001:2008 by Det Norske Veritas ("DNV") or are in the process of being so certified. DNV is one of the world's leading certification bodies. It is an independent foundation with the purpose of safeguarding life, property and the environment. WTG model type certifications are permitted from five agencies (including DNV), pursuant to the revised guidelines for wind power projects issued by MNRE.

## **Product Certification**

The Group's WTGs are also designed to meet the standards set by independent international agencies such as International Electrotechnical Commission ("IEC") / Germanischer Lloyd ("GL") or the DNV. Once the Group has completed a WTG design, the design is usually presented for type approval and certification in accordance with the Certification of Wind Energy Conversion Systems laid down by the standards. The Group has also obtained WTG type certification from internationally accredited agencies such as TUV, DNV-GL, UL-DEWI, etc. Typically, the type approval and certification process would take anywhere between nine to fifteen months..

The rotor blades also undergo extensive static and fatigue tests conducted by blade testing centres. The Group has established a rotor blade testing centre in Vadodara. See "*Risk Factors- Any technical deficiencies in the WTGs sold or maintained by the Group could adversely affect its financial condition, cash flows and future orders*".

During the course of the type certification process, WTG design, prototype performance and systems are independently assessed and verified, which assists in providing assurance to customers regarding the design, performance and safety of the Group's WTGs. Furthermore, banks and other financial institutions often require type certification for the WTGs that the Group's customers propose to acquire to provide financing to its customers for their purchases. Logistics

The dimensions and weight of WTG assemblies are such that their delivery can be expensive and a considerable logistical challenge and require assembly on-site. These challenges, particularly in terms of transport vehicles and the condition of transport routes, can create considerable problems, particularly in regions with less developed infrastructure. The Group depends on various forms of transport such as air, sea-borne freight and road, to receive raw materials and components used in the production of WTGs and to deliver its products from its manufacturing facilities to its customers. As the Group expands its operations, its logistical challenges will increase, particularly in relation to the delivery of WTGs and its components to wind farm sites. As a result, the Group conducts site suitability studies not only in terms of available wind resources, but also in terms of accessibility and presence of basic infrastructure. The cost of transport can make the delivery of the Group's multi-MW WTG models substantially more expensive in certain regions. See "*Risk Factors —Risks Relating to the Company's Business — Any failure or delay in the transportation and logistics arrangements entered into by the Group could have a material adverse effect on its business and operations*" of this Consent Solicitation and Information Memorandum.

## **Suppliers**

### ***Raw materials***

Raw materials for rotor blades, such as glass fibre, foam and epoxy resin, are sourced from several suppliers, including Kush Synthetics Private Limited, Aditya Birla Group, Owens Corning India Private Limited, DOW Europe GmbH (Switzerland), Diab International AB (Sweden), Gurit Balsa Spain and Gurit (Qingdao) Composite Material Co. Ltd, China. The Group is generally able to source these materials from other suppliers in the event its current suppliers cannot meet the Group's manufacturing needs.

## **Components**

The Group's strategy is to acquire and/or build relationships with suppliers of key components of WTGs. However, the Group still needs to purchase components such as gearboxes, bearings and castings from several different manufacturers. The Group has adopted a strategy of procuring these components from manufacturers who have established themselves as suppliers of components that are compatible with its WTGs and meet its technical and quality standards, either on a purchase order basis or through negotiated supply agreements. Payment terms are usually on a letter of credit or documents against acceptance basis.

As a result of the Company's recent cash flow issues, it has not been able to make all payments due to suppliers on time. Generally, suppliers continue to be supportive and have supported the Group in difficult financial conditions in spite of significant overdue. However, there may be instances where some of the suppliers may delay or stop deliveries pending full settlement of all payments due or require upfront payment. See "*Risk Factors— The Group's cash flows have been severely constrained. In addition, the Auditors have drawn attention to a material uncertainty about the Company's ability to continue as a going concern and the Company's ability to generate adequate cash flows to support its operations.*" and "*Risk Factors — The Group is dependent on external suppliers for key raw materials, components, equipment and machinery, which could have a material adverse effect on its business.*" **Hybrid lattice and tubular towers:** The Group is the primary supplier of hybrid lattice and tubular towers for WTGs in India. The Company produces the tubular towers in the manufacturing facilities based in Gujarat. The Company sources the hybrid lattice towers and part of the tubular towers through a job work basis. **Gearboxes:** Gearboxes are currently supplied by ZF, Siemens and NGC.

**Gear rims:** The Group purchases gear rims from, among others, Dongyang Korea.

**Slewing rings:** The Group purchases slewing rings from IMO Momentenlager GmbH, Rothe Erde (ThyssenKrupp Group) and Laulagun, Spain.

**Castings:** The Group purchases castings for WTGs from, among other, SE Forge and Zhejiang Jiali, China.

As part of its strategy to acquire and/or build relationships with the suppliers of its key components for WTGs, the Group may from time to time evaluate the feasibility of entering into joint venture agreements with partners that have developed expertise in the manufacture of key WTG components.

Some suppliers include price escalation clauses in their supply contracts. Where possible, price increases are passed on through price escalation clauses in purchase agreements with customers. However, the Group is not fully protected from price increases in key inputs.

## **Competition**

**In the Indian WTG market, the Group's primary competitors include Indian subsidiaries of Vestas Wind Systems A/S, Siemens Gamesa Renewable Energy S.A. and GE Renewable Energy. During the financial year ended 31 March 2019, the Group held approximately 39 per cent. share of the WTG market in India in terms of installed capacity. (Source: Data published by MNRE.)** **Research and Development ("R&D")**

The Group places emphasis on continued R&D. It has taken initiatives towards upgrading and increasing the cost-efficiency of its existing WTG models and designing, developing and stabilising new models to extract energy from wind as efficiently as possible.

Specifically, the Group has undertaken investments in the following areas of research: (i) aerodynamic performance enhancements; (ii) development of turbine variants for local markets; (iii) increasing reliability of rotor blades and other parts and automated operations; and (iv) continued initiatives on innovation projects.

The details of R&D units of the Company are as follows:

<b>S.N.</b>	<b>Country</b>	<b>Unit</b>	<b>Focus Area</b>
1	Germany	Hamburg	– Development and integration – Certification
		Rostock	– Development and integration – Design and product engineering – Innovation and strategic research
2	Denmark	Aarhus	– Supervisory control and data acquisition
3	The Netherlands	Hengelo	– Blade design and integration
4	India	Pune	– Design and product engineering – Turbine testing and measurement – Technical field support blade – Engineering
		Vadodara	– Blade testing centre
		Chennai	– Design and product engineering (gear box team)

### **Intellectual Property Rights and Technical Know-How**

The Group believes that securing patent and other intellectual property protection in respect of its technology is important to its business and that its future performance will depend in part on its ability to obtain and maintain patents and other intellectual property rights, to maintain confidential information and trade secrets and to avoid infringing third party intellectual property rights. The Group protects its technology through a combination of intellectual property rights owned by the Group, such as patents and trademarks, and putting in place procedures to guard the security of confidential information.

The Group has been granted a trade mark for its logo “Suzlon — Powering a greener tomorrow”. The Company holds 108 published patents, patent applications, utility and design models, resulting from the filing of 49 patent families. The Group is entitled to apply for registration of its product designs under the intellectual property laws of various countries. As a result, its employment contracts, particularly those with certain of its employees who have special technical knowledge about its WTGs or its business, contain a general confidentiality undertaking. For employees of the Group’s R&D Subsidiaries, the confidentiality undertaking extends for a specified period following the termination of employment.

The Group also requires suppliers of key components to enter into non-disclosure arrangements to limit access to and distribution of its proprietary and confidential information. The Group is currently involved in disputes involving the “Suzlon” trade name in China. The Group is not currently involved in any other disputes, nor is it aware of any other pending action against it, relating to intellectual property disputes.

### **Insurance Coverage**

The Group has adequate insurance coverage, which the Group considers reasonably sufficient to cover all normal risks associated with its operations and which it believes is in accordance with industry standards in India. The Group maintains insurance coverage on all its office premises and its manufacturing units against fire, earthquake and certain other risks.

In addition, the Group maintains transit insurance for the transport by rail, road, sea or air of all goods to and from any location within India, from any location outside India to any location in India and all exports from India to any location outside India. This transit insurance covers damage that may be caused due to contingencies such as inland transit strikes, riots and civil commotion.

The Group has taken out an erection-all risk policy to cover any losses associated with the erection and testing of the WTGs in various states in India.

All of the Group's insurance relating to office premises and manufacturing units in India and relating to the transit of goods contain "Agreed Bank Clauses" which provide that any payments made under such policies are made to certain banks and financial institutions that have provided financing for the same.

The Group maintains insurance against any claim that may be made against each of its Directors and officers in their capacity as such.

The Group provides all its employees in India with group personal accident insurance. The Group also provides medical insurance coverage for all employees in India, including self, spouse and dependent children. The Company has also taken "key man" insurance for one of its Directors.

The Group's insurance policies generally have a term of one year.

### **Real Estate and Real Property**

The Group's corporate office is located at its Indian headquarters in Pune (Suzlon Campus). The Group's manufacturing facilities are located at Maharashtra, Gujarat, Diu, Daman, Karnataka, Tamil Nadu and Puducherry (India), Oliveira de Frades and Vagos (Portugal) and Minnesota (United States).

As at 31 December 2019, the Group had approximately 19 properties located across India that it uses for the purpose of its factories and 11 warehouses. There are approximately 230 properties located across India that the Group uses as office premises or guesthouses. The Group also leases properties across India and outside India for the purpose of temporary accommodation for its employees.

### **Safety, Health and Environmental Regulations**

The Group is subject to extensive, evolving and increasingly stringent occupational safety, health and environmental laws and regulations governing its manufacturing processes and facilities. Such laws and regulations address, among other things, air emissions (particularly volatile organic compounds), waste water discharges, the generation, handling, storage, transportation, treatment and disposal of chemicals, materials and waste, workplace conditions and employee exposure to hazardous substances. The Group has incurred, and expects to continue to incur, operating costs to comply with such laws and regulations. In addition, the Group has made and expects to continue to make capital expenditures on an ongoing basis to comply with safety, health and environmental laws and regulations. The Group believes it is in compliance in all material respects with all applicable safety, health and environmental laws and regulations. However, the Group continues to bear certain risks in this regard.

See "*Risk Factors — Risks Relating to the Company's Business — The construction and operation of wind energy projects is subject to regulation, including environmental controls, and changes in these regulations could have a material adverse effect on the Group's business, financial condition, cash flows and results of operations*" of this Consent Solicitation and Information Memorandum.

The Group is committed to maintaining a safe and healthy working environment. The Group has also been awarded an across-the-company single Integrated Management System (ISO: 9001, ISO: 14001 & OHSAS:18001) certification as an umbrella concept. This has replaced the independent company certifications of the different segments leading to synergies in the supply chain, and bringing all manufacturing business units under a single certification programme. The Group also has a dedicated, qualified, experienced internal audit team for assessing and evaluating quality, environment and safety management system performance.

## **Corporate Social Responsibility (“CSR”)**

“Suzlon Foundation”, a non-profit company under Section 25 of the Companies Act, 1956, has been formed to facilitate inclusive development throughout the Group’s business operations. It is determined to go beyond charitable and philanthropic acts. The Suzlon Foundation considers issues such as making money in a responsible way, looking at the Group’s business cycle as a whole, and planning inclusive development to guarantee the future of the Group’s business. Using the five essential features of good business — financial, natural, social, human and physical capital — the Company seeks to minimise the negative impacts of its business and promote the positive impacts through sustaining the environment, the community and its business simultaneously. Therefore, CSR is an integral process and not something that is done in addition to business at the Company. The Company has identified three levels of CSR: transformative projects to develop the Group’s business practices internally; responsive projects to react to impacts and opportunities in the communities in which the Group operates; and projects actively to address global issues beyond the Group’s business. An example of an ongoing project is the People’s Empowerment for a Holistic Community and Health Actions and Network (PEHCHAN) project. With a presence in 102 villages across four states, the project focuses on improving the health status of the target group, with a focus on health and nutrition of pregnant and lactating women, children and adolescents. The project also focuses on HIV/AIDS prevention, family planning, prevention and cure of common diseases.

## **Product Warranties**

The Group provides its customers with various types of warranties and guarantees. These include: (i) free operations and maintenance warranties and performance guarantees other than damage due to lightning, over-voltage and normal wear and tear, subject to full payment being made; (ii) absolute unit guarantees on the minimum number of units of electricity that will be generated by the WTG, subject to grid availability and outage due to force majeure conditions (and subject to fluctuations in wind speed); and (iii) 95 per cent. machine availability after an initial stabilisation period. Until March 2007, the Group provided absolute unit guarantees to most of its WTG customers in India. For the Fiscal Year 2019 the Group paid customers ₹892.7 million arising from performance guarantee claims.

## DEBT RESOLUTION PLAN

*The description of the Debt Resolution Plan in this section is a summary only. There are several risks relating to the implementation of the Debt Resolution Plan. For further details, see “Risk Factors—Risks associated with the Debt Resolution Plan”.*

The Issuer and STG have been in discussions with the Group Lenders for resolution of its outstanding debt under the credit facilities it has obtained from the Group Lenders.

As a consequence of certain discussions between the Issuer and the Group Lenders, the Issuer presented a debt resolution plan (the “**Debt Resolution Plan**”, and any agreement or other documents entered into by the Issuer with, or any letters received from, the Group Lenders in order to implement or give effect to the Debt Resolution Plan, including any amendments thereto, the “**Debt Resolution Documents**”) to State Bank of India, in its capacity as the lead bank (“**SBI**” or the “**Lead Bank**”) for the proposed Debt Resolution Plan appointed by signatories of an inter-creditor agreement dated 1 July 2019 (as amended from time to time, the “**ICA**”) entered into among: (i) State Bank of India, (ii) Bank of Baroda, (iii) Bank of India, (iv) Power Finance Corporation, (v) Central Bank of India, (vi) IDBI Bank, (vii) Punjab National Bank, (viii) Indian Overseas Bank, (ix) ICICI Bank, (x) Yes Bank, (xi) Bank of Maharashtra, (xii) EXIM Bank, (xiii) Union Bank of India, (xiv) Saraswat Cooperative Bank, (xv) Corporation Bank, (xvi) Life Insurance Corporation of India, (xvii) Indian Renewable Energy Development Agency Limited (“**IREDA**”), (xviii) Axis Bank, and (xix) Oriental Bank of Commerce.

In response to the Issuer’s proposal, SBI approved certain credit facilities, on certain terms and conditions which reflected SBI’s proposed Debt Resolution Plan, a summary of certain key elements of which is also set out below. Given the high debt levels, high leverage ratio, constrained liquidity position and near-term debt maturities of the Issuer, the Issuer believes that implementation of the Debt Resolution Plan will be in the best interest of all stakeholders.

The Debt Resolution Plan had not been finalised as of the date of this Consent Solicitation and Information Memorandum and will require certain conditions to be satisfied by the Issuer and STG, in addition to approvals of the relevant majority of Group Lenders in order to be successfully implemented. For example, the agreement of the Existing Bondholders to the Bonds Restructuring and the Proposal is a condition to the approval of the Debt Resolution Plan by the Group Lenders. Moreover, certain of the Company’s subsidiaries, SWECO, Seventus and SEFL, have separate debt which is not covered by the Debt Resolution Plan and is subject to separate discussions with their respective lenders.

The summary set out below (and the amounts discussed therein) is indicative only and is subject to change as a result of a change in circumstances and the discussions between STG and the Group Lenders. The final Debt Resolution Plan may be substantially different from the summary set out below and Existing Bondholders should not rely on this summary for their investment decision. Also see “*Risk Factors—Risks associated with the Debt Resolution Plan*”.

The Debt Resolution Plan involves, among other things, the following:

S. No.	Heading	Details
1.	Borrowers and Borrowers	Co-Each of the Issuer, SGSL, SGWPL, SPIL and SGL shall be individually referred to as Borrower or Co-Borrower (and together, the “ <b>STG</b> ”).
2.	Summary of Resolution Plan	<p>The Debt Resolution Plan includes the following parts:</p> <ul style="list-style-type: none"> <li>(a) Restructuring of outstanding debt facilities of STG into Part A Facility, Part B Securities (OCDs) and Part C Securities (Equity Shares and CCPS) as per the Debt Resolution Plan;</li> <li>(b) Implementation of the Bonds Restructuring by the Effective Date as set out in this Consent Solicitation and Information Memorandum;</li> <li>(c) Issuer to raise PSF (both fund and non-fund based) up to ₹1,315 crores as per</li> </ul>

S. No.	Heading	Details
		the terms mentioned in the Debt Resolution Plan;
		(d) Pre-payment of AERH FC Facilities of approximately US\$39.15 million by invocation / remittance by STG SBLC Onshore and offshore Lenders as per the Debt Resolution Plan;
		(e) Non-core asset monetisation and divestment plan of STG as per the Debt Resolution Plan;
		(f) STG business restructuring and cost reduction plan as per the Debt Resolution Plan;
		(g) Equity infusion in the Issuer or other capital raising plan by the STG as per the Debt Resolution Plan; and
		(h) Restructuring of debt facilities availed by SWECO as per the Debt Resolution Plan.
3.	Reconciliation Date and Voting Date	<p>Reconciliation Date shall be the date mutually agreed between the Group Lenders and STG on which all STG Lenders have confirmed their outstanding debt facilities (the “<b>Reconciliation Date</b>”).</p> <p>As per the RBI Stressed Assets Framework, the Debt Resolution Plan is required to be voted on by the existing Group Lenders on such date as may be agreed by them (the “<b>Voting Date</b>”).</p> <p>As of the Voting Date, the voting on the Debt Resolution Plan shall be recorded by an electronic or physical voting mechanism such that decision agreed by existing Group Lenders representing 75% by value (including fund and non-fund based) and 60% of lenders (the “<b>Assenting Lenders</b>”) shall be binding upon all Group Lenders.</p> <p>The final voting threshold for approval of the resolution plan will be determined as per the Debt Resolution Plan.</p>
4.	Effective Date	<p>31 March 2020 or such date as is mutually agreed by Group Lenders and STG (the “<b>Effective Date</b>”).</p> <p>In terms of the RBI Stressed Assets Framework, Effective Date shall be the date on which certain events to implement the Debt Resolution Plan would have occurred.</p>
5.	Treatment of Existing Facilities	The terms of the existing debt facilities (including interest rate, penal interest rate, before etc.) shall continue until the implementation of the Debt Resolution Plan. There will be no default interest between Reconciliation Date and the Effective Date.
6.	Waiver of Right of Recompense 2013 MRA	The right to recompense available with MRA Lenders pursuant to 2013 MRA will be waived under the Debt Resolution Plan.
7.	Estimation of Part A Facilities Envisaged Classification Upgrade Date	<p>Part A Facilities are such debt facilities (both FB and NFB) which have received and RP-4 rating from two credit rating agencies (CRAs) specifically authorised by the RBI for this purpose. Based on reports from certain third parties appointed by the Group Lenders for estimating Part A Facilities, the Part A Facilities have been estimated to be ₹5,288 crores of which ₹3,600 crores would be in form of FB facilities, ₹1,400 crores would be in form of NFB facilities and ₹288 crores would be in form of IREDA existing PSF facility.</p> <p>Based on the repayment schedule, the Debt Resolution Plan envisages that asset classification status for Part A Facilities would be classified as “Standard” (as per IRAC norms) on or before 31 March 2022 (the “<b>Envisaged Asset Classification Upgrade Date</b>”).</p> <ul style="list-style-type: none"> <li>In case the Part A Facilities are not classified as “Standard” (as per IRAC norms) by the relevant date prior to the Envisaged Asset Classification Upgrade</li> </ul>

S. No.	Heading	Details
		<p>Date mentioned in the Debt Resolution Plan, the Issuer shall raise such amount of capital from the Promoters or other investors to make up for any shortfall in 10 per cent. of outstanding principal debt (as defined in the RBI Stressed Assets Framework) and proceeds of such capital raised, subordinated and unsecured loan, shall be applied for repayment to Part A Lenders for any shortfall in the aforementioned amounts.</p> <ul style="list-style-type: none"> <li>In addition to above and in case Part A Facilities are not classified as “Standard” (as per IRAC norms) by the Envisaged Asset Classification Upgrade Date, then the Issuer shall allot between 455,511,170 and 458,784,980 Shares (based on the final exchange rate used for issuance of Option A Shares and/or issuance of Shares upon conversion of the New Bonds) of the Issuer proportionately to Part A Assenting Lenders through issuance of warrants at aggregate nominal value of ₹1 for entire shareholding. The relevant Part A Assenting Lenders’ ability to sell such shares shall be subject to satisfaction of the specified lock-in restrictions under the SEBI ICDR Regulations. In case Part A Facilities are upgraded on or before the Envisaged Asset Classification Upgrade Date, then such warrants shall expire.</li> </ul>
8.	Part B Securities	0.01% unrated, unlisted, secured OCDs (0.01% OCD) having face value of ₹100,000 each to be issued at face value by the Issuer aggregating up to approximately ₹4,100.00 crore, with an overall tenor of 20 years to be issued in favour of Assenting Lenders of existing FBWC, RTL, FITL, CAPEX TL and SBLC Facilities.
9.	Part C Securities	<p>0.0001% unrated, unlisted, unsecured CCPS (0.0001% CCPS) having face value of ₹100,000 each to be issued by SGSL, aggregating up to approximately ₹4,121.36 crore, with a right to convert into equity shares of SGSL on 1 March 2040, to be issued in favour of Assenting Lenders of existing FBWC, RTL, FITL, CAPEX TL and SBLC Facilities. The exercise of conversion right attached to the CCPS is subject to certain conditions.</p> <p>Between 911,022,340 and 917,569,959 Shares of the Issuer (based on the final exchange rate used for issuance of Option A Shares and/or issuance of Shares upon conversion of the New Bonds) to be issued at aggregate consideration of ₹1, to be issued in favour of Assenting Lenders of existing FBWC, RTL, FITL, CAPEX TL and SBLC Facilities. Such Shares will be subject to a lock-in under the terms of the SEBI ICDR Regulations.</p>
10.	Strategic Sale of the STG and its Promoters should endeavour that one time settlement (for FB and Issuer and STG NFB) is provided to all Group Lenders at a negotiated value (as per price indicated entities	in the Debt Resolution Plan subject to approval of competent authority of respective lenders) within pre-agreed timelines.
11.	Sale of OCDs or (a) CCPS or Shares by the holders of Part B Securities and Part C Securities	<p><u>0.01% OCDs and 0.0001% CCPS</u>: On and after Effective Date and till fifth anniversary of issuance of 0.01% OCDs and the 0.0001% CCPS, the Promoters of STG shall have option to buy the OCDs and the CCPS, from their respective holders through a secondary market transaction at a price determined in accordance with the prevailing regulations issued by the SEBI and the RBI or the prevailing market price, and shall be subject to approval by competent authority of respective lenders at the time of sale of such OCDs or CCPS. CCPS holders have certain put options, the detailed terms of which are set out in the Debt Resolution Plan.</p> <p>(b) <u>Shares of the Issuer</u>: Promoters shall have right of first offer (ROFO) in case the lenders decide to sell the Shares.</p>
12.	Proposed Capital Raising Plan in the exercise by way of appropriate mechanism by way of preferential allotment and/or Issuer or STG	On or before the Effective Date, the Issuer is required to undertake a capital raising convertible instruments from Promoters or other investors, up to ₹375 crores. The

S. No.	Heading	Details
		proceeds of the capital raising exercise shall be utilized in the manner set out in the Debt Resolution Plan.
13.	Permitted Indebtedness	STG shall not avail any limits, other than as approved under the Debt Resolution Plan.
14.	Restructuring Existing Bonds	ofOn the terms of the Proposal set out in this Consent Solicitation and Information Memorandum.
15.	Negative Covenants	Certain standard negative covenants which are typically set by lenders in a restructuring of debt which restrict STG from undertaking certain activities without written consent of Assenting Lenders.
16.	Certain additional Conditions	Other key conditions include: <ul style="list-style-type: none"> <li>(a) Mandatory cash sweep in case of cashflows over and above certain DSCR towards (i) repayment of balance to Dissenting Lenders, repayment of Part A Debt Facility; (iii) servicing of Part B Securities; and (iv) towards sinking fund requirement; and</li> <li>(b) In case of default in secured OCD redemption by STG, the Assenting Lenders shall have the option to convert into Shares of the Issuer.</li> </ul>
17.	Event of Default and Consequences of Event of Default	Events of Default under the Debt Resolution Plan and actions available to Group Lenders on occurrence of an Event of Default are those that are typically requested by lenders in a restructuring transaction.

## MANAGEMENT AND CORPORATE GOVERNANCE

### Board of Directors

In terms of the Articles of Association, the Company shall not have less than three and more than 16 Directors.

The Board currently comprises of eight Directors, of which three are Promoter Directors, four are Non-Executive, Independent Directors (including a woman Independent Director), and one is a Nominee Director. The three Promoter Directors comprise two Executive Directors and one Non-Executive Director.

Pursuant to the Companies Act not less than two-thirds of the total numbers of directors are required to be persons whose period of office is subject to retirement by rotation and one third of such directors, or if their number is not three or a multiple of three, then the number nearest to one-third, are required to retire from office at every annual general meeting. For the purpose of determining the total number of directors who are subject to retirement by rotation such number does not include the independent directors of the company. The directors to retire are those who have been the longest in the office since their last appointment, but as between persons who became directors on the same day, those who are to retire are required to, in default and subject to any agreement among themselves, be determined by lot.

As at the date of this Consent Solicitation and Information Memorandum, at least one-third of the Directors of the Company are required to retire by rotation at the next annual general meeting subject to offering themselves for reappointment pursuant to the provisions of the Companies Act.

The following table sets forth details of the Board as at the date of this Consent Solicitation and Information Memorandum:

Name	Designation	Residential Address	Director Identification number	Occupation
Mr. Tulsi R. Tanti	Chairman and Managing Director	Bungalow 29/30, Florida Estate, Kesavnagar, Mundhwa, Pune-411036	00002283	Business
Mr. Girish R. Tanti	Non-Executive Director	Flat No A-1102, Silverwoods, Pingle Wasti, Opp. Hotel Oakwood, Mundhwa, Pune-411036	00002603	Business
Mr. Vinod R. Tanti	Wholetime Director and Chief Operating Officer	Bunglow No. 80 and 80a, Florida Estate, Keshav Nagar, Mundhwa, Pune 411036	00002266	Business
Mr. Marc Desaeleer	Non-executive Independent Director	20 Fairbourne, Cobham KT11 2BT, Cobham United Kingdom	00508623	Retired
Mr. Per Hornung Pedersen	Non-executive Independent Director	Parkstrasse 55 a, Stw. EG 22605 Hamburg, Germany	07280323	Advisor
Mr. Rakesh Sharma,	Non-executive	H-704, Ajanara Landmark, Vaishali,	06695734	Service

Name	Designation	Residential Address	Director Identification number	Occupation
a nominee of State Bank of India	Director	Sector-04, Ghaziabad, UP-201001		
Mr. Sameer Shah	Non-Executive Independent Director	1102, 11 <sup>th</sup> Floor, Building No.17, Indradarshan-1, Phase-1, Swami Samrth Nagar, Oshiwara, Andheri, Mumbai-400053	08702339	Professional
Ms. Seemantinee Khot	Non-Executive Independent Director	1104, Woodland Avenue, S.No.36 Part, Kothrud, Pune-411038, Maharashtra.	07026548	Consultant

Other than as stated below, none of the other Directors are related to each other.

Name	Relationship
Mr. Tulsi R. Tanti - Mr. Girish R. Tanti	Brothers
Mr. Tulsi R. Tanti- Mr. Vinod R. Tanti	Brothers
Mr. Girish R. Tanti- Mr. Vinod R. Tanti	Brothers

### Brief Profiles

**Mr. Tulsi R. Tanti** the Promoter Director is an Executive Director on the Board of the Company. He is the founder, Chairman and Managing Director of the Group, an Indian multinational company and a global leader in the renewable energy sector. A visionary and a world-renowned expert on renewable energy, he is passionate about championing the cause of affordable and sustainable energy to tackle the paradigm of economic growth and climate change. He is credited with the establishment of the renewable market in India and has been conferred with numerous awards including 'Champion of the Earth' by the United Nations and 'Hero of the Environment' by the TIME magazine. He holds a bachelor's degree in commerce and a diploma in mechanical engineering.

**Mr. Girish Tanti** the Promoter Director is a Non-Executive Director on the Board of the Company. He is also one of the founding members of the Company. He brings to the Company a unique blend of understanding the dynamics of technology and strong business acumen. He has played many roles in helping create the global corporation that the Company is today. Over the years he has lead international business development, human resources, information technology, communications and corporate social responsibility departments- which are all critical functions in making the Company the only wind energy player from a developing nation to rank among the top five globally. In his current role, as a Promoter Director, he provides strategic direction and oversight towards the long-term objectives of the Group. Through the years, he has only believed in, but completely devoted himself to champion the vision of harnessing the power of wind to power a greener, more sustainable tomorrow for generations to come. He is an electronic engineer with a degree in management from Cardiff University, UK.

**Mr. Vinod Tanti** the Promoter Director is an Executive Director on the Board of the Company and has been associated with the Company since its inception. He has experience in handling diverse portfolios, largely on a conceive-design-build-operate and transfer model. He has significant experience in the wind value chain segments as well as process centricity and innovation. His focus areas are creating alignment and deriving

synergy within and between value chain components. Mr. Vinod R.Tanti holds a bachelor's degree in civil engineering from LE College, Rajkot, India.

**Mr. Marc Desaedeleer** is a Non-Executive and Independent Director on the Board of the Company. He was a partner and member of the executive committee of The Rohatyn Group, an asset management firm focused exclusively in the emerging markets. He has since July 2018 retired from The Rohatyn Group. He has also held the position of chief investment officer of Citigroup Venture Capital International Growth Fund I and Growth Fund II (“CVCI”), which are \$1.6 billion and & 4.3 billion private equity funds focused on emerging markets, respectively. Before becoming the chief investing officer of CVCI, he led CVCI’s business in Central and Eastern Europe, Middle East, Africa and India from 2001 to 2005. Prior to this, he was a senior manager of Citibank’s corporate banking business covering over 20 countries focusing on Central Europe and Russia. He has also held various other positions within Citigroup such as he was the business manager for Citibank’s corporate and investment banking business in France and he was also responsible for Citibank’s strategy in global equities. Before joining Citigroup, he worked for several international companies including Sulzer (Switzerland) and Lisnave (Portugal). Mr. Marc Desaedeleer holds a master’s degree in business administration from Carnegie Mellon University, USA and a master’s degree in science from the University of Louvain, Belgium.

**Mr. Per Hornung Pedersen** is a Non-Executive Independent Director on the Board of the Company. He started his career at Arthur Andersen where he worked for 25 years in various managerial and executive positions, primarily with listed companies in the construction, packaging and telecom sector. In 2000, he joined the wind industry as the chief finance officer of NEG Micon/Vestas in 2000, and moved to the Company in 2004 where he was responsible for international operations. During his four years in the Company, the Company transformed from a strong player in India to number five globally. After the Company took over RE Power in 2007, he was appointed the chief executive officer of REpower AG (later renamed as Senvion SE) a former subsidiary of the Company and succeeded in doubling turnover to EUR 1.2 billion and quadrupled EBITDA to approximately EUR 100 million. He left RE Power in 2011 and has since then been active in a number of supervisory boards as well as acting as industry advisor to a number of private equity funds, benefitting from his 12 years of executive experience in the global wind business. In addition to his extensive experience in business strategy and development within the wind industry and renewable sector, he also has significant years of international experience, managing diversity of cultures, growth and change. He holds a bachelor's in science degree in finance and accounting, diploma in audit and tax and a master’s degree in business administration.

**Mr. Rakesh Sharma, nominee of State Bank of India** is the Non-Executive Director on the Board of the Company. He joined State Bank of India in 1978 as a probationary officer. He has handled various assignments in retail banking, corporate credit, international banking, micro finance and agricultural banking. He was instrumental in opening of State Bank of India's branch at Shanghai, China. His last assignment with the State Bank of India was as circle chief general manager of undivided Andhra Pradesh. He holds a degree of bachelor's in science degree in biology and chemistry and a master's in law degree in corporate law.

**Mr. Sameer Shah** is a Non-Executive Independent Director on the Board of the Company. He has over 35 years of experience. In his last employment, he was the chief financial officer and head of information and communications technology for petroleum, chemicals and mining company for five years. Prior to that, he worked for 13 years with Deutsche Bank as a managing director heading the equity services business for Asia Pacific and the Arabian Gulf countries. He also headed the corporate banking division of the bank for Western India from 2009-2011. His previous employment was with SABIC in Saudi Arabia, Ontario Hydro (HydroOne) in Canada and Tata Consultancy Services in Mumbai before Pimpri Chinchwad Municipal Corporation and Deutsche Bank.

**Ms. Seemantinee Khot** is a Non-Executive Independent Director on the Board of the Company. She holds a bachelor's in arts degree in psychology from Pune University and a master's in arts degree in social work from Tata Institute of Social Sciences, Mumbai. She has nearly four decades of experience in the development sector

with 20 years of experience in direct implementation with non-government organisations, 12 years of bilateral aid and assignments with the United Nations and eight years in corporate social responsibility and sustainability consulting.

### Shareholding of Directors

The following table sets forth the shareholding of the Directors in the Company as at 31 December 2019.

Name of Directors	Number of Shares	Percentage of total number of Shares (%)
Mr. Tulsi R. Tanti <sup>1</sup>	39,05,000	0.07
Mr. Girish R. Tanti	100,019,000	1.88
Mr. Vinod R. Tanti <sup>2</sup>	25,267,000	0.47
Mr. Marc Desaedeleer	Nil	Nil
Mr. Per Hornung Pedersen	Nil	Nil
Mr. Rakesh Sharma, a nominee of State Bank of India	Nil	Nil
Mr. Sameer Shah	Nil	Nil
Ms. Seemantinee Khot	Nil	Nil

<sup>1</sup> Mr. Tulsi R. Tanti also holds shares in capacity as karta of HUF and jointly with others.

<sup>2</sup> In terms of the partition deed dated 4 May 2019, Vinod Ranchhodbhai HUF (VRT HUF) has been dissolved and Mr. Vinod R. Tanti, one of the coparceners in VRT HUF, is in receipt of the entire shareholding of VRT HUF pursuant to such dissolution. Of the entire shareholding of VRT HUF, 5,000,000 equity shares are encumbered and 13,900,000 equity shares were free in the depository account of VRT HUF. Accordingly, while Mr. Vinod R. Tanti has received 13,900,000 equity shares from VRT HUF on 4 May 2019 in terms of the partition deed, the balance 5,000,000 equity shares would be received, in one or more tranches, as and when the encumbrance on those equity shares is released. Thus, pending actual transfer, 5,000,000 shares are still shown against VRT HUF in the records of the depositories.

### Corporate governance

On the date of the Consent Solicitation and Information Memorandum, the Company is in compliance with the provisions in respect of corporate governance as stipulated in the SEBI Listing Regulations, including in respect of appointment of Independent Directors on the Board and the constitution of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee and CSR Committee.

### Committees of the Board

A brief description of the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee and CSR Committee is set forth below.

#### *Audit Committee*

The Audit Committee has been constituted as per the requirements of Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations.

#### *Nomination and Remuneration Committee*

The Nomination and Remuneration Committee has been constituted as per the requirements of Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations.

#### *Stakeholders' Relationship Committee*

The Stakeholders' Relationship Committee has been constituted as per the requirements of Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations.

### ***Risk Management Committee***

The Risk Management Committee has been constituted under the applicable provisions of the SEBI Listing Regulations.

### ***Corporate Social Responsibility Committee***

The CSR Committee has been constituted under Section 135 of the Companies Act.

### **Subsidiaries**

For a graphical representation of the group structure of the Company and its subsidiaries, please see “*Business—Structure of the Group*”. As at 31 March 2019, the Company had eight subsidiaries which undertake its various businesses:

<b>Principal Operational Business</b>	<b>Year of Incorporation</b>	<b>Direct Shareholding as at 31 December 2019 (%)</b>
Suzlon Global Services Limited (formerly known as Suzlon Structures Limited)	2004	100.00
Suzlon Gujarat Wind Park Limited	2004	100.00 (through SGWPL)
Suzlon Power Infrastructure Limited	2004	100.00
Suzlon Generators Limited	2004	75%
SE Forge Limited	2006	100.00
AE Rotor Holding B.V.	2001	7.89*
Suzlon Wind Energy Corporation	2001	0.00*
Seventus LLC	2010	0.00*

\* *The Company through its step down subsidiaries holds 100.00% stake in these subsidiaries.*

### **1. *Suzlon Global Services Limited***

Suzlon Global Services Limited (“**SGSL**”) (formerly Suzlon Structures Limited) having CIN: U27109GJ2004PLC044170, is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The registered office of the Company is located at “Suzlon”, 5 Shrimali Society, Near Shree Krishna Complex, Navrangpura, Ahmedabad – 380 009, India. The principal place of business is its headquarters located at One Earth, Hadapsar, Pune – 411 028, India.

SGSL is primarily engaged into the business of operation and maintenance of WTGs and also continues to carry on the power generation business.

### **2. *Suzlon Gujarat Wind Park Limited***

Suzlon Gujarat Wind Park Limited (“**SGWPL**”) having CIN U40108GJ2004PLC044409 is a public company domiciled in India and incorporated under the provisions of Companies Act, 1956. The registered office of the SGWPL is located at Suzlon House, 5 Shrimali Society, Near Shree Krishna Centre, Navrangpura, Ahmedabad, India. The principal place of business is its headquarters located at One Earth, Hadapsar, Pune, India.

SGWPL is primarily engaged in erection, installation and commissioning, construction and sale of power evacuation facility, power generation and sale and lease/sub lease of land for WTGs and Solar farms. It also deals with business of land and site development.

### **3. *Suzlon Power Infrastructure Limited***

Suzlon Power Infrastructure Limited (“**SPIL**”) having CIN U45203TZ2004PLC011180 is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The registered office of the SPIL is located at 1055/18, 2nd Floor, Gowtham Center, Near Anna Statue, Avinashi Road, Coimbatore-641018, India. The principal place of business is its headquarters located at One Earth, Hadapsar, Pune, India.

SPIL is engaged in the business of construction and sale of power evacuation infrastructure facility.

### **4. *Suzlon Generators Limited***

Suzlon Generators Limited (“**SGL**”) having CIN U31101PN2004PLC019205 is a jointly controlled entity of Suzlon Energy Limited, a company domiciled in India and incorporated under the provisions of the Companies Act, 1956 and Trasys Asia Limited, a company domiciled in Hong Kong. The registered office of the Company is located at Gat No.339/3/1 and Plot No. A-20/ 1, Chakan Industrial Area, Village Mahalunge, Taluka Khed, District Pune – 410501, India. The principal place of business is its headquarters located at One Earth, Hadapsar, Pune, India.

SGL is engaged in the manufacturing of wind turbine generators of various capacities and its components, repairing and after sales service for generators catering to both domestic and international markets and in generation of electricity.

### **5. *SE Forge Limited***

SEFL was incorporated on 26 June 2006 as a wholly owned subsidiary of the Company. SEFL is engaged in manufacturing iron castings and forged products, primarily used as components in wind turbine generators and other related equipment.

SEFL has two units – a forging unit in Vadodara, Gujarat and a foundry unit in Coimbatore, Tamil Nadu. Both the units of SEFL are strategically located in respective SEZs to avail various fiscal and other benefits like exemptions under Income Tax Act, exemptions from payment of custom duties and excise duties, etc.

The **Forging unit** set up in a SEZ near Vadodara, Gujarat, commenced its commercial operations from September 2008. The unit has a capacity of approximately 42,000 rings per annum and can produce rings up to 5,000 mm diameter, 600 mm height and 4 MT of weight. The facility is also suitable for manufacturing of forged and machined ring products for other industries like power, oil & gas, petrochemicals & material handling, and defense applications. Key products include tower flanges, gear rim, ring gear for gear boxes, bearing rings and other non-wind application products such as flanges supplied to, industries like oil & gas, material handling, defense, etc.

The **Foundry unit** is set up in a SEZ near Coimbatore, Tamil Nadu, having 120,000 MT per annum capacity, and commenced its commercial operations from February 2009. This unit manufactures ductile iron castings of weight ranging from one to 25 tons per piece, though it can also produce castings of larger size. Initially serving the wind industry, the foundry unit produces large castings like hub, rotor shaft, main frame and bearing housing used in the manufacturing of WTGs as well as gear box castings like torque arm, planet carrier and housing. The foundry unit also plans to cater to the needs of other industries like diesel engines, machine tools and engineering equipment.

SEFL went into a CDR scheme in September 2012, due to low capacity utilization however, it exited the CDR scheme in December 2015 successfully. SEFL made profit in Fiscal Year 2017 after exiting the CDR scheme, however subsequently due to adverse wind market condition it suffered losses during Fiscal Years 2018 and 2019. Currently, SEFL has a sizeable order book but due to non-availability of required working capital, it is unable to meet the demand. There was an instance of a default by SEFL in servicing debt obligations to its lenders during the current financial year.

#### **6. *AE Rotor Holdings B.V. (The Netherlands)***

AE Rotor Holding B.V. is a subsidiary of the Company and Suzlon Wind Energy Limited, U.K., which hold 7.89% and 92.11%, respectively. AERH is primarily in the business of asset management and provision of capital, trading, holding and investments.

#### **7. *Suzlon Wind Energy Corporation (United States of America)***

SWECO was incorporated on 1 October, 2001 to market wind energy generators and to provide turnkey solutions along with operations and maintenance services to the wind energy industry. SWECO is the wholly owned the Company's subsidiary, Suzlon Energy A/S, Denmark. Suzlon Energy A/S, Denmark is a wholly-owned subsidiary of Suzlon Energy Limited Mauritius, which is a wholly owned subsidiary of the Company. There was default by SWECO in servicing its debt obligations to its lenders during the current financial year.

#### **8. *Seventus LLC***

Seventus was previously known as Sure Power LLC and was incorporated on 11 May 2010. Seventus is the subsidiary of Tarilo Holding B.V., which is a wholly-owned subsidiary of the Company.

The primary business activity of Seventus is in the field of wind energy project development and conducts its business through its project-specific wholly-owned subsidiaries namely, Wharton Wind LLC, Lane City Wind LLC, Jawbone Development Holdings LLC, Seventus Development Holdings LLC and Lacy Creek Windpower, LLC. Seventus has defaulted in servicing of debt obligations to its lenders.

## PRINCIPAL SHAREHOLDERS

The Company had a total of 1,007,145 shareholders as at 31 December 2019. The table below sets out the pattern of shareholding of the Company as at 31 December 2019.

Type of Shareholders	Number of Shares	Percentage of Total Shares Outstanding
Promoter group and promoter group <sup>(1)</sup>	1,052,784,456	19.79
Mutual funds	359,793	0.01
Foreign portfolio investors	206,762,053	3.89
Financial institutions and banks	1,920,63,765	3.61
Insurance companies	89,932,017	1.69
Individuals and Hindu undivided families (“HUFs”) holding nominal capital up to ₹0.2 million	1,683,793,780	31.65
Individuals and HUFs holding nominal capital in excess of ₹0.2 million	912,898,405	17.16
Non-banking finance companies registered with the RBI	472,890	0.01
Body corporate	1,013,488,803	19.05
Clearing members	18,079,620	0.34
Trusts	581,335	0.01
Non-resident Indians	84,182,813	1.58
Non-resident Indians (non-repatriable)	22,551,867	0.42
Foreign corporate bodies	33,477,684	0.63
Foreign nationals	64,000	0.00
GDRs	8,280,840	0.16
<b>Total</b>	<b>531,9774,121</b>	<b>100.00</b>

Source: NSE and BSE, available on [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com), respectively.

<sup>(1)</sup> The Board of Directors, on 20 February 2020, approved for allotment of Shares or other convertible instruments of the Company, through preferential allotment, aggregating up to ₹ 4,000 million cumulatively, to the Promoter Group, the Investor Group and other identified persons and entities. The same is subject to shareholder’s approval at the extra ordinary general meeting proposed to be held on 7 April 2020.

The table below sets out certain information regarding shareholders of the Company who held more than 1 per cent. of the total Shares outstanding as at 31 December 2019.

Name	Number of Shares	Percentage of Total Shares Outstanding
<b>Promoter and Promoter Group<sup>(1)</sup></b>		
Samanvaya Holdings Private Limited	295,499,363	5.56
Tanti Holdings Private Limited	158,901,093	2.99
Girish R. Tanti	100,019,000	1.88
Sangita V. Tanti	70,182,000	1.32
Lina J. Tanti	70,182,000	1.32
Gita T. Tanti	64,512,000	1.21
Pranav T. Tanti <sup>(2)</sup>	42,504,000	0.80
Rambhaben Ukabhai <sup>(2)</sup>	16,566,000	0.31
<b>Public Shareholders</b>		
Cannon Realty Private Limited jointly with Sun Fastfin Services Private Limited in their capacity as partners of M/s GEE SIX Enterprises	138,300,000	2.60
Suraksha Buildwell LLP	110,000,000	2.07
Shanghvi Finance Private Limited jointly with Aditya Medisales Limited and Aalok D. Shanghvi in their capacity as partners of M/s Goldenstar Enterprises	100,900,000	1.90
Shanghvi Finance Private Limited jointly with Aditya Medisales Limited and Vibha Shanghvi in their capacity as partners of M/s Pioneer resources	100,900,000	1.90
Shanghvi Finance Private Limited jointly with Aditya Medisales Limited and Kumud S. Shanghvi in their capacity as partners of M/s Sunrise Associates	100,900,000	1.90
Life Insurance Corporation of India	89,932,017	1.69
Neostar Developers LLP	85,000,000	1.60

Real Gold Developers LLP	85,000,000	1.60
Aditya Medisales Limited Jointly with M J Pharmaceuticals Private Limited and Ms. Vidhi Shanghvi, in their capacity as partners of M/s Expert Vision	80,000,000	1.50
Aalok Dilip Shanghvi	68,000,000	1.28
Vidhi D.Shanghvi	68,000,000	1.28

*Source: NSE and BSE, available on [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com), respectively.*

- (1) The Board of Directors, on 20 February 2020, approved for allotment of Shares or other convertible instruments of the Company through preferential allotment, aggregating up to ₹ 4,000 million cumulatively, to the Promoter Group, the Investor Group and other identified persons and entities. The same is subject to shareholder's approval at the extra ordinary general meeting proposed to be held on 7 April 2020.*
- (2) Mr. Pranav T. Tanti, a person forming part of the Promoter / Promoter Group of the Company, who was holding 59,067,000 Shares aggregating to 1.11% of the paid-up capital of the Company has gifted 59,066,000 Shares aggregating to 1.11% of the paid-up capital of the Company to Mrs. Rambhaben Ukabhai, another person forming part of the Promoter / Promoter Group of the Company, in terms of a gift deed dated 21 December 2018. Of the total 59,066,000 Shares to be transferred by way of gift, 42,503,000 Shares are encumbered and, accordingly, while 16,563,000 Shares have been transferred by way of gift on 21 December 2018, the balance 42,503,000 Shares will be transferred, in one or more tranches, as and when the encumbrance over these Shares is released. Thus, pending actual transfer, 42,503,000 Shares, though already gifted by Mr. Pranav T. Tanti to Mrs. Rambhaben Ukabhai, are still shown against his name. The Company and the concerned promoters have made necessary disclosures to the stock exchanges in this regard.*

## DESCRIPTION OF SHARES

Set forth below is certain information relating to the share capital of the Company, including a brief summary of some of the provisions of the Memorandum and Articles of Association of the Company and the Companies Act, 2013, as amended (along with the rules made thereunder, the **Companies Act**) relating to the Shares.

### General

The authorised share capital of the Company is ₹24,980.0 million divided into 12,490,000,000 Shares of ₹2 each as at December 31, 2019.

For the purposes of this section, “shareholder” means a holder of the Shares registered as a member in the register of members of the Company, unless the content requires otherwise.

### Articles of Association

The Company is governed by its Articles of Association.

### Description of the Shares

#### *Dividends*

Under Indian law, an Indian company pays dividend upon a recommendation by its board of directors and approval by a majority of the shareholders at the annual general meeting (**AGM**) held in each financial year. The board of directors may declare and pay interim dividends, which require confirmation of a majority of shareholders at the next AGM. The shareholders have no right to declare dividend at a rate higher than such rate recommended by the board of directors. Subject to certain conditions laid down by Section 123 of the Companies Act, no dividend can be declared or paid by a company for any financial year except: (a) out of the profits of the company for that year, calculated in accordance with the provisions of the Companies Act (after providing for depreciation); or (b) out of the profits of the company for any previous financial year arrived at as required to be computed in terms of the Companies Act (after providing for depreciation) and transferred by the company to the free reserves in accordance with the Companies (Declaration and Payment of Dividend) Rules, 2014, as amended (the **Dividend Rules**); or (c) out of both; or (d) out of money provided by the Government of India or a State Government for payment of dividend by the company in pursuance of a guarantee given by that Government.

The Companies Act, read with the Dividend Rules, provides that if the profit for a year is inadequate or nil, the dividend for that year may be declared out of the accumulated profits earned in previous years and transferred to free reserves, subject to the following conditions: (i) the rate of dividend to be declared shall not exceed the average of the rates at which dividend was declared by the company in the three years immediately preceding that year; (ii) the total amount to be drawn from such accumulated profits from previous years shall not exceed one-tenth of the sum of the paid-up share capital and free reserves as appearing in the latest audited financial statement; (iii) the amount so drawn shall first be utilized to set off the losses incurred in the financial year in which dividend is declared before any dividend in respect of equity shares is declared; and (iv) the balance of reserves after withdrawal must not be below 15 per cent. of paid-up share capital as appearing in the latest audited financial statement. In accordance with the the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the **SEBI Listing Regulations**), dividend declared by a company should be on a per share basis only.

Subject to the provisions of the Companies Act, no shareholder is entitled to receive payment of any interest or dividends in respect of its Share(s), whilst any money may be due or owing from it to the Company in respect of such Share(s) either above or jointly with any other person and the board of directors may deduct from the dividend payable to any such shareholder all sums of money, if any, payable by such shareholder to the Company on account of calls or otherwise in relation to the Shares. Any dividend, interest or other monies in respect of the Shares may be paid in electronic mode or by cheque or warrant to the shareholder or person entitled or in case of joint-holders to the joint-holder first named in the register of members or to such person and to such address as the holder or the joint holders direct in writing to the Company.

Under the Companies Act, 2013 dividends can only be paid in cash to shareholders listed on the register of shareholders on the date which is specified as the “book closure date” or “record date”. Any dividend declared must be deposited in a separate bank account within five days from the date of the declaration of such dividend. Dividends must be paid within 30 days from the date of the declaration and any dividend which remains unpaid or unclaimed after that period must be transferred within seven days to a special unpaid dividend account held at a scheduled bank. Any money which remains unpaid or unclaimed for seven years from the date of such transfer must be transferred by the Company to the Investor Education and Protection Fund established by the Government of India pursuant to which no claim shall lie against the Company or said Fund. Directors may be held criminally liable for any default of the aforementioned provisions.

The Option A Shares and the Shares to be issued upon conversion of the New Bonds will rank *pari passu*, subject to listing, with the existing Shares of the Company in all respects including with respect to entitlement to dividends declared.

### ***Capitalisation of Reserves and Issue of Bonus Shares***

In addition to permitting dividends to be paid out of current or retained earnings as described above, the Companies Act permits the board of directors to, if so approved by the shareholders in a general meeting, in certain circumstances, capitalise and distribute an amount standing to the credit of the free reserves, securities premium account or the capital redemption reserve account to its shareholders, in the form of fully paid up bonus shares. However, bonus ordinary shares must be distributed to shareholders in proportion to the number of ordinary shares owned by them as recommended by the board of directors. No issue of bonus shares may be made by capitalizing reserves created by revaluation of assets.

Further, any issue of bonus shares would be subject to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the **SEBI ICDR Regulations**) and the Companies Act. The SEBI ICDR Regulations prescribe that no listed company shall, pending conversion of convertible debt instruments, issue any shares by way of bonus unless similar benefit is extended to the holders of such convertible debt instruments, through reservation of shares in proportion to such convertible part of the convertible debt instruments falling due for conversion. The bonus issue shares shall be made out of free reserves built out of the genuine profits or securities premium collected in cash only and reserves created by revaluation of fixed assets shall not be capitalised for the purpose of issuing bonus shares. The bonus issue cannot be made unless the partly-paid shares, if any, are made fully paid-up. Further, for the issuance of such bonus shares a company should not have defaulted in the payment of interest or principal in respect of fixed deposits or debt securities issued by it. The declaration of bonus shares in lieu of a dividend cannot be made. Further, a company should have sufficient reason to believe that it has not defaulted in respect of the payment of statutory dues of its employees, such as contributions to the provident fund, gratuities and/or bonuses. The issuance of bonus shares must be implemented within 15 days from the date of approval by the board of directors and, where shareholders’ approval is required, the issue shall be completed within two months from the date of the meeting of the board of directors where the decision to announce the bonus issue was taken subject to shareholders’ approval.

### ***Pre-emptive Rights and Alteration of Share Capital***

The Companies Act and the Articles of Association give the shareholders the pre-emptive right to subscribe for new shares in proportion to the amount paid up on those shares at that date. The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. The offer shall be deemed to include: a right exercisable by the person concerned to renounce the shares offered to him in favour of any person, and the notice shall contain a statement of this right. The board of directors is authorized to distribute any new shares not purchased by the pre-emptive rights holders in a manner which is not disadvantageous to the shareholders and the company.

Under Section 62(1)(c) of the Companies Act, new shares may be offered to any persons whether or not those persons include existing shareholders listed on the members’ register or the records of the Depository on the record date in proportion to the amount paid-up on those shares at that date, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed, if a special resolution to that effect is passed by the shareholders in a general meeting.

Listed companies are, in addition to the above, also subject to the applicable provisions under the SEBI ICDR Regulations. Under the provisions of Section 42 of the Companies Act and the Companies (Prospectus and Allotment of Securities) Rules, 2014, new shares may be offered to any persons, whether or not those persons include existing shareholders, if a special resolution to that effect is passed by the shareholders of the company in a general meeting.

The company's issued share capital may be, among other things, increased by the exercise of warrants attached to any securities of the company, or individually issued, entitling the holder to subscribe for the company's shares, or upon the conversion of convertible debentures issued. The company may also alter its share capital by way of a reduction of capital or by undertaking a buyback of shares under the Companies Act and the prescribed SEBI regulations.

### **Preference Shares**

Preference share capital is that part of the paid-up capital of a company, which fulfils both of the following requirements:

- (a) that, with respect to dividend, it carries or will carry a preferential right to be paid a fixed amount or an amount calculated at a fixed rate, which may either be free of or subject to income tax; and
- (b) that, with respect to repayment, it carries or will carry on a winding-up of the company or repayment of the capital a preferential right to be repaid the amount of the share capital paid-up or deemed to have been paid-up, whether or not, there is a preferential right to the payment of any fixed premium or premium on any fixed scale, specified in the memorandum or articles of the company.

Preference shares do not confer any further rights to participate in a company's profits or assets. Holders of preference shares are not entitled to vote at a general meeting except in cases, which directly affect the rights, attached to their preference shares and any resolution for the winding-up of the company or for repayment or reduction of its equity or preference share capital. In addition, where the dividend is not paid for a period of two years or more in respect of any preference shares, the holder of the preference share would become entitled to vote on all resolutions placed before the company.

### **General Meetings**

There are two types of general meetings of the shareholders:

- (a) annual general meetings (**AGM**); and
- (b) extraordinary general meetings (**EGM**).

The company must hold its AGM within six months after the expiry of each accounting year provided that not more than 15 months should have elapsed between the AGM and previous one, unless extended by the Registrar of Companies at the company's request for any special reason for a period not exceeding three months. The board of directors may convene an EGM when necessary or at the request of a shareholder or shareholders holding in the aggregate not less than one tenth of the company's issued paid up capital (carrying a right to vote in respect of the relevant matter on the date of receipt of the requisition).

Notices, either in writing or through electronic mode, convening a meeting setting out the date, day, hour, place and agenda of the meeting must be given to members at least 21 clear days prior to the date of the proposed meeting. A general meeting may be called after giving shorter notice subject to the Companies Act and the Articles of Association. Unless the Articles of Association provide for a larger number, such number of shareholders shall constitute a quorum for a general meeting of the Company, whether AGM or EGM, as specified under the Companies Act. The quorum requirements applicable to shareholder meetings under the Companies Act have to be physically complied with.

In accordance with Section 110 of the Companies Act and the rules made thereunder, a company intending to pass a resolution relating to matters such as, but not limited to, amendment in the objects clause of the Memorandum of Association, the issuance of shares with different voting or dividend rights, a variation of the rights attached to a class of shares or debentures or other securities, buy-back of shares, giving loans or extending guarantees in excess of limits prescribed in Section 186(3) of the Companies Act, is required to obtain the resolution passed by means of a postal ballot instead of transacting the business in the company's general

meeting. A notice to all the shareholders shall be sent along with a draft resolution explaining the reasons therefore and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of dispatch of the notice. The shareholders may exercise their right to vote at general meetings or through postal ballot by voting through electronic voting mechanism.

### **Voting Rights**

Section 108 of the Companies Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, deal with the exercise of right to vote by members by electronic means. In terms of Rule 20 and Regulation 44 of the SEBI Listing Regulations, every listed company (other than a Nidhi company or an enterprise or an institutional investor referred to in the SEBI ICDR Regulations) is required to provide to its members facility to exercise their right to vote at general meetings by electronic means. The Ministry of Corporate Affairs has clarified that voting by show of hands would not be allowable in cases where Rule 20 is applicable.

Ordinary resolutions may be passed by a simple majority of those present and voting. Special resolutions require that the votes cast in favour of the resolution by those present and voting must be at least three times the votes cast against the resolution. Under the Companies Act matters that require special resolution include amendments to the articles of association, a member's voluntary winding-up, dissolution, merger or consolidation, and the issue of shares to persons other than existing shareholders.

A shareholder may exercise his voting rights by proxy to be given in the form required by the Articles of Association. The instrument appointing a proxy is required to be lodged with the Company at least 48 hours before the time of the meeting. A shareholder may, by a single power of attorney, grant a general power of representation regarding several general meetings of shareholders. Any shareholder of the Company may appoint a proxy to attend and vote at meeting on its behalf. A proxy does not have a right to speak at meetings and will not be entitled to vote except on poll.

Section 47 of the Companies Act provides that any preference shareholder present at any meeting of the Company, shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares. However, where the dividend in respect of a class of preference shares has not been paid for a period of two years or more, such class of preference shareholders shall have a right to vote on all the resolutions placed before the company.

### **Postal Ballot**

Under the provisions of the Companies Act, the Government of India has framed rules for listed companies for voting by postal ballot instead of transacting the business in general meeting of the company, in the case of resolutions, including resolutions for alteration of the objects clause in the company's memorandum of association, buyback of shares, issue of shares with differential voting rights, a sale of the whole or substantially the whole of an undertaking of a company, giving loans and extending guarantees in excess of prescribed limits, for change of the registered office of a company in certain circumstances and for variation in the rights attached to a class of shares or debentures or other securities. The resolution passed by means of postal ballot shall be deemed to have been duly passed at a general meeting physically convened. A notice to all the shareholders has to be sent along with a draft resolution explaining the reasons thereof and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of posting the notice. Postal voting includes voting in electronic form.

### **Convertible Securities and Warrants**

A company, in accordance with the provisions of applicable law, may from time to time issue debt instruments that are partly and fully convertible into Shares and warrants to purchase Shares.

### **Register of Shareholders and Record Dates**

A company is obliged to maintain a register of shareholders at its registered office or, with the approval of its shareholders by way of a special resolution and with prior intimation to the Registrar of Companies, at some other place in the same city. The register and index of beneficial owners maintained by a depository under the Depositories Act, 1996, as amended (the **Depositories Act**) is deemed to be an index of members and register and index of debenture holders. A company recognises as shareholders only those persons who appear on its

register of shareholders and it cannot recognise any person holding any share or part of it upon any trust, express, implied or constructive, except as permitted by law.

In the case of shares held in physical form, the Company, through its registrar and share transfer agent, registers transfers of shares on the register of shareholders upon lodgement of the duly stamped share transfer form executed by or on behalf of the transferor and by or on behalf of the transferee and duly completed in all respects, accompanied by a share certificate or, if there is no certificate, the letter of allotment in respect of Shares transferred. In respect of the transfer of shares in dematerialised form, the depository transfers shares by entering the name of the purchaser in its books as the beneficial owner of the shares. In turn, the company enters the name of the depository in its records as the registered owner of the shares. The beneficial owner is entitled to all the rights and benefits, as well as the liabilities, attached to the shares that are held by the depository. Transfer of beneficial ownership through a depository is exempt from any stamp duty but each Depository Participant may be subject to certain charges.

For the purpose of determining the shareholders, the Company may, after giving not less than seven days' previous notice by advertisement in a newspaper circulating in the district where the registered office of the Company is situated, close the register for periods not exceeding in the aggregate 45 days in any one year or 30 days at any one time. In order to determine the shareholders entitled to dividends the Company keeps the register of shareholders closed for approximately 10 to 20 days, generally before the annual general meeting. In addition, under the SEBI Listing Regulations, a listed entity may fix a record date, among others, for the following purposes: (i) declaration of dividends, (ii) issue of right or bonus shares, and/or (iii) issue of shares upon conversion of debentures or other convertible security. The listed entity is required to give an advance intimation of at least seven working days (excluding the date of intimation and the record date) to stock exchanges of the record date and the purpose of the record date.

Under the Companies Act, the company is also required to maintain a register of debenture holders.

### **Transfer of Shares**

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are subject to securities transaction tax (levied on and collected by the stock exchanges on which such equity shares are sold). The Company has entered into an agreement for such depository services with National Securities Depository Limited and Central Depository Services (India) Limited. The SEBI requires that a company's shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange. A company is required to keep a book in which every transfer or transmission of shares will be entered.

Pursuant to the SEBI Listing Regulations, in the event a company has not effected the transfer of shares within 15 days from the date of receipt of request for transfer or where a company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 15 days, it is required to compensate the aggrieved party for the opportunity loss caused during the period of the delay. The shares are freely transferable subject to applicable laws. The notice of such refusal must be sent to the transferee within one month of the date on which the transfer was lodged with the company.

### **Liquidation Rights**

Subject to the provisions of the Insolvency and Bankruptcy Code, 2016, as amended, the Companies Act and rules made thereunder, if a company is to be wound up, the liquidator may, with the sanction of a special resolution of the company, and any other sanction required by the Companies Act, divide amongst the shareholders in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

## **GOVERNMENT AND OTHER APPROVALS**

The Proposal and the offering of the New Bonds is being made entirely outside India. This Consent Solicitation and Information Memorandum may not be distributed, directly or indirectly, in India or to residents of India and the New Bonds are not being offered or sold and may not be offered or sold, directly or indirectly, in India or to, or for the account or benefit of, any resident of India.

Each Bondholder will be deemed to represent that it is neither located in India nor a resident of India and that it is not purchasing for, or for the account or benefit of, any such person, and understands that the New Bonds will bear a legend to the effect that the securities evidenced thereby may not be offered, sold, pledged or otherwise transferred to any person located in India, to any resident of India or to, or for the account of, such persons, unless the Company may determine otherwise in compliance with applicable law.

In terms of the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018, as amended, read with the ECB Guidelines and in compliance with the FCCB Scheme, and other circulars and notifications issued by the RBI from time to time, Indian companies are permitted to raise FCCBs, subject to certain conditions specified therein.

### **RBI Approvals in connection with the Proposal and the issue of the New Bonds**

The Company is an “eligible borrower” in accordance with the ECB Guidelines. The Company is required to obtain the approval of the RBI, among other things, to allow it to implement the Proposal (including the Mandatory Conversion and the issue of New Bonds). If opted for by the Bondholders, the New Bonds will be issued pursuant to the RBI approval and applicable laws.

However, as stated elsewhere in this Consent Solicitation and Information Memorandum, in all cases of earlier redemption or repayment, other than as may be specifically permitted by the RBI in the RBI approval, prior approval of the RBI or AD Bank, as the case may be, for such earlier redemption or repayment will be necessary under the ECB Guidelines.

This Consent Solicitation and Information Memorandum and the Proposal is, and will be, in compliance with applicable laws and regulations, including (i) the New Bonds being in compliance with applicable guidelines and wherever required, relevant regulatory approvals being obtained to the extent of any deviation from the applicable guidelines, and (ii) with respect to the Option A Shares and the Shares to be issued upon conversion of the New Bonds, the regulatory floor price and initial conversion price will be in compliance with the FCCB Scheme.

### **Other Approvals**

The Proposal and the issuance of the New Bonds was authorised in-principle by a resolution of the Securities Issue Committee of the Board of Directors passed on 13 March 2020. The Company has issued, a notice dated 27 February 2020 to its shareholders to seek, among other things, their consent for issuance of Shares (including any Shares to be issued pursuant to the Proposal) and the results of such voting will be declared within 48 hours of conclusion of the extra ordinary general meeting. The Company will, if required, convene another meeting of a duly empowered committee of its Board of Directors in connection with the allotment of the New Bonds.

Further, the Company will be required to obtain approvals from all other applicable legal and regulatory authorities in India including, but not limited to, approvals from BSE and NSE, for listing of the Option A Shares or the Shares to be issued on conversion of the New Bonds (if opted for by the Bondholders). In this regard, the Company will apply, as soon as practicable, to obtain in-principle approvals from BSE and NSE, followed by applications for the final listing and trading approval for such Shares at the relevant time.

In addition, the Company will be required to obtain formal sanction of the Group Lenders for the implementation of the Proposal (including the Mandatory Conversion and the issuance of the New Bonds) and the Debt Resolution Plan in terms of the inter-creditor agreement entered into among the Group Lenders.

### **Regulatory Filings and Reporting**

Furthermore, the Company will be required to make the following filings in connection with issuance of the New Bonds:

- (a) Filing of Form ECB certified by a company secretary or a chartered accountant with the AD Bank for onward submission with the RBI for obtaining the loan registration number for the New Bonds (if opted for by the Bondholders);
- (b) Filing ECB-2 return certified through the designated AD Bank on a monthly basis with the RBI in the prescribed form for the New Bonds (if opted for by the Bondholders);
- (c) Filing of a return of allotment with the Registrar of Companies, upon issuance of Option A Shares or, if opted for by the Bondholder, upon conversion of the New Bonds into Shares; and
- (d) Filing of Form FC-GPR with the RBI upon issuance of Option A Shares or, if opted for by the Bondholder, upon conversion of the New Bonds into the Shares.

## TAXATION

*This summary is not a complete guide on the tax characterisation or consequences under Indian tax law with respect to the acquisition, ownership or sale of the Option A Shares or the New Bonds or of other transactions involving the New Bonds or the conversion of the New Bonds into Shares, the redemption of the New Bonds or sale of the Shares by non-resident Bondholders. The contents of this section shall be used only for the purpose of reference and nothing else. Prior to making any decision, the Bondholders should, therefore, consult their own tax advisers on the tax characterisation or consequences of transactions under Indian law, the law of the jurisdiction of their residence and any tax treaty between India and their country of residence.*

As per the provisions of the Income-tax Act, 1961 (the “**Income Tax Act**”) and other laws as applicable for the time being in force in India, the following tax provisions/benefits are available to the Company and to the Bondholders, subject to fulfilment of prescribed conditions:

### **Residence for the Purpose of the Income Tax Act**

For the purpose of the Income Tax Act, an individual is said to be resident in India if, in any fiscal year ended 31 March, the individual: (i) is in India for 182 days or more in aggregate; or (ii) having been in India for 365 days or more, during the four years preceding that year ended 31 March and is in India for 60 days or more in that year ended 31 March. However, in the case of an Indian citizen or a person of Indian origin who is not resident in India and visits India during the year ended 31 March, the 60-day period in (ii) above is extended to 120 days. An Indian citizen who leaves India as a member of a crew of an Indian ship or for the purpose of employment outside India during the year ended 31 March, the 60-day period in (ii) above is extended to 182 days. Further, an individual who is a citizen of India shall be deemed to be resident of India if he is not liable to tax in any other country or territory by reason of his domicile or residence or any other similar criteria.

A company is resident in India in any year ended 31 March if it is an Indian company or if during that year, its place of effective management is in India. Place of effective management means a place where key management and commercial decisions that are necessary for the conduct of business of such company as a whole are, in substance made.

An Indian company means a company formed and registered under the Companies Act, 2013 and includes a company formed and registered under any law relating to companies formerly in force in India, or a corporation established by or under a Central, State or Provincial Act of India, or an institution, association or a body declared by the Central Board of Direct Taxes of India to be a company for the purpose of the Income Tax Act; provided that the registered office or, as the case may be, the principal office of the company, corporation, institution, association or body is in India.

A firm or other association of persons, and every other person is regarded as resident in India, except where, during the year ended 31 March, the control and the management of its affairs is situated wholly outside India.

### **Indian Taxation in case of New Bonds**

#### ***Taxation of Interest***

Under the Income Tax Act, the taxability of interest on the New Bonds would be governed under Section 115AC of the Income Tax Act (“**Section 115AC**”) which deals with taxation of income from bonds issued under the FCCB Scheme. Amounts regarded as interest are taxable under Section 115AC at the rate of 10 per cent. plus the applicable rate of surcharge on the income tax (“**Surcharge**”) and health and education cess of 4 per cent. (“**Health and Education Cess**”) on income tax and surcharge. The Surcharge, and Health and Education Cess are hereinafter collectively referred to as “**Additional Cess**”. Under Section 196C of the Income Tax Act, the person responsible for making payments of interest (taxable under Section 115AC) is required to withhold income tax at a rate of 10 per cent. (plus the Additional Cess).

However, the taxation of interest on New Bonds may be governed by the provisions of Section 115A read with Section 194LC of the Income Tax Act subject to satisfaction of the conditions stipulated in Section 194LC, which provides that the interest on a loan borrowed by an Indian company in foreign currency from a non-resident by way of issue of any long-term bonds (issued before July 01, 2023) will be chargeable to tax at the rate of 5 per cent. (plus the Additional Cess) .

The applicable circulars specifying the eligible conditions for the purpose of availing concessional withholding rate of 5 per cent. under Section 194LC of the Income Tax Act are currently unclear on whether Section 194LC applies in a situation where a specific approval for all-in-cost of a long term bond has been obtained from the RBI.

In the event Section 115A read with Section 194LC are applicable, the tax on interest charged under these sections would have to be withheld at source by the person responsible for making payments of interest along with the Additional Cess.

Where the tax, required to be deducted or withheld is to be borne by the Company, to the extent required under and subject to the conditions in the Terms and Conditions applicable to the New Bonds, the Company will need to gross up the taxable amount appropriately and will be required to account separately to the Indian tax authorities, for any withholding taxes applicable on such amounts.

Taxation of interest in India and/or consequential withholding is, however, subject to any favourable tax treaty entered into by India with the country of residence of the recipient, in accordance with the provisions of Section 90(1) of the Income Tax Act. For further details, see “—*Tax Treaties*” for the information relating to submission of a tax residency certificate and prescribed information by a non-resident taxpayer and invocation of GAAR provisions by the tax authorities.

#### ***Taxation on Sale of New Bonds***

A transfer of New Bonds made outside India by a non-resident investor to another non-resident person does not give rise to any capital gains tax in India in terms of Section 47(viia) of the Income Tax Act. The same treatment has also been provided under the FCCB Scheme.

Any income arising to a non-resident investor from sale of the New Bonds held as stock-in-trade to a non-resident may be subject to income tax in India, as business income, to the extent, if any, that the gains are attributable to a “business connection in India” or, in case where a Tax Treaty is applicable, to a “permanent establishment” of the non-resident investor in India. A non-resident investor may be liable to pay income tax in India on such gains at rates of tax ranging from 0 per cent. to 40 per cent. (plus the Additional Cess) depending upon the legal status of the non-resident investor and its taxable income in India, subject to any lower rate applicable under a Tax Treaty.

#### ***Taxation on Dividend Distributions***

Dividends declared and paid by the Company on shares will be subject to tax in the hands of the foreign recipient and shall be taxable at the rate of 20 per cent. plus Additional Cess. The tax on dividend charged would have to be withheld at source by the person responsible for making payments of dividend along with the Additional Cess. Taxation of dividend in India and/or consequential withholding is, however, subject to any favourable tax treaty entered into by India with the country of residence of the recipient, in accordance with the provisions of Section 90(1) of the Income Tax Act.

Any income arising to a non-resident investor from dividend on shares held as stock-in-trade to a non-resident may be subject to income tax in India, as business income, to the extent, if any, that the gains are attributable to a “business connection in India” or, in case where a Tax Treaty is applicable, to a “permanent establishment” of the non-resident investor in India. A non-resident investor may be liable to pay income tax in India on such dividend income at the rate of up to 40 per cent. (plus the Additional Cess) depending upon the legal status of the non-resident investor and its taxable income in India, subject to any lower rate applicable under a Tax Treaty.

#### ***Taxation on Acquisition of Shares***

As per Section 47(x) and (xa) of the Income Tax Act, neither the issuance of the Option A Shares nor the conversion of the New Bonds into Shares by a non-resident investor, gives rise to a taxable event for Indian income tax purposes. The same has also been provided in the FCCB Scheme. Such conversion will, however, give rise to stamp duty. For further details, see “—*Stamp Duty*”.

#### ***Taxation on Sale of Shares***

Capital gains arising to the non-resident investor on the transfer of the Shares in India will be liable for income tax under the provisions of the Income Tax Act. In this regard, it may be noted as follows:

The capital gains arising on account of sale of Shares which are listed on a recognised stock exchange in India (“**listed shares**”), which are held for a period of more than 12 months by the non-resident investor, will be taxable as long term capital gains. In case such listed shares are held for a period less than 12 months, the capital gains will be taxable as short term capital gains.

The long term capital gains arising from the sale of such Shares through a recognised stock exchange in India, where the applicable STT has been paid both at the time of acquisition as well as sale of such Shares, would be chargeable to tax at the concessional rate of 10 per cent. (if such long-term capital gains exceed ₹100,000) plus Additional Cess under the provisions of Section 112A of the Income Tax Act, subject to any lower rate provided for by an applicable Tax Treaty.

There is however, no exception from the requirement of levy of STT, at the time sale of the Shares.

However, in a case where no STT is paid, the long-term capital gains shall be taxable at the rate of 20 per cent (plus Additional Cess), subject to any lower rate provided for by an applicable Tax Treaty.

The short term capital gains arising out of the sale or transfer of Shares, in a case where the sale of Shares is made through a recognised stock exchange in India and any applicable STT in respect thereof is paid, shall be taxable at the rate of 15 per cent. plus Additional Cess. However, in a case where no STT is paid, the short-term capital gains shall be taxable at the rates ranging from 0 per cent. to 40 per cent. (plus Additional Cess) of capital gains depending on the legal status of the non-resident investor and its taxable income in India, subject to any lower rate provided for by an applicable Tax Treaty.

For the purpose of computing capital gains on the sale of Shares, the sale consideration received or accruing on such sale shall be reduced by the cost of acquisition of such Shares and any expenditure incurred wholly and exclusively in connection with such sale. Depending upon the facts, the cost of acquisition of the Shares will have to be determined as per the provisions of the Income Tax Act and/or the FCCB Scheme.

Any income arising to a non-resident investor from sale of the Shares held as stock-in-trade, such income may be subject to income tax in India, as business income, to the extent, if any, that the gains are attributable to a “business connection in India” or, in case where a Tax Treaty is applicable, to a “permanent establishment” of the non-resident investor in India. A non-resident investor may be liable to pay income tax in India on such gains at rates of tax upto 40 per cent. (plus the Additional Cess) depending upon the legal status of the non-resident investor and its taxable income in India, subject to any lower rate applicable under a Tax Treaty.

Taxation of capital gains in India is, however, subject to any applicable Tax Treaty. Please refer to “—*Tax Treaties*” for information relating to submission of a tax residency certificate and prescribed information by a non-resident taxpayer and invocation of GAAR provisions by the tax authorities.

The above-mentioned capital gains tax would have to be withheld at source by the payer of the consideration or the transferee.

### **Taxation on Redemption of New Bonds**

Consideration received on redemption of New Bonds by a non-resident investor would be taxed as “capital gains” to the extent any amount is not regarded as “interest”.

In case of any gains arising on account of redemption of New Bonds, if New Bonds are held by the non-resident investor for a period of more than 36 months from their acquisition, the gains arising on the redemption thereof will be treated as long-term capital gains. In case New Bonds are held by the non-resident investor for a period of less than 36 months from their acquisition, the gains arising on the redemption thereof will be treated as short-term capital gains.

Under Section 115AC of the Income Tax Act, a long-term capital gains arising from the redemption of the New Bonds would be taxable at the rate of 10 per cent. plus the applicable Additional Cess (without giving effect to mechanism for computation of capital gains set out in the first and second proviso to Section 48 of the Income Tax Act). Any short-term capital gains arising from the redemption of the New Bonds would be taxable in the

hands of the non-resident investor at rates ranging from 0 per cent. to 40 per cent. (plus applicable Additional Cess) of capital gains depending on the legal status of the non-resident investor and his taxable income in India.

Any income arising to a non-resident investor from redemption of the New Bonds held as stock-in-trade would be subject to income tax in India, as business income, to the extent, if any, that the gains are attributable to a “business connection in India” or, in case where a Tax Treaty is applicable, to a “permanent establishment” of the non-resident investor in India. A non-resident investor may be liable to pay income tax in India on such gains at rates of tax upto 40 per cent. (plus the Additional Cess) depending upon the legal status of the non-resident investor and its taxable income in India, subject to any lower rate applicable under a Tax Treaty.

Taxation of gains in India is, however, subject to any applicable Tax Treaty. Please refer to “—*Tax Treaties*” for information relating to submission of a tax residency certificate and prescribed information by a non-resident taxpayer and invocation of GAAR provisions by the tax authorities.

The above-mentioned capital gains tax would have to be withheld at source by the payer of the consideration or the transferee.

## **Other Indian Tax Considerations**

### **Securities Transaction Tax (STT)**

All transactions entered on a recognised stock exchange in India will be subject to a STT. In cases where the transfer of equity shares is settled by way of actual delivery, STT will be levied at the rate of 0.1 per cent. on both the buyer and seller of the equity shares. No deduction is allowed in computing “capital gains” in respect of any payments for STT. STT has come into effect from 1 October 2004. The stock exchange/stockbroker is responsible for collecting the STT and paying it to the relevant authorities.

### **Tax Treaties**

The Agreement for Avoidance of Double Taxation (“**Tax Treaty**”), if any, entered into between the Government of India with the country of residence of the relevant non-resident investor, will be applicable to the extent it is more beneficial to the non-resident investor. The non-resident investor claiming under the beneficial provisions of the Tax Treaty would be required to demonstrate its tax residency on the basis of appropriate documentation. Further, it will be necessary for such non-resident investor to submit a tax residency certificate along with other prescribed information in order to claim the benefits of the Tax Treaty. Further, it is pertinent to note that from financial year 2017-18, GAAR provisions which give powers to tax authorities to override Tax Treaties to prevent treaty abuse and bring certain cross border transactions under the taxation regime will also come into force.

### **Furnishing of relevant information for withholding tax purposes**

The provisions of Section 206AA of the Income Tax Act (“**Section 206AA**”) provides that any person (including a non-resident) who is entitled to receive any amount on which tax is liable to withholding, shall furnish its Permanent Account Number to the payer, failing which a higher withholding tax rate of the following shall be applicable:

- (i) The rate specified in the relevant provisions of the Income Tax Act;
- (ii) The rate or rates in force; or
- (iii) The rate of 20 per cent.

It has been further provided that the provisions of Section 206AA shall not be applicable in case of a non-resident taxpayer, in respect of interest income, royalty, fees for technical services, and payments for transfer of capital asset, subject to furnishing of the following information:

- (a) Name, email-ID, contact number;
- (b) Address in the country of residence;
- (c) Tax residency certificate, if the law of country of residence provides for such certificate; and

- (d) Tax Identification Number (“TIN”) in the country of residence. Where TIN is not available, a unique identification number is required to be furnished through which the deductee is identified in the country of residence.

Therefore, in case the non-resident investor intends to claim benefit of lower withholding tax rate, such non-resident investor would be required to comply with the above-mentioned provisions/prescribed conditions under Section 206AA. In case of non-compliance of the above provisions, a higher withholding tax rate of 20 per cent. may apply. The position whether provisions of Section 206AA override the provisions of the Tax Treaty is not free from doubt and the Indian Income Tax Authorities have, in certain cases, have applied the provisions of Section 206AA, in spite of beneficial provisions of an applicable Tax Treaty.

### **Stamp Duty**

Under the laws of India, the transfer of ordinary shares in physical form would be subject to Indian stamp duty at the rate of 0.25 per cent of the market value of the ordinary shares on the trade date, and such stamp duty is customarily borne by the transferee, that is, the purchaser. In order to register a transfer of Shares in physical form, it is necessary to present a stamped deed of transfer. However, since the Company’s Shares are compulsorily deliverable in dematerialised form there would be no stamp duty payable in India on the transfer of these Shares in dematerialised form. There is no stamp duty liability on the sale or transfer of the New Bonds outside India.

### **Other Taxes**

At present, there are no wealth or inheritance taxes which may apply to the New Bonds or the Shares.

## THE SECURITIES MARKET OF INDIA

*The information in this section has been extracted from publicly available documents from various sources, including officially prepared materials from the SEBI, the BSE and the NSE, and has not been prepared or independently verified by the Company or its affiliates or advisors.*

### **The Indian Securities Market**

India has a long history of organised securities trading. In 1875, the first stock exchange was established in Mumbai. The Indian Stock Exchanges together hold a dominant position among the stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

With effect from 1 April 2003, the stock exchanges in India operate on a trading day plus two, or “T+2”, rolling settlement system. At the end of the T+2 period, obligations are settled with buyers of securities paying for and receiving securities, while sellers transfer and receive payment for securities. For example, trades executed on a Monday would typically be settled on a Wednesday. In order to contain the risk arising out of the transactions entered into by the members of various stock exchanges either on their own account or on behalf of their clients, the stock exchanges have designed risk management procedures, which include compulsory prescribed margins on the individual broker members, based on their outstanding exposure in the market, as well as stock-specific margins from the members.

### **Stock Exchanges Regulation**

Indian stock exchanges are regulated primarily by the SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the SCR (SECC) Rules, which regulate, *inter alia*, the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Rules along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

### **Listing and Delisting of Securities**

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, the SCRA, the SCRR, the SEBI Act, the SEBI Listing Regulations and various guidelines and regulations issued by SEBI and the stock exchanges. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company’s obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter.

SEBI has notified the SEBI Delisting Regulations which were significantly modified in 2015, in relation to the voluntary and compulsory delisting of equity shares from the stock exchanges. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

A company may be delisted through a voluntary delisting sought by the promoters of such company or a compulsory delisting by the stock exchange on grounds provided in the SCRR. A company is not permitted to delist while it has outstanding convertible securities which are convertible into the same class of equity shares that are proposed to be delisted. Further, a company is not permitted to delist its convertible securities. The

promoter or promoter group of a company are not permitted to propose delisting of equity shares of a listed company, if any entity belonging to the promoter or promoter group has sold equity shares of the company during a period of six months prior to the date of the board meeting in which the delisting proposal is approved.

A company may voluntarily delist from stock exchanges where its equity shares are listed, subject to certain conditions, including that (i) the securities of the company have been listed for a minimum period of three years on any recognised stock exchange, (ii) the delisting has been approved by (a) the board of directors of the company; and (b) by a special resolution of the shareholders of the company passed through postal ballot after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution, provided that such special resolution is not permitted to be acted on unless the votes cast by public shareholders in favour of the proposal amount to at least two times the number of votes cast by public shareholders against it; (iii) the shareholders of the company excluding the promoter(s) and holders of depository receipts issued overseas are provided an exit opportunity (except where, after the delisting, the shares of the company will continue to be listed on at least one recognised stock exchange in India which has nationwide trading terminals) in accordance with the SEBI Delisting Regulations; (iv) the company makes an application to the concerned recognised stock exchange for in-principle approval of the proposed delisting in the form specified by such recognised stock exchange and (v) within one year of passing the special resolution, the company makes the final application to the concerned recognised stock exchange in the form specified by such recognised stock exchange for the delisting of its shares. Although the SEBI Delisting Regulations do not require that an exit opportunity be provided to holders of depository receipts, such holders are permitted to participate in the delisting offers like other public shareholders after they receive the underlying equity shares upon exchanging such depository receipts with shares of the class that are proposed to be delisted. A voluntary delisting offer would be successful if, after the offer, the shareholding of the promoter (along with persons acting in concert with the promoter) taken together with the shares accepted through eligible bids at the final price determined as per the book building process reaches: (a) 90 per cent. of the total issued shares of that class, excluding the shares which are held by a custodian and against which depository receipts have been issued overseas; and (b) at least 25 per cent of the public shareholders holding shares in the demat mode as at date of the board meeting approving the proposal of delisting had participated in the book building process (this requirement under (b) is not applicable in cases where the acquirer and the merchant banker demonstrate to the stock exchanges that the letter of offer has been delivered to all public shareholders along with prescribed proof of delivery).

The exit opportunity, where required to be provided, is to be provided at an exit price to be determined in accordance with the book-build method prescribed under the SEBI Delisting Regulations after fixing a floor price to be determined in accordance with the methodology provided under the Takeover Regulations. The procedure for compulsory delisting requires appointment of an independent valuer by the stock exchange to determine the fair value of the equity shares proposed to be delisted.

A company is not permitted to list the equity shares that have been voluntarily delisted for a period of five years from the delisting. In respect of equity shares that have been compulsorily delisted, a company is not permitted to list the equity shares for a period of 10 years from the delisting.

SEBI has pursuant to an amendment to the Takeover Regulations dated 24 March 2015 provided that an acquirer launching a public announcement pursuant to the provisions of the Takeover Code for acquiring shares of the target company may delist the shares of the target company in accordance with the provisions of the SEBI Delisting Regulations if the conditions under the SEBI Delisting Regulations are met, provided that the acquirer has declared upfront its intention to so delist at the time of making the detailed public statement.

### **Disclosures under the SEBI Listing Regulations**

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

### **Minimum Level of Public Shareholding**

All listed companies are required to ensure a minimum public shareholding at 25 per cent. Further, where the public shareholding in a listed company falls below 25 per cent. at any time, such company is required to bring the public shareholding to 25 per cent. within a maximum period of 12 months from the date of such fall. Consequently, a listed company may be delisted from the stock exchanges for not complying with the above-mentioned requirement.

In terms of the SCRR public shareholding means equity shares of the company held by public (being persons other than the promoter, the promoter group, subsidiaries and associates of the company) including shares underlying the depository receipts if the holder of such depository receipts has the right to issue voting instruction and such depository receipts are listed on an international exchange in accordance with the Depository Receipts Scheme, 2014. However, the equity shares of the company held by the trust set up for implementing employee benefit schemes under the regulations framed by the SEBI will be excluded from public shareholding.

### **Index-Based Market-Wide Circuit Breaker System**

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10 per cent., 15 per cent. and 20 per cent. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the S&P CNX NIFTY of the NSE, whichever is breached earlier. If any of these circuit breaker thresholds are reached, trading in all equity and equity derivatives markets nationwide is halted. The markets are required to re-open, after a circuit breaker threshold is hit, with a pre-open call auction session. The timing of the halt and the pre-open call auction session varies depending on the time of day and the circuit breaker breached.

Price bands are circuit filters of 2 per cent., 5 per cent., 10 per cent. and 20 per cent. movements either up or down, and are applied to most securities traded in the markets, excluding securities included in the BSE Sensex and the NSE NIFTY and derivatives products. In addition to the market-wide index-based circuit breakers, there are currently in place varying individual scrip specific bands (except for scrips on which derivative products are available or scrips included in indices that represent the underlying derivative products) of 20 per cent. either way for all other scrips. Stock exchanges have also instituted monthly, quarterly and annual price bands for securities.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

### **BSE**

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. It has evolved over the years into its present status as one of the premier stock exchanges of India.

### **NSE**

The NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. It has evolved over the years into its present status as one of the premier stock exchanges of India. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000. NSE launched the NSE 50 Index, now known as S&P CNX NIFTY, on 22 April 1996 and the Mid-cap Index on 1 January 1996.

### **Internet-based Securities Trading and Services**

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. The

NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the “equities” as well as the “derivatives” segments of the NSE.

### **Trading Hours**

Trading on both the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that: (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

**The trading window for block deal on the BSE and NSE is available for a duration of 35 minutes from 9:15 a.m. to 9:50 a.m.**

### **Trading Procedure**

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading facility in 1995. This totally automated screen-based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work.

NSE has introduced a fully automated trading system called NEAT, which operates on strict time and price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

### **Takeover Regulations**

Disclosure and mandatory bid obligations for listed Indian companies are governed by the Takeover Regulations which provide specific regulations in relation to substantial acquisition of shares and takeover. The Takeover Regulations prescribe certain thresholds or trigger points in the shareholding that a person or entity has in the listed Indian company, which give rise to certain obligations on the part of an acquirer. Acquisitions up to a certain threshold prescribed under the Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing a particular threshold may result in the acquirer having to make an “open offer” of the shares of the target company. The Takeover Regulations also provide for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition.

### **Insider Trading Regulations**

The Insider Trading Regulations prohibit and penalise insider trading in India. An insider is, among other things, prohibited from dealing in the securities of a listed company when in possession of UPSI. The Insider Trading Regulations, *inter alia*, impose certain restrictions on the communication of information by listed companies. Under the Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the Insider Trading Regulations. The Insider Trading Regulations make it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders. There are also initial and continuing shareholding disclosure obligations under the Insider Trading Regulations. The Insider Trading Regulations also provides for disclosure obligations for promoters, employees and directors, with respect to their shareholding in the company, and the changes therein.

### **Depositories**

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation to the registration of such depositories, the registration of participants as well as the rights and obligations of the depositories,

participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

### **Derivatives (Futures and Options)**

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term “securities”, as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

## FOREIGN INVESTMENT AND EXCHANGE CONTROLS

### General

Foreign investment in securities issued by Indian companies is regulated by the FEMA read with the rules, regulations and notifications issued under the FEMA and otherwise by the Government of India. A person resident outside India is permitted to subscribe to, acquire or transfer any security of an Indian company (or any other security to an Indian resident) only in accordance with the FEMA and the rules and regulations made thereunder, or as permitted by the RBI. An Indian company is permitted to issue securities to a person resident outside India or record in its books any transfer of securities from or to such person only in the manner specified in the FEMA and the rules and regulations made thereunder, or as permitted by the RBI.

The issuance of convertible bonds is primarily regulated by (i) the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended and the clarifications issued by the Government of India thereunder, (ii) the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018, as amended and (iii) the External Commercial Borrowings Policy — New ECB Framework issued by the RBI on 16 January 2019, the Master Direction — External Commercial Borrowings, Trade Credits and Structured Obligations issued by the RBI on 26 March 2019 and the Master Direction on Reporting under Foreign Exchange Management Act, 1999, dated 1 January 2016, each as amended.

The issue and transfer of the Option A Shares and the Shares upon conversion of the New Bonds is primarily regulated by the FEMA Investment Regulations read with the FDI Policy, the Companies Act and the SEBI Listing Regulations.

### Pricing of the Foreign Currency Convertible Bonds

The Ministry of Finance has prescribed pricing norms for the issuance of the FCCBs (such as the Existing Bonds and the New Bonds) by Indian companies by way of an amendment to the FCCB Scheme in a circular dated 27 November 2008 (which circular was incorporated in the FCCB Scheme). According to this circular, the conversion price of FCCBs is required to be not less than the average of the weekly high and low of the closing prices of the related shares quoted on the relevant stock exchange during the two weeks preceding the relevant date. **Relevant date** means the date of the meeting in which the board of directors of an issuer, or a duly empowered committee thereof, decides to open the issue.

Under the ECB Guidelines, the all-in-cost (which includes rate of interest, other fees and expenses in foreign currency or Rupees but does not include commitment fees, payments for withholding tax in Rupees), for both FCY ECB and INR ECB is set at the benchmark rate plus 450 basis points spread. As per the ECB Guidelines, various components of all-in-cost have to be paid by the ECB borrower without taking recourse to the drawdown of ECB, i.e., ECB proceeds cannot be used for payment of interest or charges. Prepayment charge or penal interest, if any, for default or breach of covenants, should not be more than 2 per cent over and above the contracted rate of interest on the outstanding principal amount and will be outside the all-in-cost ceiling.

### Other Relevant Norms

All listed entities eligible to receive foreign direct investment in terms of the FEMA Investment Regulations are eligible to issue FCCBs. Further, FCCBs can be issued and sold only (A) to (i) a person who is a resident of a FATF compliant jurisdiction or an IOSCO compliant jurisdiction or (ii) multilateral and regional financial institutions where India is a member country; or (iii) foreign branches or subsidiaries of Indian banks; and (B) persons who are not otherwise prohibited under any applicable law or regulation from acquiring, owning or selling the FCCBs. FATF compliant jurisdiction refers to a country that is a member of FATF or a member of an FATF-style regional body; and should not be a country identified in the public statement of the FATF as (a) a jurisdiction having a strategic anti-money laundering or combating the financing of terrorism deficiencies to which counter measures apply; or (b) a jurisdiction that has not made sufficient progress in addressing the deficiencies or has not committed to an action plan developed with the FATF to address the deficiencies. IOSCO compliant jurisdiction refers to a country whose securities market regulator is a signatory to the International Organisation of Securities Commission's Multilateral Memorandum of Understanding (Appendix A Signatories) or a signatory to bilateral Memorandum of Understanding with the Securities and Exchange Board of India for information sharing arrangements. The minimum average maturity period for FCCBs is three years.

## **Refinance of ECBs and FCCBs**

The ECB Guidelines permit refinancing of existing ECB by fresh ECB provided that the outstanding maturity of the original borrowing is not reduced and all-in-cost of fresh ECB is lower than the all-in-cost of existing ECB. In case the all-in-cost of the new ECB is higher than the all-in-cost of the existing ECB, the refinancing of the existing ECB by raising a fresh ECB requires the prior approval of the RBI.

Restructurings of the FCCBs which involve changing the existing conversion price are not permissible. Proposals for restructuring FCCBs without changing the conversion price must be approved by the Government of India who will consider the merits of each proposal. Nevertheless, in practice, the RBI has granted approvals for restructuring of FCCBs involving a change in the existing conversion price.

## **Foreign Direct Investment**

Foreign investment in Indian securities is regulated through the industrial policy, 1991 of the Government of India and FEMA. While the industrial policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The union cabinet, as provided in the cabinet press release dated 24 May 2017, has given its approval for phasing out the FIPB. Accordingly, the process for the FDI and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as 'Department of industrial policy and Promotion'), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated 5 June 2017 has notified the specific ministries handling relevant sectors.

FDI in India can be either through the automatic route, where no prior approval of any regulatory authority is required, or through the government approval route. Over a period of time, the Government of India has relaxed the restrictions on foreign investment. Subject to certain conditions, under current regulations, FDI in most industry sectors does not require prior approval of the Government of India, if the percentage of equity holding by non-residents does not exceed certain industry-specific thresholds.

## **Investment by Foreign Portfolio Investors**

In terms of the FPI Regulations, the issue of Shares to a single FPI including its investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10 per cent. of our total paid-up share capital on a fully diluted basis. Further, in terms of the FEMA Rules, the total holding by each FPI shall be below 10 per cent. of the total paid-up share capital of the Company and the total holdings of all FPIs put together shall not exceed 24 per cent. of the paid-up share capital of the Company.

In case the total holding of an FPI increases beyond 10 per cent. of the total paid-up share capital, on a fully diluted basis or 10 per cent. or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by the Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by the SEBI and the RBI in this regard and the Company and the Bondholders will be required to comply with applicable reporting requirements.

The aggregate limit of 24 per cent. may be increased up to the sectoral cap by way of a resolution passed by the Board followed by a special resolution passed by the shareholders of the Company and subject to prior intimation to RBI. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions:

- (a) each offshore derivative instrument are transferred to persons subject to fulfilment of FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Under the FPI Regulations, FPIs can invest in debentures issued by an Indian company listed or to be listed on a recognised stock exchange, subject to guidelines issued by the Ministry of Corporate Affairs, Government of India. Further, the RBI, through its circular dated 17 November 2016 has permitted FPIs to invest in unlisted corporate debt securities in the form of non-convertible debentures/bonds issued by public or private companies subject to the debentures/bonds having a minimum residual maturity of three years and the proceeds from such bonds not being used for investments in real estate business, capital markets and purchase of land. Moreover, the FPIs are permitted to carry out the transaction in securities of an Indian company only through registered stockbrokers.

### **Investment by Non-Resident Indians**

Non-Resident Indians are permitted to purchase or sell shares of an Indian company through a registered broker on a recognised stock exchange subject to the conditions prescribed under the portfolio investment scheme, subject to the limits set out below:

- a) The paid-up value of shares of an Indian company purchased by each NRI, under the portfolio investment scheme, is not permitted to exceed five per cent of the paid-up value of the shares issued by an Indian company; and
- b) The aggregate paid up value of shares of any Indian company purchased by all NRIs on a repatriation basis is not permitted to exceed 10 per cent. of the paid-up share capital of the Indian company. However, an Indian company is permitted to increase the 10 per cent. ceiling up to 24 per cent. of its paid-up capital, by passing a resolution of the company's board of directors and a special resolution of the members of the company to this effect, and subject to the prior intimation to the RBI.

An NRI may also acquire and hold, on non-repatriation basis, equity shares, convertible preference shares, convertible debenture, warrants or units under Schedule 4 of FEMA Investment Regulations and such investment shall be deemed to be domestic investment at par with the investment made by the residents. An NRI may acquire, on a non-repatriation basis, without any limits, any security issued by an Indian company either on the stock exchange or outside of it. However, an NRI is not permitted to make any investments under Schedule 4 of FEMA Investment Regulations in equity shares, convertible preference shares, convertible debenture, warrants or units of a *Nidhi* company or a company engaged in agricultural/plantation activities or real estate business or construction of farm houses or dealing in transfer of development rights.

The amount of consideration for shares of an Indian company purchased on a non-repatriation basis by an NRI is required to be paid by way of inward remittance through normal banking channels from abroad or out of funds held in a Non-Resident (External) Rupee Account/Foreign Currency Non Resident (Bank) Account/Non-Resident (Ordinary) Rupee Account maintained by the NRI with an authorised dealer or an authorised bank in India. In addition to portfolio investments in Indian companies, NRIs may also make investments in Indian companies pursuant to the FDI route discussed above.

### **Investment by Overseas Corporate Bodies**

An overseas corporate body is defined as a company, partnership firm, society or other corporate body owned directly or indirectly to the extent of at least 60 per cent. by NRIs, and includes overseas trusts in which not less than a 60 per cent beneficial interest is held by NRIs directly or indirectly. OCBs have been derecognised as a class of investors in India by the RBI with effect from 16 September 2003, pursuant to the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003, as amended. Erstwhile OCBs which are incorporated outside India and are not under the adverse notice of RBI are permitted to make fresh investments under FDI Policy as incorporated non-resident entities, with the prior approval of the Government of India if the investment is through the government route, and with the prior approval of RBI if such investment is through automatic route.

### **Transfer of Shares of an Indian Company**

General permission is available to persons resident outside India holding equity shares of an Indian company to transfer by way of sale under private arrangement such equity shares to an Indian resident without prior RBI approval, subject to compliance with pricing guidelines and reporting requirements.

Any person resident outside India seeking to sell the Option A Shares or the Shares issued to them pursuant to conversion of the New Bonds or otherwise transfer such Shares should seek advice of their Indian legal advisers regarding the applicable requirements.

## LEGAL PROCEEDINGS

*Except as described below, the Company and its subsidiaries are not involved in any material legal proceedings and disputes, and no proceedings are threatened, which may have, or have had, a material adverse effect on the business, financial condition or operations of the Company and its subsidiaries. The Company believes that the number of proceedings and disputes in which the Company and its subsidiaries is involved in is not unusual for a company of its size in the context of doing business in India and in international markets. Civil cases involving an amount of ₹200 million or more have been disclosed below. Additionally, all material cases pertaining to the Company and its subsidiaries including the insolvency and bankruptcy related proceedings (including notices received), have also been disclosed below.*

S. No.	Claimant/ Petitioner	Respondent/ Defendant	Case no.	Forum	Brief description	Claim amount (₹ million)	Current status
1.	Kandhari Beverages (“Kandhari”)	The Company	Appeal No: Arb. Case No. 529 of 2017 (Case No. 1); CM 312-CII-2019 in Arb 71/2011 (Case No. 2); CM 311 CII 2019 in Arb 65/2013 (Case No. 3); CM 344 CII 2019 in Arb 85/2015 (Case No. 4); CM 309 CII 2019 in Arb 174/2017 (Case No. 5) and CM 10056 CII 2019 in arb 370/2018 (Case No. 6)	District Court, Chandigarh and Punjab and Haryana High Court	<p>The claims in the present case is in relation to generation guarantee provided under the purchase order. The generation guarantee was for a period of two years. The claimant however, sought this to be applicable for the life of the project and accordingly made claims for several periods of time and initiated an arbitration for its claims.</p> <p>In relation to its claim for the period 2006 to 2008, in which an award has been passed in favour of claimant in May 2017, the Company has filed an appeal challenging the award. (In pursuance of the award, the Company has deposited an amount of INR 33.10 million in the court hearing the appeal, which amount has been withdrawn by Kandhari). Regarding the other four pending claims in arbitrations for the periods 2008 to 2010, 2010 to 2012, 2012 to 2014 and 2014 to 2016, the arbitrator resigned in December 2018. While in one matter, the arbitrator has been appointed, three applications for substitution of arbitrator are pending before the High Court. As regards the claim for the period 2016 to 2018, Kandhari has filed application for</p>	2,460.30	The appeal has finally been heard on 5 November 2019 and is listed on 23 March 2020 for passing orders. Next dates for hearing in appointment and substitution matters is 24 April 2020.

appointment of arbitrator.

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|----|---|---|--|--|--------|---|
| 2. | The Company<br>National Mineral Development Corporation Limited<br>(“NMDC”) | COP No. 43 of 2019  | Additional Chief Commercial Court, Hyderabad | The transmission lines from the wind turbine generator to the sub-station were shut down due to certain disputes between the Company and the forest department concerning the approvals. NMDC’s project was shut down for a period of 38 months and hence they initiated an arbitration claim claiming compensation for the loss of revenue / generation loss for the said period. The arbitrator had passed an award in which it has allowed the claim of NMDC to the extent of INR 248 million (inclusive of interest till 31 January 2019) and 12 per cent interest from 1 February 2019 till the date of realization. The Arbitrator also allowed the counter claim of the Company to the extent of INR 46.10 million. the Company has filed an appeal challenging the portion of award against the Company. | 248.00 | The next date of hearing in the appeal is 30 March 2020   |
| 3. | Indowind Energy Limited<br>(“Indowind”)                                     | The Company<br>O.P. No. 24 of 2020                              | Madras High Court                            | Indowind had initiated Arbitration proceedings towards loss of guaranteed generation for its 12 wind turbine generators for the years 2010 to 2011 to 2014 to 2015 and had claimed an amount of INR 237.10 million. Arbitration Award (“Award”) dated July 2017 was passed in favour of Indowind for an amount of INR 207.10 million. The said Award was challenged by the Company in the Madras High Court by filing an appeal before the single bench which appeal has been allowed by <i>vide</i> judgment dated 26 November 2019 and the Award is set aside. Indowind has filed an appeal against this Judgment dated 26 November 2019 before the Division Bench of Madras High Court, which is pending hearing.   | 207.10 | The matter was last listed on 18 February 2020 and has been adjourned to be listed after six weeks. Next tentative date of hearing would be 30 March 2020 |
| 4. | The Company and others  | Union of India and others<br>Civil Petition (Stamp) No. 8498 of | Bombay High Court, Bombay                    | Challenging the levy of Non-Agricultural Assessment Tax and imposition of 40 times penalty thereon from 2008/2009-2009/2010 to 2017-2018 for lands in Patan,   | 200.15 | The next date of hearing is 14 August   |



	Private Limited	Limited	d	AHM/2020		claimed and payable amounts.	April 2020 for the next hearing.
3.	Beico Industries Private Limited	Suzlon Generator s Limited	NCLT, Mumbai	CP(IB) No. 3869(MB)/2019	3.80	The supplier of aramid paper has raised this demand along with interest.	NCLT has issued notice to SGL on 7 January 2020. SGL had entered appearance on 12 February 2020 and sought time to file reply. Next date of hearing is 24 March 2020
4.	Garrad Hassan India Private Limited	The Company	NCLT, Ahmedabad	CP(IB) No. 48/NCLT/AHM/2020	31.10	Equipment supplier and service provider has claimed this amount which is excluding interest.	NCLT issued notice to the Company on 4 February 2020; The Company appeared on 25 February 2020 and sought time to file reply. Next date of hearing is 24 March 2020
5.	Sahney Kirkwood Private Limited	The Company	NCLT, Ahmedabad	CP (IB) No. 114/NCLT/AHM/2020	1.30	The supplier of goods (End Shield Insulated Bush) has raised this demand which is excluding interest.	NCLT issued notice to the Company on 6 February 2020 and posted the matter to 6 March 2020. Since 6 March 2020 was declared holiday by NCLT, the matter has been adjourned to 31 March 2020 by administrative order.

6.	Isovolta (India) Private Limited	The Company	NCLT, Ahmedaba d	CP (IB) No. 86/NCLT/ AHM/2020	1.40	A supplier of goods (porovlies 3369) has raised this demand which is excluding interest.	NCLT had issued notice to the Company on 23 January 2020 and the Company entered appearance on 20 February 2020. On last date i.e. 18 March 2020, the matter was adjourned to 20 April 2020 by an administrative order.
7.	Bonfiglioli Transmission Private Limited	The Company	NCLT, Ahmedaba d	CP (IB) No. _____/NCL T/AHM/20 20	387.00	Supplier for motors and other products has raised this demand including interest.	The vendor has issued advance notice of the NCLT filing with the Company. The application is filed in NCLT and yet to be listed for hearing.
8.	Roechling Engineering Plastics (India) Private Limited	The Company	NCLT, Ahmedaba d	CP (IB) No. _____/NCL T/AHM/20 20	2.50	The equipment supplier has claimed this amount including interest.	The vendor has issued advance notice of the NCLT filing with the Company. The application is filed in NCLT and yet to be listed for hearing.
9.	Sarens Heavy Lift India Private Limited	Suzlon Gujarat Wind Park Limited	NCLT, Ahmedaba d	CP (IB) No. _____/NCL T/AHM/20	11.40	Supplier of crane hire and related services has raised this demand excluding interest.	The vendor has issued advance notice of the NCLT filing with the Company. The Application is filed in NCLT and yet to be listed

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for hearing.

10.	Allcargo Logistics Limited	Suzlon Gujarat Wind Park Limited	NCLT, Ahmedabad	CP (IB) No. ____/NCLT/AHM/2020	28.30	A supplier of cranes and logistics service provider has claimed this amount including interest.	Vendor has issued advance notice of the NCLT filing with the Company. The application is filed in NCLT and yet to be listed for hearing.
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**NOTICES RECEIVED UNDER THE BANKRUPTCY CODE**

S. No.	Notice By	Notice Against	Date of Receipt of Notice	Date of Reply	Amount Claimed (₹ Million)	Description	Current Status
1.	Akzo Nobel India Limited	The Company	22 April 2019	26 April 2019	50.20	The equipment supplier has claimed this amount including interest. Out of this amount, INR 37.90 million is payable. INR 27.10 million has been paid and balance is to be paid in two instalments.	A reply sent disputing the claim. No further action has been taken by the vendor.
2.	Raghuvir Singh and Sons	Suzlon Gujarat Wind Park Limited	16 August 2019	26 August 2019	4.40	The crane service provider has raised this demand including interest.	A reply has been sent disputing the claim on account of interest.

3.	Yorks Equipments	Suzlon Gujarat Wind Park Limited	3 December 2019	10 December 2019	5.10	The supplier of cranes, hydraulic cranes and hydraulic crawler cranes has claimed this amount including interest towards work order no. 4500590658 dated 12 February 2018.	The Company has disputed the debt on account of interest claimed. No further action has been taken by the vendor.
4.	Yorks Equipments	Suzlon Gujarat Wind Park Limited	3 December 2019	10 December 2019	2.50	The supplier of cranes, hydraulic cranes and hydraulic crawler cranes has claimed this amount including interest towards work order no. 4500645193 dated 18 December 2018.	The Company has disputed the debt on account of interest claimed. No further action has been taken by the vendor.
5.	Yorks Equipments	Suzlon Gujarat Wind Park Limited	3 December 2019	10 December 2019	1.20	The supplier of cranes, hydraulic cranes and hydraulic crawler cranes has claimed this amount including interest towards work order no. 4500595086 dated 10 March 2018.	The Company has disputed the debt on account of interest claimed. No further action has been taken by the vendor.
6.	Yorks Equipments	Suzlon Gujarat Wind Park Limited	7 December 2019	18 December 2019	9.00	The supplier of cranes, hydraulic cranes and hydraulic crawler cranes has claimed this amount including interest towards work order no(s) 4500515986 dated 22 December 2016, 4500543737 dated 17 May 2017, 45005605401 dated 10 August 2017 and	The Company has disputed the debt on account of interest claimed. No further action has been taken by the vendor.

450531523 dated 19 March 2017.

7.	Ideal Movers Private Limited	Suzlon Gujarat Wind Park Limited	23 December 2019	2 January 2020	8.30	The supplier of cranes, construction machinery and equipment has claimed this amount including interest.	The Company has disputed the claim on account of difference between the payables and the amount claimed in principal. The vendor has issued revised notice on 5 March 2020, which the Company is in the process of replying.
8.	Busch Vacuum	The Company	28 January 2020	6 February 2020	4.70	The supplier of vacuum pumps and other products has raised this demand excluding interest.	The Company has disputed the debt. No further action has been taken by the vendor.
9.	Shethia Erectors and Material Handlers Limited	Suzlon Gujarat Wind Park Limited	28 January 2020	6 February 2020	19.50	The crane operator has claimed this amount towards crane operating charges including interest.	The Company has raised the dispute on the basis of interest claimed as well as due to difference in claimed and outstanding principal amounts. No further action has been taken by the vendor.
10.	Rameshwar Transport Co. Private Limited	Suzlon Gujarat Wind Park Limited	29 January 2020	6 February 2020	2.90	The transport service provider raised this demand excluding interest.	The Company has raised the dispute on the basis of interest claimed, as well as due to difference in claimed and outstanding principal amounts. No further action has been taken by the vendor.

11.	AJ Roadlines	The Company	31 January 2020	10 February 2020	3.60	The supplier of truck hire and related services has raised this demand including interest.	Since the notice is raised on the Company, the Company has disputed the debt as the Company is liable to pay only INR 0.6 million compared to INR 3.6 million claimed. No further action has been taken by the vendor.
12.	Sayali Engineering Private Limited	Suzlon Gujarat Wind Park Limited	3 February 2020	12 February 2020	5.10	The supplier of products and services like aluminium, steel and mild steel fabrication has claimed this amount excluding interest	The Company has raised the dispute on the basis of difference in claimed and outstanding amounts. No further action has been taken by the vendor.
13.	Ideal Movers Private Limited	Suzlon Gujarat Wind Park Limited	5 March 2020	12 March 2020	8.50	The supplier of cranes, construction machinery and equipment has issued this notice for the second time including interest, this time increasing the claim amount.	The Company has raised the dispute on the basis of interest claimed, as well as due to difference in claimed and outstanding principal amounts. No further action has been taken by the vendor.

## GENERAL INFORMATION

- (1) The Company is incorporated in the Republic of India under the Corporate Identity Number L40100GJ1995PLC025447. The registered office of the Company is at 5 Shrimali Society Near Shri Krishna Complex Navrangpura Ahmedabad 380 009 India.
- (2) The Proposal and the issuance of the New Bonds was authorised in-principle by a resolution of the Securities Issue Committee of the Board of Directors passed on 13 March 2020. The Company has issued a notice dated 27 February 2020 to its shareholders to seek, among other things, their consent for issuance of Shares (including any Shares to be issued pursuant to the Proposal) and the results of such voting will be declared within 48 hours of conclusion of the extra ordinary general meeting. The Company will, if required, convene another meeting of a duly empowered committee of its Board of Directors in connection with the allotment of the New Bonds.
- (3) An application will be made, as soon as practicable, for the listing and quotation of the New Bonds on the SGX-ST. So long as the New Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, the Company will be required to appoint and maintain a paying agent in Singapore, where the New Bonds may be presented or surrendered for payment or redemption in the event that the Global Certificate is exchanged for Certificates in definitive form. In addition, in the event that the Global Certificate is exchanged for Certificates in definitive form, an announcement of such exchange shall be made through the SGX-ST and such announcement will include all material information with respect to the delivery of the Certificates in definitive form, including details of the paying agent in Singapore.
- (4) The Company will apply, as soon as practicable, for the in-principle approval of the BSE and the NSE for the listing of the Option A Shares and the Shares to be issued upon conversion of the New Bonds.
- (5) The Company will apply for the ISIN and Common Code in respect of the New Bonds for them to be accepted for clearance through Euroclear and Clearstream, Luxembourg.
- (6) Each of the Interim Unaudited Financial Statements, the Audited Financial Statements, along with the relevant review and audit reports related thereto, are incorporated by reference in this Consent Solicitation and Information Memorandum. See “*Documents Incorporated by Reference*” in this Consent Solicitation and Information Memorandum.
- (7) Other than as disclosed in this Consent Solicitation and Information Memorandum, the Company and its Subsidiaries are not involved in any litigation or arbitration proceedings or any regulatory investigations relating to claims or amounts which are material in the context of the issue of the New Bonds or the Company’s operations.
- (8) Subject to the relevant provisions of the Civil Code, (a) submission by the Company to the jurisdiction of the English courts, and the appointment of an agent for service of process, are valid and binding under Indian law and (b) the choice of English law as the governing law of the New Bonds, under the laws of India, is a valid choice of law and should be honoured by the courts of India, subject to proof thereof and considerations of public policy.

**ANNEXURE II**

**TERMS AND CONDITIONS OF THE EXISTING BONDS**

## ANNEXURE II

### TERMS AND CONDITIONS OF THE EXISTING BONDS

The issue of U.S.\$546,916,000 Step Up Convertible Bonds due 2019 (the “**Bonds**”, which term shall include, unless the context requires otherwise, any further Bonds issued in accordance with Condition 16 and consolidated and forming a single series with the Bonds) of Suzlon Energy Limited (the “**Issuer**”), was authorised by resolutions of the Board of Directors of the Issuer on 3 May 2014 and by the shareholders of the Issuer on 20 September 2013. The Bonds are constituted by a trust deed (as amended or supplemented from time to time) (the “**Trust Deed**”) dated on or about 15 July 2014 and made between the Issuer and The Bank of New York Mellon, London Branch as trustee for the holders of the Bonds (the “**Trustee**”, which term shall, where the context so permits, include all other persons for the time being acting as trustee or trustees under the Trust Deed). The Issuer has entered into a paying, conversion and transfer agency agreement (as amended or supplemented from time to time, (the “**Agency Agreement**”) dated on or about 15 July 2014 with The Bank of New York Mellon, London Branch as principal paying and conversion agent (the “**Principal Agent**”), The Bank of New York Mellon (Luxembourg) S.A. as registrar (the “**Registrar**”) and transfer agent and the other paying, conversion and transfer agents appointed under it (each a “**Paying Agent**”, “**Conversion Agent**”, “**Transfer Agent**” (references to which shall include the Registrar) and together with the Registrar and the Principal Agent, the “**Agents**” (which shall, where applicable, include the Singapore Agent (as defined in Condition 18)) relating to the Bonds. References to the “**Principal Agent**”, “**Registrar**” and “**Agents**” below are references to the principal agent, registrar and agents for the time being for the Bonds. The statements in these terms and conditions (these “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed. Unless otherwise defined, terms used in these Conditions have the meaning specified in the Trust Deed. Copies of the Trust Deed and of the Agency Agreement are available for inspection during normal business hours at the registered office of the Trustee being at the date hereof at One Canada Square, 40<sup>th</sup> Floor, London, E14 5AL, United Kingdom and at the specified offices of each of the Agents. The Bondholders are entitled to the benefit of the Trust Deed and are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement applicable to them.

#### 1 Status

The Bonds constitute direct, unsubordinated, unconditional and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to Condition 4, at all times rank at least equally with all of its other present and future direct, unsubordinated, unconditional and unsecured obligations.

#### 2 Form, Denomination and Title

##### 2.1 Form and Denomination

The Bonds are issued in registered form in the denomination of U.S.\$1,000 each and integral multiples thereof. A bond certificate (each a “**Certificate**”) will be issued to each Bondholder in respect of its registered holding of Bonds. Each Bond and each Certificate will be numbered serially with an identifying number, which will be recorded on the relevant Certificate and in the Register (as defined in Condition 3.1) of Bondholders which the Issuer will procure to be kept by the Registrar.

## 2.2 Title

Title to the Bonds passes only by transfer and registration in the register of Bondholders as described in Condition 3. The holder of any Bond will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder. In these Conditions “**Bondholder**” and (in relation to a Bond) “**holder**” means the person in whose name a Bond is registered.

## 3 Transfers of Bonds; Issue of Certificates

### 3.1 Register

The Issuer will cause to be kept at the specified office of the Registrar and in accordance with the terms of the Agency Agreement a register on which shall be entered the names and addresses of the holders of the Bonds and the particulars of the Bonds held by them and of all transfers of the Bonds (the “**Register**”).

Each Bondholder shall be entitled to receive only one Certificate in respect of its entire holding of Bonds.

### 3.2 Transfers

Subject to Conditions 3.5 and 3.6 and the terms of the Agency Agreement, a Bond may be transferred or exchanged by delivery of the Certificate issued in respect of that Bond, with the form of transfer on the back duly completed and signed by the holder or his attorney duly authorised in writing, to the specified office of the Registrar or any of the Transfer Agents. No transfer of title to a Bond will be valid unless and until entered on the Register.

### 3.3 Delivery of New Certificates

**3.3.1** Each new Certificate to be issued upon a transfer or exchange of Bonds will, within seven business days (at the place of the relevant specified office) of receipt by the Registrar or, as the case may be, any other relevant Transfer Agent of the original Certificate and the form of transfer duly completed and signed, be made available for collection at the specified office of the Registrar or such other relevant Transfer Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder entitled to the Bonds (but free of charge to the holder) to the address specified in the form of transfer. The form of transfer is available at the specified office of the Principal Agent.

**3.3.2** Where only part of a principal amount of the Bonds (being that of one or more Bonds) in respect of which a Certificate is issued is to be transferred, exchanged, converted or redeemed, a new Certificate in respect of the Bonds not so transferred, exchanged, converted or redeemed will, within seven business days of delivery of the original Certificate to the Registrar or other relevant Agent, be made available for collection at the specified office of the Registrar or such other relevant Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder of the Bonds not so transferred, exchanged, converted or redeemed (but free of charge to the holder) to the address of such holder appearing on the Register.

**3.3.3** For the purposes of these Conditions (except for Condition 4.3, Condition 7, Condition 8.5 and Condition 8.7), “**business day**” shall mean a day other than a Saturday or Sunday on which banks are open for business in the city in which the specified office of the Registrar (if a Certificate is deposited with it in connection with a transfer or conversion) or the Agent with whom a Certificate is deposited in connection with a transfer or conversion, is located.

### **3.4** Formalities Free of Charge

Registration of a transfer of Bonds and issuance of new Certificates will be effected without charge by or on behalf of the Issuer or any of the Agents, but upon (i) payment (or the giving of such indemnity as the Issuer or any of the Agents may require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer; and (ii) the Issuer or the relevant Transfer Agent being satisfied that the regulations concerning transfer of Bonds have been complied with.

### **3.5** Restricted Transfer Periods

No Bondholder may require the transfer of a Bond to be registered (i) during the period of seven days ending on (and including) the due date for any principal on the Bonds; (ii) after a Conversion Notice (as defined in Condition 6.2) has been delivered with respect to a Bond; (iii) after a Relevant Event Put Exercise Notice (as defined in Condition 8.4) has been deposited in respect of such a Bond; (iv) after a Delisting Put Notice (as defined in Condition 8.5) has been deposited in respect of such a Bond; (v) after the Non-Permitted Conversion Price Adjustment Event Purchase Right (as defined in Condition 8.7) has been exercised in respect of such Bonds; or (vi) during the period of seven days ending on (and including) any record date in respect of any payment of interest on the Bonds, each such period being a “**Restricted Transfer Period**”.

### **3.6** Regulations

All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer of Bonds scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Trustee and the Registrar. A copy of the current regulations will be mailed (free of charge to the holder and at the Issuer’s expense) by the Registrar to any Bondholder upon request.

## **4 Negative Pledge and Security**

### **4.1** So long as any Bond remains outstanding (as defined in the Trust Deed):

- (i) the Issuer will not create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest (“**Security**”) upon the whole or any part of its undertaking, assets or revenues, present or future, to secure any International Investment Securities (as defined below), or to secure any guarantee or indemnity in respect of any International Investment Securities;
- (ii) the Issuer will procure that no Subsidiary (as defined below) or other person creates or permits to subsist any Security upon the whole or any part of the undertaking, assets or revenues, present or future, of that Subsidiary or other person to secure any of the Issuer’s or any Subsidiary’s International Investment Securities, or to secure any guarantee of or indemnity in respect of any of the Issuer’s or any Subsidiary’s International Investment Securities; and

- (iii) the Issuer will procure that no other person gives any guarantee of, or indemnity in respect of, any of the Issuer's or any Subsidiary's International Investment Securities,

unless, at the same time or prior thereto, the Issuer's obligations under the Bonds and the Trust Deed (a) are secured equally and rateably therewith to the satisfaction of the Trustee, or (b) have the benefit of such other security, guarantee, indemnity or other arrangement as the Trustee in its absolute discretion shall deem to be not materially less beneficial to the Bondholders or as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders.

Provided however that, the following Security shall be excluded from the terms of this Condition 4.1:

- (i) the Second Lien (as defined below);
- (ii) the Issuer or any Subsidiary may create or permit to subsist Security upon the whole or any part of its undertaking, assets or revenues, present or future to secure a guarantee or indemnity or credit enhancement provided by a non-Group (as defined in the Trust Deed) third party in respect of International Investment Securities issued by the Issuer or any Subsidiary for the purpose of using the proceeds from any such issuance in the following order:
  - (a) **first**, in or towards the repayment or prepayment of any of its existing senior debt or debt with an original maturity prior to the Maturity Date (as defined in Condition 8.1) with a new maturity beyond the Maturity Date provided that such repayment or prepayment is to the CDR (as defined in Condition 6.3) lenders under the CDR Scheme (as defined below) (such debt, the "**CDR Debt**") in order to meet the Security Conditions (as defined below) or the refinancing of such CDR Debt (provided that such refinancing does not impair the Bondholders' rights to a springing Second Lien as set out in Condition 4.2 below); and
  - (b) **secondly**, in or towards the repayment or prepayment of any of its existing senior debt or debt with an original maturity prior to the Maturity Date with a new maturity beyond the Maturity Date (such debt, the "**Other Senior Debt**") or the refinancing of such Other Senior Debt (provided that such refinancing does not impair the Bondholders' rights to a springing Second Lien as set out in Condition 4.2 below).
- (iii) any funds made available to the Issuer or any of its Subsidiaries by any member of the Servion Group (as defined below), from the proceeds of an issuance of International Investment Securities by a member of the Servion Group, raised by creating or permitting to subsist Security upon the whole or any part of the undertaking, assets or revenues, present or future of such member of the Servion Group to secure a guarantee or indemnity or credit enhancement provided by a non-Group third party in respect of such International Investment Securities, for the purpose of the Issuer or its Subsidiaries using the proceeds from any such issuance in the following order:
  - (a) **first**, in or towards the repayment or prepayment of any of its CDR Debt in order to meet the Security Conditions or the refinancing of such CDR Debt (provided that such refinancing does not impair the Bondholders' rights to a springing Second Lien as set out in Condition 4.2 below); and

- (b) **secondly**, in or towards the repayment or prepayment of any of its Other Senior Debt or the refinancing of such Other Senior Debt (provided that such refinancing does not impair the Bondholders' rights to a springing Second Lien as set out in Condition 4.2 below).

**4.2** Subject to receipt of regulatory approvals, the Issuer shall execute a springing second lien (the "**Second Lien**") in favour of a suitably qualified security trustee of national or international repute appointed by the Issuer (in prior consultation with the Trustee) (the "**Security Trustee**") acting on behalf of the Bondholders over all the domestic assets of the Issuer and its Indian Subsidiaries (as defined below) that are secured for the benefit of the Issuer's Secured Lenders (as defined below) in accordance with the requirements of the master restructuring agreement dated 28 March 2013 in respect of the CDR Scheme and any other financing documents signed by non-CDR lenders in accordance with Condition 4.3 and, subject to (a) the written consent of the Secured Lenders, and (b) the Issuer:

- (i) prepaying of an amount of approximately U.S\$1.158 billion to the CDR lenders under the CDR Scheme; and
- (ii) achieving a minimum Asset Coverage Ratio (as defined below) in excess of 1.33:1.

((i) and (ii) together, the "**Security Conditions**").

**4.3** Subject to the Conditions set out in Condition 4.2 being fulfilled (without prejudice to Condition 10.1.4), the springing Second Lien will be implemented as follows:

- (i) the Issuer shall notify the Monitoring Institution and the Trustee in writing within 5 business days of the Security Conditions having been complied with;
- (ii) the Issuer shall also inform the Trustee of the receipt of the written approval of the Secured Lenders within 5 business days of receipt of the same; and
- (iii) the Issuer shall create the Second Lien within 90 days from the date on which all the Conditions set out in Condition 4.2 have been satisfied (the "**Springing Second Lien Implementation Date**").

**4.4** On or prior to the Springing Second Lien Implementation Date, the Security Trustee and the Secured Lenders or any duly authorised agent of the Secured Lenders will enter into an intercreditor agreement in form and substance satisfactory to all the parties thereto (the "**Intercreditor Agreement**").

The Intercreditor Agreement, which will be governed by Indian law, will establish the subordination of the security held pursuant to the Second Lien only to the first-ranking security held by the Secured Lenders and which may be amended from time to time to add other Secured Lenders or parties representing such Secured Lenders. The Intercreditor Agreement will not include (i) any financial covenants in relation to the Issuer for the benefit of the Bondholders; (ii) any covenants in relation to security except as set out in these Conditions; or (iii) any voting rights for Bondholders in relation to any determination, consent or waiver to be made by the Secured Lenders with respect to the secured assets.

For the purposes of these Conditions:

"**Asset Coverage Ratio**" means the result, expressed as a fraction, obtained by dividing the aggregate of tangible fixed assets (excluding revaluation reserves) and capital work-in-progress and current assets, which have been secured on first *pari passu* charge basis, by

the aggregate loans (both fund based and non-fund based) (which are secured on first *pari passu* charge basis against such tangible fixed assets and capital work-in-progress and current assets), of the Issuer and its Indian Subsidiaries. The book value of the assets shall be calculated on the basis of the latest annual audited financial statements submitted by the Issuer and its Indian Subsidiaries to the Monitoring Institution in accordance with generally accepted accounting principles in India (“**Indian GAAP**”) and the Asset Coverage Ratio shall accordingly be tested annually.

“**business day**” shall mean a day on which commercial banks are open for business in New York City, London and Mumbai.

“**Indian Subsidiaries**” means, collectively, Suzlon Structures Limited, Suzlon Power Infrastructure Limited, Suzlon Generators Limited, Suzlon Gujarat Wind Park Limited, SE Electricals Limited, Suzlon Wind International Limited and SE Blades Limited or any other entity, each of which, together with the Issuer, are, or become, borrowers under the master restructuring agreement dated 28 March 2013 entered into with the CDR lenders (the “**CDR Scheme**”).

“**International Investment Securities**” means any present or future indebtedness in the form of, or represented by, bonds, debentures, notes or other investment securities which (i) are denominated in a currency other than Rupees or are by their terms payable, or confer a right to receive payment, in any currency other than Rupees, or are denominated or payable in Rupees and more than 50% of the aggregate principal amount thereof is initially distributed outside India, and (ii) are for the time being, or are intended to be or capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over the counter or other securities market.

“**Monitoring Institution**” means the bank appointed as the monitoring institution under the CDR Scheme.

“**Secured Lenders**” means the CDR lenders and any senior lenders that have the benefit of the security over the assets of the Issuer and its Indian Subsidiaries.

“**Senvion Group**” means Senvion SE and its subsidiaries.

“**Subsidiary**” means any company or other business entity of which the Issuer owns or controls (either directly or through one or more other subsidiaries) more than 50% of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or other business entity or any company or other business entity which the Issuer recognises in its consolidated accounts as a subsidiary, jointly controlled entity or associated company under Indian law, regulations or generally accepted accounting principles from time to time, or which should have its accounts consolidated with those of the Issuer.

Provided that, for the purpose of this Condition 4, no member of the Senvion Group will be considered a Subsidiary.

## **5 Interest**

### **5.1 Interest Rate**

The Bonds bear interest (i) at the rate of 3.25% per annum, from (and including) 15 July 2014 (the “**Closing Date**”) up to (but excluding) 16 January 2016, calculated by reference to the principal amount thereof and payable semi-annually in arrear on 16 July and 16 January in

each year (each an “**Interest Payment Date**”), commencing with the Interest Payment Date falling on 16 January 2015 (the “**First Interest Payment Date**”) and the last payment of interest at such rate will be made on 16 January 2016, in respect of the period from (and including) the Closing Date to (but excluding) 16 January 2016; and (ii) at the rate of 5.75% per annum, from (and including) 16 January 2016 to the Maturity Date, calculated by reference to the principal amount and payable semi-annually in arrear on each Interest Payment Date, commencing with the Interest Payment Date falling on 16 July 2016 except that the last payment of interest will be made on the Maturity Date in respect of the period from (and including) 16 January 2019 to (but excluding) the Maturity Date, and such final payment of interest will amount to U.S.\$1,004.29 per U.S.\$1,000 principal amount of Bonds.

The amount of interest payable in respect of any period which is shorter than an Interest Period shall be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

“**Interest Period**” means the payment period beginning on (and including) the Closing Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

## 5.2 Accrual of Interest

Each Bond will cease to bear interest (i) where the Conversion Right shall have been exercised by a Bondholder, from the Interest Payment Date immediately preceding the relevant Conversion Date or, if none, the Closing Date (subject in any such case as provided in Condition 6.2.4) or (ii) where such Bond is redeemed or repaid pursuant to Condition 8 or Condition 10, from the due date for redemption or repayment thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused, in which event interest will continue to accrue as provided in these Conditions.

## 6 Conversion

### 6.1 Conversion Right

#### 6.1.1 Conversion Period

- (i) Subject as hereinafter provided, Bondholders have the right to convert their Bonds into Shares at any time during the Conversion Period referred to below. The right of a Bondholder to convert any Bond into Shares is called the “**Conversion Right**”.

Subject to and upon compliance with the provisions of this Condition, the Conversion Right attaching to any Bond may be exercised, at the option of the holder thereof, at any time (subject to Condition 6.1.1(ii)) on and after 25 August 2014 up to the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on 9 July 2019 (but, except as provided in Conditions 6.1.4 and 10, in no event thereafter) or if such Bond shall have been called for redemption before the Maturity Date, then up to the close of business (at the place aforesaid) on a date no later than seven business days (at the place aforesaid) prior to the date fixed for redemption thereof (the “**Conversion Period**”).

- (ii) Conversion Rights may not be exercised in relation to any Bond during the period (each, a “**Closed Period**”) commencing on: (a) the date falling 21

days prior to the date of the Issuer's annual general shareholders' meeting and ending on the date of that meeting, (b) the date falling 30 days prior to an extraordinary shareholders' meeting and ending on the date of that meeting, (c) the date that the Issuer notifies BSE Limited (the "**BSE**") or National Stock Exchange of India Limited (the "**NSE**" and together with the BSE, the "**Indian Exchanges**") of the record date for determination of the shareholders entitled to receipt of dividends, subscription of shares due to capital increase or other benefits, and ending on the record date for the distribution or allocation of the relevant dividends, rights and benefits; (d) on such date and for such period as determined by Indian law applicable from time to time that the Issuer is required to close its stock transfer books; or (e) in circumstances where the exercise of the Conversion Right would fall during the period commencing on a record date in respect of any payment of interest on the Bonds and ending on the relevant Interest Payment Date (both days inclusive). The Issuer will give notice of any such period to the Trustee, the Bondholders and the Conversion Agent at the beginning of each such period.

The Issuer shall provide to the Trustee, the Bondholders and the Conversion Agent notice of any meeting of the Issuer's board of directors which is convened to consider the declaration of any dividends, subscription of shares due to capital increase or other benefits, at the same time notice of such meeting is announced in India.

Conversion Rights may not be exercised (a) in respect of a Bond where the Bondholder shall have exercised its right to require the Issuer to redeem such Bond pursuant to Condition 8.4 or 8.5; or (b) except as provided in Condition 6.1.4 and Condition 10, in each case following the giving of notice by the Trustee pursuant to Condition 10.

The number of Shares to be issued on conversion of a Bond will be determined by dividing the principal amount of the Bond to be converted (translated into Rupees at the fixed rate of ₹60.225 = U.S.\$1.00 (the "**Fixed Exchange Rate**")) by the Conversion Price in effect at the Conversion Date (both as hereinafter defined).

A Conversion Right may only be exercised in respect of one or more Bonds. If more than one Bond held by the same holder is converted at any one time by the same holder, the number of Shares to be issued upon such conversion will be calculated on the basis of the aggregate principal amount of the Bonds to be converted.

Upon exercise of Conversion Rights in relation to any Bond and the fulfilment by the Issuer of all its obligations in respect thereof, the relevant Bondholder shall have no further rights in respect of such Bond and the obligations of the Issuer in respect thereof shall be extinguished.

#### **6.1.2** Fractions of Shares:

Fractions of Shares will not be issued on conversion and no cash adjustments will be made in respect thereof. Notwithstanding the foregoing, in the event of a consolidation or reclassification of Shares by operation of law or otherwise occurring after the Closing Date which reduces the number of Shares outstanding, the Issuer will upon conversion of Bonds pay in cash (in U.S. dollars by means of a U.S. dollar cheque drawn on a bank in New York City) a sum equal to such portion of the

principal amount of the Bond or Bonds evidenced by the Certificate deposited in connection with the exercise of Conversion Rights, aggregated as provided in Condition 6.1.1, as corresponds to any fraction of a Share not issued if such sum exceeds U.S.\$10.00 (which sum shall be translated into U.S. dollars at the Fixed Exchange Rate). Any such sum shall be paid not later than 14 business days in Mumbai after the relevant Conversion Date by transfer to a U.S. dollar account with a bank in New York City specified in the relevant Conversion Notice.

However, if upon mandatory conversion pursuant to Condition 8.2 or if the Conversion Right in respect of more than one Bond is exercised at any one time such that shares to be issued on conversion are to be registered in the same name, the number of such shares to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being converted and rounded down to the nearest whole number of Shares.

#### **6.1.3 Conversion Price and Conversion Ratio:**

The price at which Shares will be issued upon conversion, as adjusted from time to time, (the “**Conversion Price**”) will initially be ₹15.46 but will be subject to adjustment in the manner provided in Condition 6.3.

The “**Conversion Ratio**” is equal to the principal amount of the Bonds divided by the then Conversion Price translated into U.S. dollars at the Fixed Exchange Rate.

#### **6.1.4 Revival and/or survival after Default:**

Notwithstanding the provisions of Condition 6.1.1, if (a) the Issuer shall default in making payment in full in respect of any Bond which shall have been called for redemption on the date fixed for redemption thereof, (b) any Bond has become due and payable prior to the Maturity Date by reason of the occurrence of any of the events referred to in Condition 10 or (c) any Bond is not redeemed on the Maturity Date in accordance with Condition 8.1, the Conversion Right attaching to such Bond will revive and/or will continue to be exercisable up to, and including, the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on the date upon which the full amount of the moneys payable in respect of such Bond has been duly received by the Principal Agent or the Trustee and notice of such receipt has been duly given to the Bondholders and, notwithstanding the provisions of Condition 6.1.1, any Bond in respect of which the Certificate and Conversion Notice are deposited for conversion prior to such date shall be converted on the relevant Conversion Date (as defined in Condition 6.2.1(iii)) notwithstanding that the full amount of the moneys payable in respect of such Bond shall have been received by the Principal Agent or the Trustee before such Conversion Date or that the Conversion Period may have expired before such Conversion Date.

#### **6.1.5 Meaning of “Shares”:**

As used in these Conditions, the expression “**Shares**” means (1) shares of the class of share capital of the Issuer which, at the date of the Trust Deed, are designated as equity shares of the Issuer with full voting rights, together with shares of any class or classes resulting from any subdivision, consolidation or re- classification of those shares, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Issuer; and (2) fully-paid and non- assessable shares of any class or classes of the share capital of the Issuer authorised after the date of the Trust

Deed which have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or winding-up of the Issuer; provided that, subject to the provisions of Condition 11, shares to be issued on conversion of the Bonds means only “**Shares**” as defined in sub-clause (1) above.

## 6.2 Conversion Procedure

### 6.2.1 Conversion Notice:

- (i) To exercise the Conversion Right attaching to any Bond, the holder thereof must complete, execute and deposit at his own expense between 9.00 a.m. and 3.00 p.m. (local time on any business day) at the specified office of any Conversion Agent a notice of conversion (a “**Conversion Notice**”) in duplicate in the form (for the time being current) obtainable from the specified office of each Agent, together with (a) the relevant Certificate; and (b) certification by the Bondholder, in the form obtainable from any Conversion Agent, as may be required under the laws of the Republic of India or the jurisdiction in which the specified office of such Conversion Agent shall be located. A Conversion Notice deposited outside the hours of 9.00 a.m. to 3.00 p.m. or on a day which is not a business day at the place of the specified office of the relevant Conversion Agent shall for all purposes be deemed to have been deposited with that Conversion Agent during the normal business hours on the next business day following such business day. Any Bondholder who deposits a Conversion Notice during a Closed Period will not be permitted to convert the Bonds into Shares (as specified in the Conversion Notice) until the next business day after the end of that Closed Period, which (if all other conditions to conversion have been fulfilled) will be the Conversion Date for such Bonds notwithstanding that such date may fall outside of the Conversion Period. A Bondholder exercising its Conversion Right for Shares will be required to open a depository account with a depository participant under the Depositories Act, 1996 of India (the “**1996 Depositories Act**”), for the purposes of receiving the Shares.
- (ii) The holder of any Bond which is to be mandatorily converted pursuant to Condition 8.2 shall deliver a Conversion Notice relating to its holding of Bonds and deposit it, together with the relevant Certificate and in the manner aforesaid, no later than the business day before the end of the Mandatory Conversion Notice Period (as defined in Condition 8.2) for the Bonds.
- (iii) The conversion date in respect of a Bond (the “**Conversion Date**”) must fall at a time when the Conversion Right attaching to that Bond is expressed in these Conditions to be exercisable (subject to the provisions of Condition 6.1.4) and will be deemed to be the date of the surrender of the Certificate in respect of such Bond and delivery of such Conversion Notice and, if applicable, any payment to be made or indemnity given under these Conditions in connection with the exercise of such Conversion Right. A Conversion Notice once delivered shall be irrevocable and may not be withdrawn unless the Issuer consents to such withdrawal.

Conversion Rights may only be exercised in respect of the whole of the principal amount of a Bond.

### 6.2.2 Stamp Duty etc.:

A Bondholder delivering a Certificate in respect of a Bond for conversion must pay directly to the relevant authorities any taxes and capital, stamp, issue and registration duties arising on conversion (other than any taxes or capital or stamp duties payable in India and, if relevant, in the place of the Alternative Stock Exchange (as defined below), by the Issuer in respect of the allotment and issue of Shares and listing of the Shares on the Indian Exchanges on conversion) (the “**Taxes**”) and such Bondholder must pay all, if any, taxes arising by reference to any disposal or deemed disposal of a Bond in connection with such conversion. The Issuer will pay all other expenses arising on the issue of Shares on conversion of the Bonds and all charges of the Agents and the share transfer agent for the Shares (“**Share Transfer Agent**”) in connection with conversion.. The Trustee and the Agent are under no obligation to determine whether a Bondholder or the Issuer is liable to pay or has paid any taxes including stamp, issue, registration or similar taxes and duties or the amounts payable (if any) in connection with this Condition 6.2.2 and shall not be liable for any failure by any Bondholder or the Issuer to make such payment to the relevant authorities or determine the sufficiency or insufficiency of any amount so paid.

### 6.2.3 Delivery of Shares:

- (i) Upon exercise by a Bondholder of its Conversion Right for Shares, the Issuer will, on or with effect from the relevant Conversion Date, enter the name of the relevant Bondholder or his/their nominee in the register of members of the Issuer in respect of such number of Shares to be issued upon conversion (notwithstanding any retroactive adjustment of the Conversion Price referred to below prior to the time it takes effect) and will, as soon as practicable, and in any event not later than 40 days after the Conversion Date, cause the relevant securities account of the Bondholder exercising his Conversion Right or of his/their nominee, to be credited with such number of relevant Shares to be issued upon conversion (notwithstanding any retroactive adjustment of the Conversion Price referred to below prior to the time it takes effect) and shall further cause the name of the concerned Bondholder or its nominee to be registered accordingly, in the record of the beneficial holders of shares, maintained by the depository registered under the 1996 Depositories Act with whom the Issuer has entered into a depository agreement and, subject to any applicable limitations then imposed by Indian laws and regulations, shall procure the Share Transfer Agent to, as soon as practicable, and in any event within 14 business days in Mumbai of the Conversion Date, despatch or cause to be despatched to the order of the person named for that purpose in the relevant Conversion Notice at the place and in the manner specified in the relevant Conversion Notice (uninsured and the risk of delivery at any such place being that of the converting Bondholder), a U.S. dollar cheque drawn on a branch of a bank in New York City in respect of any cash payable pursuant to Condition 6.1.2 required to be delivered on conversion and such assignments and other documents (if any) as required by law to effect the transfer thereof.

The crediting of the Shares to the relevant securities account of the converting Bondholder will be deemed to satisfy the Issuer’s obligation to pay the principal, premium (if any) and interest (including default interest (if any)) on the Bonds.

- (ii) In the case of Bonds mandatorily converted in accordance with Condition 8.2 in respect of which Conversion Notices have not been received by a Conversion Agent or the Principal Agent on the business day immediately following the Mandatory Conversion Notice Period, the Issuer will, as soon as reasonably practicable thereafter, register, or procure the registration of, an agent of the Issuer, located in Mumbai in accordance with Condition 8.2, as holder of the relevant number of Shares in the Issuer's share register and will make a certificate or certificates for the relevant Shares available for collection at the office of the Issuer's share registrar (as specified herein), together (in either case) with any other securities, property or cash required to be delivered upon conversion and such assignments and other documents (if any) as may be required by law to effect the transfer thereof.
- (iii) If the Conversion Date in relation to any Bond shall be after the record date for any issue, distribution, grant, offer or other event as gives rise to the adjustment of the Conversion Price pursuant to Condition 6.3, but before the relevant adjustment becomes effective under the relevant Condition (a "**Retroactive Adjustment**"), upon the relevant adjustment becoming effective the Issuer shall procure the issue to the converting Bondholder (or in accordance with the instructions contained in the Conversion Notice (subject to applicable exchange control or other laws or other regulations)), such additional number of Shares ("**Additional Shares**") as, together with the Shares issued or to be issued on conversion of the relevant Bond, is equal to the number of Shares which would have been required to be issued on conversion of such Bond if the relevant adjustment to the Conversion Price had been made and become effective as at such Conversion Date immediately after the relevant record date and in such event and in respect of such Additional Shares references in Conditions 6.2.3(i) and (iii) to the Conversion Date shall be deemed to refer to the date upon which the Retroactive Adjustment becomes effective (notwithstanding that the date upon which it becomes effective falls after the end of the Conversion Period).
- (iv) The Shares issued upon conversion of the Bonds will in all respects rank *pari passu* with the Shares in issue on the relevant Conversion Date (except for any right excluded by mandatory provisions of applicable law) and such Shares shall be entitled to all rights the record date for which falls on or after such Conversion Date to the same extent as all other fully-paid and non-assessable Shares of the Issuer in issue as if such Shares had been in issue throughout the period to which such rights relate. A holder of Shares issued on conversion of Bonds shall not be entitled to any rights the record date for which precedes the relevant Conversion Date.
- (v) Save as provided in Condition 6.2.2, no payment or adjustment shall be made on conversion for any interest which otherwise would have accrued on the relevant Bonds since the last Interest Payment Date preceding the Conversion Date relating to such Bonds (or, if such Conversion Date falls before the first Interest Payment Date, since the Closing Date).

#### **6.2.4 Interest on Conversion:**

If any notice requiring the redemption of any of the Bonds is given pursuant to Condition 8.2 on or after the fifteenth business day prior to a record date (a "**Share Distribution Record Date**") which has occurred since the last Interest Payment Date (or in the case of the first Interest Period, since the Closing Date) in respect of any

distribution payable in respect of the Shares where such notice specifies a date for redemption falling on or prior to the date which is 14 days after the Interest Payment Date next following such Share Distribution Record Date, interest shall accrue at the rate provided in Condition 5.1 on Bonds in respect of which Conversion Rights shall have been exercised and in respect of which the Conversion Date falls after such Share Distribution Record Date and on or prior to the Interest Payment Date next following such Share Distribution Record Date, in each case from and including the preceding Interest Payment Date (or, if such Conversion Date falls before the first Interest Payment Date, from the Closing Date) to but excluding such Conversion Date. The Issuer shall pay any such interest by not later than 14 days after the relevant Conversion Date by transfer to a U.S. dollar account maintained by the payee with a bank in New York City in accordance with instructions given by the relevant Bondholder in the relevant Conversion Notice.

### 6.3 Adjustments to Conversion Price

The Conversion Price will be subject to adjustment in the following events set out in Condition 6.3.1 to Condition 6.3.14.

Provided however, that no adjustment will be made to the Conversion Price for a CDR Preferential Issue:

“CDR” means corporate debt restructuring.

“CDR Preferential Issue” means issuances of Shares or compulsorily convertible debentures (“CCDs”) to the CDR lenders undertaken pursuant to the terms of the master restructuring agreement dated 28 March 2013 between the CDR lenders, the Issuer, the Indian Subsidiaries, the Issuer (as the borrowers’ agent) and the State Bank of India (as the monitoring institution), which amount and/or number of Shares or CCDs shall not exceed the amount and/or the number of Shares or CCDs set out below and shall not have an issue price of less than ₹18.51:

Details	Amount (₹ in million)	No. of Shares or CCDs (approximately) (in million)
CDR lenders .....	4,500	243.2

#### 6.3.1 Free distribution, bonus issue, division, consolidation and re-classification of Shares:

*Adjustment:* If the Issuer shall (a) make a free distribution of Shares (other than by way of a dividend in Shares), (b) make a bonus issue of its Shares, (c) divide its outstanding Shares, (d) consolidate its outstanding Shares into a smaller number of Shares, or (e) re-classify any of its Shares into other securities of the Issuer, then the Conversion Price shall be appropriately adjusted so that the holder of any Bond, the Conversion Date in respect of which occurs after the coming into effect of the adjustment described in this Condition 6.3.1, shall be entitled to receive the number of Shares and/or other securities of the Issuer which such holder would have held or have been entitled to receive after the happening of any of the events described above had such Bond been converted immediately prior to the happening of such event (or, if the Issuer has fixed a prior record date for the determination of shareholders entitled to receive any such free distribution or bonus issue of Shares or

other securities issued upon any such division, consolidation or re-classification, immediately prior to such record date), but without prejudice to the effect of any other adjustment to the Conversion Price made with effect from the date of the happening of such event (or such record date) or any time thereafter.

*Effective date of adjustment:* An adjustment made pursuant to this Condition 6.3.1 shall become effective immediately on the relevant event referred to above becoming effective or, if a record date is fixed therefor, immediately after such record date; provided that in the case of a free distribution or bonus issue of Shares which must, under applicable laws of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before being legally paid or made, and which is so approved after the record date fixed for the determination of shareholders entitled to receive such distribution or issue, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date.

### 6.3.2 Declaration of dividend in Shares:

*Adjustment:* If the Issuer shall issue Shares as a dividend in Shares or make a distribution of Shares which is treated as a capitalisation issue for accounting purposes under Indian GAAP (including, but not limited to, capitalisation of capital reserves and employee stock bonus), then the Conversion Price in effect when such dividend and/or distribution is declared (or, if the Issuer has fixed a prior record date for the determination of shareholders entitled to receive such dividend and/or distribution, on such record date) shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N}{N+n} \right]$$

where:

NCP	=	the Conversion Price after such adjustment.
OCP	=	the Conversion Price before such adjustment.
N	=	the number of Shares outstanding, at the time of issuance of such dividend and/or distribution (or at the close of business in Mumbai on such record date as the case may be).
n	=	the number of Shares to be distributed to the shareholders as a dividend and/or distribution.

*Effective date of adjustment:* An adjustment made pursuant to this Condition 6.3.2 shall become effective immediately on the relevant event referred to in this Condition 6.3.2 becoming effective or, if a record date is fixed therefor, immediately after such record date; provided that in the case of a dividend in Shares which must, under applicable laws of India, be submitted for approval to a general meeting of shareholders of the Issuer or be approved at a meeting of the Board of Directors of the Issuer before being legally paid or made, and which is so approved after the record date fixed for the determination of shareholders entitled to receive such dividend, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date.

### 6.3.3 Concurrent adjustment events:

If the Issuer shall declare a dividend in, or make a free distribution or bonus issue of, Shares which dividend, issue or distribution is to be paid or made to shareholders as of a record date which is also:

- (a) the record date for the issue of any rights or warrants which requires an adjustment of the Conversion Price pursuant to Conditions 6.3.5, 6.3.6 or 6.3.7;
- (b) the day immediately before the date of issue of any securities convertible into or exchangeable for Shares which requires an adjustment of the Conversion Price pursuant to Condition 6.3.9;
- (c) the day immediately before the date of grant, offer or issue of any Shares which requires an adjustment of the Conversion Price pursuant to Condition 6.3.10 or, if applicable, the record date for determination of stock dividend entitlement as referred to in Condition 6.3.10;
- (d) the day immediately before the date of issue of any rights, options or warrants which requires an adjustment of the Conversion Price pursuant to Condition 6.3.11; or
- (e) determined by the Issuer and notified to the Trustee in writing to be the relevant date for an event or circumstance which requires an adjustment to the Conversion Price pursuant to Condition 6.3.13.

then (except where such dividend, bonus issue or free distribution gives rise to a retroactive adjustment of the Conversion Price under Conditions 6.3.1 and 6.3.2) no adjustment of the Conversion Price in respect of such dividend, bonus issue or free distribution shall be made under Conditions 6.3.1 and 6.3.2, but in lieu thereof an adjustment shall be made under Conditions 6.3.5, 6.3.6, 6.3.7, 6.3.9, 6.3.10, 6.3.11 or 6.3.13 (as the case may require) by including in the denominator of the fraction described therein the aggregate number of Shares to be issued pursuant to such dividend, bonus issue or free distribution.

### 6.3.4 Capital Distribution:

*Adjustment:*

- (i) If the Issuer shall pay or make to its shareholders any Dividend (as defined below), then the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{CMP - fmv}{CMP} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

CMP = the Current Market Price (as defined in Condition 6.3.15 below) per Share on the date on which the relevant Dividend is first publicly announced.

fmv = the portion of the Fair Market Value (as defined below), with such portion being determined by dividing the Fair Market Value of the aggregate Dividend by the number of Shares entitled to receive the relevant Dividend (or, in the case of a purchase of Shares or any receipts or certificates representing shares by or on behalf of the Issuer, by the number of Shares in issue immediately prior to such purchase), of the Dividend distribution attributable to one Share.

*Effective date of adjustment:* Any adjustment pursuant to this Condition 6.3.4 shall become effective immediately after the record date for the determination of shareholders entitled to receive the relevant Dividend; provided that (a) in the case of such a Dividend which must, under applicable law of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before such Dividend may legally be made and is so approved after the record date fixed for the determination of shareholders entitled to receive such Dividend, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date and (b) if the Fair Market Value of the relevant Dividend cannot be determined until the record date fixed for the determination of shareholders entitled to receive the relevant Dividend, such adjustment shall, immediately upon such Fair Market Value being determined, become effective retroactively to immediately after such record date.

If such Dividend is not so paid, the Conversion Price shall again be adjusted to be the Conversion Price which would then be in effect if such Dividend had not been approved.

For the purposes of this Condition:

“**Dividend**” means any dividend or distribution of cash or other property or assets or evidences of the Issuer’s indebtedness, whenever paid or made and however described provided that:

- (a) where a cash Dividend is announced which is to be, or may at the election of a shareholder or shareholders be, satisfied by the issue or delivery of Shares or other property or assets, or where a capitalisation of profits or reserves is announced which is to be, or may at the election of a shareholder or shareholders be, satisfied by the payment of a Dividend, then for the purposes of this definition the Dividend in question shall be treated as a Dividend of (i) such cash Dividend or (ii) the Fair Market Value (on the date of announcement of such Dividend or date of capitalisation (as the case may be) or, if later, the date on which the number of Shares (or amount of property or assets, as the case may be) which may be issued or delivered is determined) of such Shares or other property or assets if such Fair Market Value is greater than the Fair Market Value of such cash Dividend;

- (b) any tender or exchange offer falling within Condition 6.3.12 and any issue or distribution of Shares falling within Condition 6.3.2 shall be disregarded; and
- (c) a purchase or redemption of ordinary share capital by or on behalf of the Issuer shall not constitute a Dividend unless, in the case of purchases of Shares by or on behalf of the Issuer, the Volume Weighted Average Price per Share (before expenses) on any one day in respect of such purchases exceeds the Current Market Price per Share by more than 5% either (1) on that day (or if such day is not a Trading Day, the immediately preceding Trading Day), or (2) where an announcement (excluding for the avoidance of doubt for these purposes, any general authority for such purchases or redemptions approved by a general meeting of shareholders of the Issuer or any notice convening such a meeting of shareholders) has been made of the intention to purchase Shares at some future date at a specified price, on the Trading Day immediately preceding the date of such announcement, in which case such purchase shall be deemed to constitute a Dividend (but not a cash Dividend) to the extent that the aggregate price paid (before expenses) in respect of such Shares purchased by or on behalf of the Issuer exceeds the product of (i) the Current Market Price per Share determined as aforesaid and (ii) the number of Shares so purchased.

**“Fair Market Value”** means, with respect to any property on any date, the fair market value of that property as determined in good faith by an Independent Financial Institution provided, that (i) the Fair Market Value of a cash Dividend paid or to be paid shall be the amount of such cash Dividend; (ii) the Fair Market Value of any other cash amount shall be equal to such cash amount; (iii) where shares, options, warrants or other rights are publicly traded in a market of adequate liquidity (as determined by the Independent Financial Institution) the fair market value of such shares, options, warrants or other rights shall equal the arithmetic mean of the daily closing prices of such options, warrants or other rights during the period of five trading days on the relevant market commencing on the first such trading day such shares, options, warrants or other rights are publicly traded; and in the case of (i) translated into Rupees (if declared or paid in a currency other than Rupees) at the rate of exchange used to determine the amount payable to shareholders who were paid or are to be paid or are entitled to be paid the cash Dividend in Rupees; and in any other case, converted into Rupees (if expressed in a currency other than Rupees) at such rate of exchange as may be determined in good faith by an Independent Financial Institution to be the spot rate ruling at the close of business on that date (or if no such rate is available on that date the equivalent rate on the immediately preceding date on which such a rate is available).

**“Independent Financial Institution”** means an independent or commercial bank of international repute selected by the Issuer (at the expense of the Issuer) and notified to the Trustee in writing.

“**Volume Weighted Average Price**” or “**VWAP**” means, in respect of a Share on any Trading Day, or series of Trading Days, the order book volume-weighted average price appearing on or derived from Bloomberg (or any successor service) page SUEL IN or such other source as shall be determined to be appropriate by an Independent Financial Institution on such Trading Day, or series of Trading Days, provided that on any Trading Day where such price is not available or 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.

“**cash Dividend**” means (i) any Dividend which is to be paid in cash and (ii) any Dividend determined to be a cash Dividend pursuant to paragraph (a) of the definition “**Dividend**”, and for the avoidance of doubt, a Dividend falling within paragraph (c) of the definition “**Dividend**” shall be treated as not being a cash Dividend.

### 6.3.5 Rights Issues to Shareholders:

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares rights entitling them to subscribe for or purchase Shares, which expression shall include those Shares that are required to be offered to employees and persons other than shareholders in connection with such grant, issue or offer:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date mentioned below and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer which is fixed after the record date mentioned below and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration,

then the Conversion Price in effect (in a case within (a) above) on the record date for the determination of shareholders entitled to receive such rights or (in a case within (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within (a) above) on such record date or (in a case within (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares initially to be issued upon exercise of such rights at the said consideration being (aa) the number of Shares which underwriters have agreed to underwrite as referred to below or, as the case may be, (bb) the number of Shares for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in (a) or, as the case may be, (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective immediately after the latest date for the submission of applications for such Shares by shareholders entitled to the same pursuant to such rights or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

*Rights not taken up by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of rights entitling them to subscribe for or purchase Shares, any Shares which are not subscribed for or purchased by the persons entitled thereto are underwritten by other persons prior to the latest date for the submission of applications for such Shares, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares of rights entitling them to subscribe for or purchase Shares, any such Shares which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred such rights) who have submitted applications for such Shares as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

#### **6.3.6 Warrants issued to Shareholders:**

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares warrants entitling them to subscribe for or purchase Shares:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date for the determination of shareholders entitled to receive such warrants and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer which is fixed after the record date mentioned above and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration, then the Conversion Price in effect (in a case within (a) above) on the record date for

the determination of shareholders entitled to receive such warrants or (in a case within (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- N = the number of shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within (a) above) on such record date or (in a case within (b) above) on the date the Issuer fixes the said consideration.
- n = the number of Shares initially to be issued upon exercise of such warrants at the said consideration which, where no applications by shareholders entitled to such warrants are required, shall be based on the number of warrants issued. Where applications by shareholders entitled to such warrants are required, the number of such Shares shall be calculated based upon (aa) the number of warrants which underwriters have agreed to underwrite as referred to below or, as the case may be, (bb) the number of warrants for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa).
- v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in (a) or, as the case may be, (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective (i) where no applications for such warrants are required from shareholders entitled to the same, upon their issue and (ii) where applications by shareholders entitled to the same are required as aforesaid, immediately after the latest date for the submission of such applications or (if later) immediately after the Issuer fixes the said consideration but in all cases retroactively to immediately after the record date mentioned above.

*Warrants not subscribed for by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of warrants entitling them to subscribe for or purchase Shares in the circumstances described in (a) and (b) of this Condition 6.3.6, any warrants which are not subscribed for or purchased by the shareholders entitled thereto are underwritten by others prior to the latest date for the submission of applications for such warrants, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately

after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares of warrants entitling them to subscribe for or purchase Shares, any warrants which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred the right to purchase such warrants) who have submitted applications for such warrants as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

**6.3.7** Issues of rights or warrants for equity-related securities to Shareholders:

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares rights or warrants entitling them to subscribe for or purchase any securities convertible into or exchangeable for Shares:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date mentioned below and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer (determined as aforesaid) which is fixed after the record date mentioned below and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration,

then the Conversion Price in effect (in a case within (a) above) on the record date for the determination of shareholders entitled to receive such rights or warrants or (in a case within (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within (a) above) on such record date or (in a case within (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares initially to be issued upon exercise of such rights or warrants and conversion or exchange of such convertible or exchangeable securities at the said consideration being, in the case of rights, (aa) the number of Shares initially to be issued upon conversion or exchange of the number of such convertible or exchangeable securities which the underwriters have agreed to underwrite as referred to

below or, as the case may be, (bb) the number of Shares initially to be issued upon conversion or exchange of the number of such convertible or exchangeable securities for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa) and which, in the case of warrants, where no applications by shareholders entitled to such warrants are required, shall be based on the number of warrants issued. Where applications by shareholders entitled to such warrants are required, the number of such Shares shall be calculated based upon (x) the number of warrants which underwriters have agreed to underwrite as referred to below or, as the case may be, (y) the number of warrants for which applications are received from shareholders as referred to below save to the extent already adjusted for under (x).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in (a) or, as the case may be, (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective (a) where no applications for such warrants are required from shareholders entitled to the same, upon their issue and (b) where applications by shareholders entitled to the warrants are required as aforesaid and in the case of convertible or exchangeable securities by shareholders entitled to the same pursuant to such rights, immediately after the latest date for the submission of such applications or (if later) immediately after the Issuer fixes the said consideration; but in all cases retroactively to immediately after the record date mentioned above.

*Rights or warrants not taken up by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of rights or warrants entitling them to subscribe for or purchase securities convertible into or exchangeable for Shares in the circumstances described in this Condition 6.3.7, any convertible or exchangeable securities or warrants which are not subscribed for or purchased by the shareholders entitled thereto are underwritten by others prior to the latest date for the submission of applications for such convertible or exchangeable securities or warrants, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares or rights or warrants entitling them to subscribe for or purchase securities convertible into or exchangeable for Shares, any convertible or exchangeable securities or warrants which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred such rights or the right to purchase such warrants) who have submitted applications for such convertible or exchangeable securities or warrants as referred to above are offered to and/or subscribed by others,

no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

**6.3.8** Other distributions to Shareholders:

*Adjustment:* If the Issuer shall distribute to the holders of Shares of capital stock of the Issuer (other than Shares), assets (excluding any Dividends), evidences of its indebtedness or rights or warrants to subscribe for or purchase Shares or securities (excluding those rights and warrants referred to in Conditions 6.3.5, 6.3.6 and 6.3.7), then the Conversion Price in effect on the record date for the determination of shareholders entitled to receive such distribution shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{CMP - fmv}{CMP} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

CMP = the Current Market Price per Share on the record date for the determination of shareholders entitled to receive such distribution.

fmv = the fair market value (as determined by an Independent Financial Institution or, if pursuant to applicable law of India such determination is to be made by application to a court of competent jurisdiction, as determined by such court or by an appraiser appointed by such court) of the portion of the equity share capital shares of capital stock, assets, rights or warrants so distributed applicable to one Share less any consideration payable for the same by the relevant shareholder.

*Effective date of adjustment:* Such adjustment shall become effective immediately after the record date for the determination of shareholders entitled to receive such distribution. Provided that (a) in the case of such a distribution which must, under applicable law of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before such distribution may legally be made and is so approved after the record date fixed for the determination of shareholders entitled to receive such distribution, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date and (b) if the fair market value of the shares of capital stock, assets, rights or warrants so distributed cannot be determined until after the record date fixed for the determination of shareholders entitled to receive such distribution, such adjustment shall, immediately upon such fair market value being determined, become effective retroactively to immediately after such record date.

**6.3.9** Issue of convertible or exchangeable securities other than to Shareholders:

*Adjustment:* If the Issuer shall issue any securities convertible into or exchangeable for Shares (other than the Bonds, or in any of the circumstances described in Condition 6.3.7 and Condition 6.3.11) or grant such rights in respect of any existing securities and the consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) shall be less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the issue of such securities is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the date of issue of such convertible or exchangeable securities shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of such issue.
- n = the number of Shares to be issued upon conversion or exchange of such convertible or exchangeable securities at the initial conversion or exchange price or rate.
- v = the number of Shares which the aggregate consideration receivable by the Issuer would purchase at such Current Market Price per Share.

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India corresponding to the calendar day at the place of issue on which such convertible or exchangeable securities are issued.

**6.3.10** Other issues of Shares:

*Adjustment:* If the Issuer shall issue any Shares (other than Shares issued upon conversion or exchange of any convertible or exchangeable securities (including the Bonds) issued by the Issuer or upon exercise of any rights or warrants granted, offered or issued by the Issuer or in any of the circumstances described in any preceding provision of this Condition 6.3) for cash, for a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the issue of such Shares is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the issue of such additional Shares shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of issue of such additional Shares.
- n = the number of additional Shares issued as aforesaid.
- v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share.

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India of the issue of such additional Shares.

#### **6.3.11** Issue of equity-related securities:

*Adjustment:* If the Issuer shall grant, issue or offer options, warrants or rights (excluding those rights and warrants referred to in Conditions 6.3.5, 6.3.6, 6.3.7 and 6.3.8) to subscribe for or purchase Shares or securities convertible into or exchangeable for Shares and the consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) shall be less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the offer, grant or issue of such rights, options or warrants is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the date of the offer, grant or issue of such rights, options or warrants shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of such issue.
- n = the number of Shares to be issued on exercise of such rights or warrants and (if applicable) conversion or exchange of such convertible or exchangeable securities at the said consideration.

v the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share.

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India corresponding to the calendar day at the place of issue on which such rights or warrants are issued.

#### 6.3.12 Tender or exchange offer:

*Adjustment:* In case a tender or exchange offer made by the Issuer or any Subsidiary for all or any portion of the Shares shall expire and such tender or exchange offer shall involve the payment by the Issuer or such Subsidiary of consideration per Share having a Fair Market Value at the last time (the “**Expiration Date**”) tenders or exchanges could have been made pursuant to such tender or exchange offer (as it shall have been amended) that exceeds the Current Market Price per Share, as of the Expiration Date, the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N \times CMP}{f_{mv} + [(N-n) \times CMP]} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (including any tendered or exchanged Shares) on the Expiration Date.

CMP = Current Market Price per Share as of the Expiration Date.

f<sub>mv</sub> = the Fair Market Value of the aggregate consideration payable to the holders of Shares based on the acceptance (up to a maximum specified in the terms of the tender or exchange offer) of all Shares validly tendered or exchanged and not withdrawn as of the Expiration Date (the Shares deemed so accepted up to any such maximum, being referred to as the “**Purchased Shares**”).

n = the number of Purchased Shares.

*Effective date of adjustment:* Such adjustment shall become retroactively effective immediately prior to the opening of business on the day following the Expiration Date.

*Tender or exchange offer not completed:* If the Issuer is obligated to purchase Shares pursuant to any such tender or exchange offer, but the Issuer is permanently prevented by applicable law from effecting any such purchase or all such purchases are rescinded, the Conversion Price shall again be adjusted to be the Conversion Price which would then be in effect if such tender or exchange offer had not been made.

### 6.3.13 Analogous events and modifications:

If (a) the rights of conversion or exchange, purchase or subscription attaching to any options, rights or warrants to subscribe for or purchase Shares or any securities convertible into or exchangeable for, or which carry rights to subscribe for or purchase Shares are modified (other than pursuant to and as provided in the terms and conditions of such options, rights, warrants or securities as originally issued) or (b) the Issuer determines that any other event or circumstance has occurred which has or would have an effect on the position of the Bondholders as a class compared with the position of the holders of all the securities (and options and rights relating thereto) of the Issuer, taken as a class which is analogous to any of the events referred to in Conditions 6.3.1 to 6.3.12, then, in any such case, the Issuer shall promptly notify the Trustee in writing thereof and the Issuer shall consult with an Independent Financial Institution as to what adjustment, if any, should be made to the Conversion Price to preserve the value of the Conversion Right of Bondholders and will make any such adjustment. All costs, charges, liabilities and expenses incurred in connection with the appointment, retention, consultation and remuneration of any Independent Financial Institution appointed under the Conditions shall be borne by the Issuer.

### 6.3.14 Simultaneous issues of different classes of Shares:

In the event of simultaneous issues of two or more classes of share capital comprising Shares or rights or warrants in respect of, or securities convertible into or exchangeable for, two or more classes of share capital comprising Shares, then, for the purposes of this Condition, the formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

shall be restated as:

$$NCP = OCP \times \left[ \frac{N+v1+v2+v3}{N+n1+n2+n3} \right]$$

where v1 and n1 shall have the same meanings as “v” and “n” but by reference to one class of Shares, v2 and n2 shall have the same meanings as “v” and “n” but by reference to a second class of Shares, v3 and n3 shall have the same meanings as “v” and “n” but by reference to a third class of Shares and so on.

### 6.3.15 Certain Definitions:

For the purposes of these Conditions:

the “**Closing Price**” of the Shares for each Trading Day shall be the last reported transaction price of the Shares on the BSE for such day or, if no transaction takes place on such day, the average of the closing bid and offered prices of Shares for such day as furnished by a leading independent securities firm licensed to trade on the BSE selected from time to time by the Issuer and notified to the Trustee in writing for the purpose.

“**Current Market Price**” per Share on any date means the average of the daily Closing Prices of the relevant Shares for the five consecutive Trading Days (as defined below) ending on and including the Trading Day immediately preceding such date. If the Issuer has more than one class of share capital comprising Shares, then

the relevant Current Market Price for Shares shall be the price for that class of Shares the issue of which (or of rights or warrants in respect of, or securities convertible into or exchangeable for, that class of Shares) gives rise to the adjustment in question.

If during the said five Trading Days or any period thereafter up to but excluding the date as of which the adjustment of the Conversion Price in question shall be effected, any event (other than the event which requires the adjustment in question) shall occur which gives rise to a separate adjustment to the Conversion Price under the provisions of these Conditions, then the Current Market Price as determined above shall be adjusted in such manner and to such extent as an Independent Financial Institution shall in its absolute discretion deem appropriate and fair to compensate for the effect thereof.

**“Trading Day”** means a day when the BSE is open for business, but does not include a day when (a) no such last transaction price or closing bid and offered prices is/are reported and (b) (if the Shares are not listed or admitted to trading on such exchange) no such closing bid and offered prices are furnished as aforesaid.

If the Shares are no longer listed on the BSE but are still listed on the NSE, references in the above definitions to the BSE shall be deemed to be the NSE, and if the Shares are no longer listed on the BSE or the NSE and have been listed on another stock exchange as required by Condition 6.4.1, references in the above definitions to the BSE will be taken as references to the Alternative Stock Exchange.

#### **6.3.16** Consideration receivable by the Issuer:

For the purposes of any calculation of the consideration receivable by the Issuer pursuant to Conditions 6.3.5, 6.3.6, 6.3.7, 6.3.9, 6.3.10 and 6.3.11 above, the following provisions shall be applicable:

- (a) in the case of the issue of Shares for cash, the consideration shall be the amount of such cash;
- (b) in the case of the issue of Shares for a consideration in whole or in part other than cash, the consideration other than cash shall be deemed to be the fair value thereof as determined by an Independent Financial Institution or, if pursuant to applicable law of India such determination is to be made by application to a court of competent jurisdiction, as determined by such court or an appraiser appointed by such court, irrespective of the accounting treatment thereof;
- (c) in the case of the issue (whether initially or upon the exercise of rights or warrants) of securities convertible into or exchangeable for Shares, the consideration received by the Issuer for such securities and (if applicable) rights or warrants plus the additional consideration (if any) to be received by the Issuer upon (and assuming) the conversion or exchange of such securities at the initial conversion or exchange price or rate and (if applicable) the exercise of such rights or warrants at the initial subscription or purchase price (the consideration in each case to be determined in the same manner as provided in this Condition 6.3.16) and the consideration per Share receivable by the Issuer shall be such aggregate consideration divided by the number of Shares to be issued upon (and assuming) such conversion or exchange at the initial conversion or exchange price or rate and (if

applicable) the exercise of such rights or warrants at the initial subscription or purchase price;

- (d) in the case of the issue of rights or warrants to subscribe for or purchase Shares, the aggregate consideration receivable by the Issuer shall be deemed to be the consideration received by the Issuer for any such rights or warrants plus the additional consideration to be received by the Issuer upon (and assuming) the exercise of such rights or warrants at the initial subscription or purchase price (the consideration in each case to be determined in the same manner as provided in this Condition 6.3.16) and the consideration per Share receivable by the Issuer shall be such aggregate consideration divided by the number of Shares to be issued upon (and assuming) the exercise of such rights or warrants at the initial subscription or purchase price;
- (e) if any of the consideration referred to in any of the preceding paragraphs of this Condition 6.3.16 is receivable in a currency other than Rupees, such consideration shall (in any case where there is a fixed rate of exchange between the Rupees and the relevant currency for the purposes of the issue of the Shares, the conversion or exchange of such securities or the exercise of such rights or warrants) be translated into Rupees for the purposes of this Condition 6.3.16 at such fixed rate of exchange and shall (in all other cases) be translated into Rupees at the mean of the exchange rate quotations (being quotations for the cross rate through U.S. dollars if no direct rate is quoted) by a leading bank in India for buying and selling spot units of the relevant currency by telegraphic transfer against Rupees on the date as of which the said consideration is required to be calculated as aforesaid;
- (f) in the case of the issue of Shares (including, without limitation, to employees under any employee bonus or profit sharing arrangements) credited as fully paid out of retained earnings or capitalisation of reserves at their par value, the aggregate consideration receivable by the Issuer shall be deemed to be zero (and accordingly the number of Shares which such aggregate consideration receivable by the Issuer could purchase at the relevant Current Market Price per Share shall also be deemed to be zero); and
- (g) in making any such determination, no deduction shall be made for any commissions or any expenses paid or incurred by the Issuer.

#### **6.3.17** Cumulative adjustments:

If, at the time of computing an adjustment (the “**later adjustment**”) of the Conversion Price pursuant to any of Conditions 6.3.2, 6.3.5, 6.3.6, 6.3.9, 6.3.10 and 6.3.11 above, the Conversion Price already incorporates an adjustment made (or taken or to be taken into account pursuant to the proviso to Condition 6.3.18) to reflect an issue of Shares or of securities convertible into or exchangeable for Shares or of rights or warrants to subscribe for or purchase Shares or securities, to the extent that the number of such Shares or securities taken into account for the purposes of calculating such adjustment exceeds the number of such Shares in issue at the time relevant for ascertaining the number of outstanding Shares for the purposes of computing the later adjustment, such excess Shares shall be deemed to be outstanding for the purposes of making such computation.

#### **6.3.18** Minor adjustments:

No adjustment of the Conversion Price shall be required if the adjustment would be less than 1% of the then current Conversion Price; provided that any adjustment which by reason of this Condition 6.3.18 is not required to be made shall be carried forward and taken into account (as if such adjustment had been made at the time when it would have been made but for the provisions of this Condition 6.3.18) in any subsequent adjustment. All calculations under this Condition 6.3 shall be made to the nearest ₹0.01 with ₹0.005 being rounded up to the next ₹0.01. Except as otherwise set out in Condition 6.3.19, the Issuer may reduce the Conversion Price (but is not obliged to do so) at any time in its absolute discretion, subject to compliance with all applicable Indian laws.

**6.3.19** Minimum Conversion Price:

Notwithstanding the provisions of this Condition, the Issuer covenants that:

- (a) the Conversion Price shall not be reduced below the par value of the Shares (₹2 at the date hereof) as a result of any adjustment made hereunder unless under applicable law then in effect Bonds may be converted at such reduced Conversion Price into legally issued, fully-paid and non-assessable Shares; and
- (b) it will not take any corporate or other action which might result in the Conversion Price being reduced pursuant to Conditions 6.3.1 to 6.3.14 above the level permitted by applicable Indian laws and regulations from time to time (if any) or (ii) applicable Indian regulatory authorities.

**6.3.20** Reference to “fixed”:

Any references herein to the date on which a consideration is “fixed” shall, where the consideration is originally expressed by reference to a formula which cannot be expressed as an actual cash amount until a later date, be construed as a reference to the first day on which such actual cash amount can be ascertained.

**6.3.21** Upward adjustment:

No adjustment involving an increase in the Conversion Price will be made, except in the case of a consolidation of the Shares, as referred to in Condition 6.3.1.

**6.3.22** Trustee not obliged to monitor:

The Trustee shall not be under any duty to monitor whether any event or circumstance has happened or exists under this Condition 6.3 and will not be responsible to Bondholders for any loss arising from any failure by it to do so.

The Trustee and the Agents shall be under no obligation to calculate, determine or verify the number of Shares to be issued upon conversion of the Bonds or verify the Issuer's or the Independent Financial Institution's determination of such number of Shares or method used in such determination and neither the Trustee nor the Agents shall be responsible to Bondholders or any other person for any loss arising from any failure to do so or for any delay of the Issuer or the Independent Financial Institution in making such determination or any erroneous determination by the Issuer or the Independent Financial Institution.

#### 6.3.23 Approval of Trustee:

The Issuer shall within 3 days of the adjustment event send the Trustee a certificate setting out particulars relating to adjustment of the Conversion Price. The Issuer shall also cause a notice containing the same information to be sent to Bondholders, such notice to be provided to the Trustee in writing before it is given to Bondholders.

#### 6.3.24 Independent Financial Institution:

If the Issuer fails to select an Independent Financial Institution when required in this Condition 6.3, the Trustee may (at its absolute discretion) select such an Independent Financial Institution at the expense of the Issuer.

#### 6.3.25 Depository Receipts:

If the Issuer shall have outstanding a depository receipt facility programme or facility in respect of its Shares (a “**DR Facility**”) on the date of conversion of any Bonds, then, subject to the terms and conditions of the relevant facility or programme and to applicable laws and regulations and to such amendments to these Conditions as the Issuer and the Trustee shall consider to be appropriate, each Bondholder will have the right in respect of the exercise of Conversion Rights to elect (a “**DR Election**”) that the Shares to be issued on conversion be represented by depository receipts (“**DRs**”) and to receive DRs instead of such Shares. A DR Election shall be made in the relevant Conversion Notice in such form as the Issuer may require. The number of DRs to be issued on exercise of Conversion Rights in respect of which the relevant Bondholder shall have duly made a DR Election shall be determined by dividing the principal amount of the relevant Bond to be converted by the Conversion Price in effect on the relevant Conversion Date and dividing the resulting number by the number of Shares represented by each DR on such Conversion Date.

Fractions of a DR will not be issued and neither will a Share (where at the relevant time a DR represents more than one Share) or any fraction of a Share be issued and no cash payment or adjustment will be made in respect thereof. However, if the Conversion Right in respect of more than one Bond is exercised at any one time such that DRs are to be issued to the same person, the number of such DRs to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being so converted and rounded down to the nearest whole number of DRs.

Where DRs are to be issued, the Issuer will, as soon as practicable, and in any event not later than 30 days after the relevant Conversion Date (i) cause the name of the depository in respect of the relevant DR Facility (the “**DR Depository**”), or its custodian, to be registered in the record of the depositors maintained by the depository registered under the 1996 Depositories Act with whom the Issuer has entered into a depository agreement and (ii) cause the relevant number of DRs to be issued by the DR Depository pursuant to the relevant DR Facility to the relevant Bondholder or his/their nominee.

DRs will be issued in book-entry form or in certificated form as provided in the relevant DR Facility, and may bear such legends and be subject to such restrictions on transfer as the Issuer shall determine to be necessary to comply with applicable laws and regulations.

A Bondholder exercising Conversion Rights and making a DR Election must deliver at its expense to the specified office of any Conversion Agent all and any certificates and other documents as may be required pursuant to the relevant DR Facility in respect of the deposit of the relevant Shares pursuant to such DR Facility.

The Issuer will pay all expenses, charges and fees of the custodian for the DR Depository and of the DR Depository in connection with the deposit of the relevant Shares and issue of the DRs on conversion.

If a Retroactive Adjustment shall occur in relation to the exercise of Conversion Rights in relation to any Bond in respect of which a DR Election shall have been duly made, the Issuer shall, conditional upon the relevant adjustment becoming effective procure that there shall be issued to the relevant Bondholder (or in accordance with instructions contained in the Conversion Notice) such additional number DRs (if any) (the “**Additional DRs**”) as, together with the DRs issued or to be issued on conversion of the relevant Bond is equal to the number of DRs which would have been required to be issued on conversion of such Bond (together with any fraction of a DR not so issued) if the relevant adjustment to the Conversion Price had been made and become effective on and as of the relevant Conversion Date.

DRs issued upon conversion of the Bonds will in all respects rank *pari passu* with all other DRs under the relevant DR Facility then in issue on the relevant Conversion Date, except that the DRs or, as the case may be, the Additional DRs so issued will not rank for any right where the record date or other due date for the establishment of entitlement in respect of the Shares represented by such DRs or, as the case may be, Additional DRs falls prior to the relevant Conversion Date.

If the Issuer determines that it would be contrary to applicable laws or regulations or would be contrary to the terms of the relevant DR Facility (including any provisions thereof relating to the deposit of Shares) to issue Shares to be represented by DRs upon conversion of Bonds in respect of which a DR Election shall have been made, such DR Election shall be ineffective and there shall be issued to such Bondholder (or as specified in the relevant Conversion Notice) Shares as if such DR Election had not been made.

The Issuer is under no obligation to establish and/or maintain any depository facility or programme in respect of the Shares or, if it does, to enable the Shares to be eligible for deposit pursuant thereto. The Issuer shall be entitled to impose such conditions and restrictions on the deposit of Shares pursuant to any such facility or programme as it may determine, and may agree with the Trustee such changes to these Conditions as may be appropriate in respect of or relating to the deposit of Shares pursuant to any such facility or programme.

#### **6.3.26 Employee Share Option Scheme:**

No adjustment will be made to the Conversion Price where Shares or options to subscribe or acquire Shares are issued, offered, allotted, appropriated, modified or granted to or for the benefit of employees or former employees (including directors) of the Issuer or its Subsidiaries or any associated company of the Issuer (as set out in the relevant employee stock option plan), or persons related to such employees or former employees (including directors) or former employees, directly or indirectly, pursuant to any employee stock option scheme or plan approved by shareholders in general meeting and otherwise adopted in accordance with and complying with all applicable provisions of relevant Indian laws and regulations and official guidelines of

any relevant governmental or official body except to the extent that such issues in any period of 12 months amount to, or entitle such persons to receive Shares in excess of 3% of the average number of Shares outstanding during such period of 12 months.

## 6.4 Undertakings

**6.4.1** The Issuer has undertaken in the Trust Deed, *inter alia*, that so long as any Bond remains outstanding, save with the approval of an Extraordinary Resolution of the Bondholders or with the prior written consent of the Trustee where, in the opinion of the Trustee, it is not materially prejudicial to the interests of Bondholders to give such approval:

- (i) it will use its best endeavours (a) to obtain and maintain a listing of the Bonds on the Singapore Exchange Securities Trading Limited (the “**Singapore Stock Exchange**”), (b) to maintain a listing for all the issued Shares on the Indian Exchanges, (c) to obtain and maintain a listing for all the Shares issued on the exercise of the Conversion Rights attaching to the Bonds on the Indian Exchanges, and (d) if the Issuer is unable to obtain or maintain such listings, or maintenance of such listings is unduly onerous to obtain and maintain a listing for all the Bonds and the Shares issued on the exercise of the Conversion Rights, on an alternative stock exchange as the Issuer may from time to time (with the prior written consent of the Trustee) determine (the “**Alternative Stock Exchange**”) and will forthwith give notice to the Bondholders in accordance with Condition 17 below of the listing or delisting of the Shares or the Bonds (as a class) by any of such stock exchanges;
- (ii) it will reserve, free from any other pre-emptive or other similar rights, out of its authorised but unissued ordinary share capital the full number of Shares liable to be issued on conversion of the Bonds without breaching any foreign ownership restrictions in India applicable to the Shares and will ensure that all such Shares will be duly and validly issued as fully-paid;
- (iii) it will pay the expenses of the issue or delivery of, and all expenses of obtaining listing for, Shares arising on conversion of the Bonds;
- (iv) it will not make any reduction of its ordinary share capital or any uncalled liability in respect thereof or of any share premium account or capital redemption reserve fund (except, in each case, as permitted by law);
- (v) it will not make any offer, issue or distribute or take any action the effect of which would be to reduce the Conversion Price below the par value of the Shares of the Issuer, provided always that the Issuer shall not be prohibited from purchasing its Shares to the extent permitted by law;
- (vi) it will not take any corporate or other action pursuant to Conditions 6.3.1 to 6.3.14 that would cause the Conversion Price to be adjusted to a price which would render conversion of the Bonds into Shares at such adjusted Conversion Price to be in contravention of applicable law or subject to approval from the Reserve Bank of India, the Ministry of Finance of the Indian Government and/or any other governmental/regulatory authority in India. The Issuer also covenants that prior to taking any action which would cause an adjustment to the Conversion Price, the Issuer shall provide the Trustee with an opinion of a legal counsel in India of international repute, stating that the Conversion Price as proposed to be adjusted pursuant to such action, is in

conformity with applicable law and that the conversion of the Bonds to the Shares at such adjusted Conversion Price would not require approval of the Reserve Bank of India, the Ministry of Finance of the Indian Government and/or any other governmental/regulatory authority in India (the “**Price Adjustment Opinion**”). To the extent that an event triggering an adjustment to the Conversion Price occurs and the Issuer is unable to provide the Trustee with a Price Adjustment Opinion, the Issuer shall give notice to Bondholders of their Non-Permitted Conversion Price Adjustment Event Repurchase Right, as defined in and pursuant to Condition 8.7;

- (vii) it will not acquire or retire for value any Shares;
- (viii) it will not retire for value prior to its repayment or maturity date any loans and/or securities *pari passu* with or subordinated to the Bonds (provided that, for the purpose of this Condition 6.4.1, the Bonds will be presumed to be in unsecured form throughout their term); and
- (ix) it will not declare or pay any dividends or make any payments or repayments of any kind to its shareholders, for so long as any Bonds are outstanding.

**6.4.2** The Issuer undertakes that so long as any Bond remains outstanding it shall provide to the Trustee:

- (a) on an annual basis and in addition to its regular stock exchange reporting requirements, the details of amounts prepaid to the CDR lenders and the Asset Coverage Ratio in order to enable the Trustee to monitor the Security Conditions;
- (b) (i) its semi-annual financial information prepared in accordance with Clause 41 of the listing agreements entered into with the Indian Exchanges in respect of each semi-annual fiscal period within 3 months of the end of the relevant semi-annual fiscal period, and (ii) its annual report containing audited financial statements in respect of each fiscal year within 6 months from the end of the relevant fiscal year reported on by the auditors and prepared in accordance with Indian GAAP and if so requested, certified by two directors of the Issuer (in each case in English language); and
- (c) a copy of all publicly available notices, statements and documents which are issued to its Shareholders or its creditors as soon as practicable (but not later than 30 days) after their date of issue.

**6.4.3** The Issuer has also given certain other undertakings in the Trust Deed for the protection of the Conversion Rights.

## **6.5** Notice of Change in Conversion Price

The Issuer shall give notice to the Bondholders in accordance with Condition 17 and, for so long as the Bonds are listed on the Singapore Stock Exchange and the rules of the Singapore Stock Exchange so require, the Issuer shall also give notice to the Singapore Stock Exchange, of any change in the Conversion Price. Any such notice relating to a change in the Conversion Price shall set forth the event giving rise to the adjustment, the Conversion Price prior to such adjustment, the adjusted Conversion Price and the effective date of such adjustment.

## 6.6 Conversion upon Change of Control

If a Change of Control (as defined below) shall have occurred during the Conversion Period, the Issuer shall give notice of that fact to the Bondholders (the “**Change of Control Notice**”) in accordance with Condition 17 within seven days after it becomes aware of such Change of Control. Following the giving of a Change of Control Notice, upon any exercise of Conversion Rights such that the relevant Conversion Date falls within 30 days following a Change of Control, or, if later, 30 days following the date on which the Change of Control Notice is given to Bondholders (such period, the “**Change of Control Conversion Period**”), the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = \frac{OCP}{1+(CP \times c/t)}$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2. For the avoidance of doubt, OCP for the purposes of this Condition 6.6 shall be the Conversion Price applicable on the relevant Conversion Date in respect of any conversion pursuant to this Condition 6.6.

Conversion Premium (“CP”)	=	10% expressed as a fraction.
c	=	the number of days from and including the first day of the Change of Control Conversion to but excluding 16 July 2019
t	=	the number of days from and including 15 July 2014 to but excluding 16 July 2019

provided that the Conversion Price shall not be reduced pursuant to this Condition 6.6 above the level permitted by applicable Indian laws and regulations from time to time (if any).

If the last day of a Change of Control Conversion Period shall fall during a Closed Period, the Change of Control Conversion Period shall be extended such that its last day will be the fifteenth day following the last day of a Closed Period.

For the purposes of this Condition 6.6 and Condition 8.4,

“**control**” means (a) the acquisition or control of more than 50% of the Voting Rights of the issued share capital of the Issuer or (b) the right to appoint and/or remove all or the majority of the members of the Issuer’s Board of Directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise;

a “**Change of Control**” occurs when:

- (a) any person or persons (excluding the Promoter Group), acting together, acquires control, directly or indirectly, of the Issuer; or
- (b) the Issuer consolidates with or merges into or sells or transfers all or substantially all of the Issuer’s assets to any other person or persons, acting together;

a “**person**” includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity) but does not include the Issuer’s Board of Directors or any other governing board and does not include the Issuer’s 100% owned direct or indirect Subsidiaries;

“**Promoter Group**” means Tulsi R. Tanti, Tanti Holdings Limited, Gita T. Tanti, Tulsi R. Tanti (as karta of Tulsi Ranchhodbhai HUF), Tulsi R. Tanti (as karta of Ranchhodbhai Ramjibhai HUF) and jointly by Tulsi R. Tanti, Vinod R. Tanti and Jitendra R. Tanti, Vinod R. Tanti, Jitendra R. Tanti, Sangita V. Tanti, Lina J. Tanti, Girish R. Tanti, Rambhoben Ukabhai, Vinod R. Tanti (as karta of Vinod Ranchhodbhai HUF), Jitendra R. Tanti (as karta of Jitendra Ranchhodbhai HUF), Pranav T. Tanti, Nidhi T. Tanti, Radha G. Tanti, Aarav G. Tanti (through guardian Girish R. Tanti), Aanya G. Tanti (through guardian Girish R. Tanti), Rajan V. Tanti, Brij J. Tanti, Trisha J. Tanti, Girish R. Tanti (as karta of Girish Ranchhodbhai HUF), Suruchi Holdings Private Limited, Sugati Holdings Private Limited and Samanvaya Holdings Private Limited; and

“**Voting Rights**” means the right generally to vote at a general meeting of Shareholders of the Issuer (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

## 7 **Payments**

### 7.1 Principal and Interest

- (i) Payment of principal, interest and premium (if any) will be made by transfer to the registered account of the Bondholder or by U.S. dollar cheque drawn on a bank in New York City mailed to the registered address of the Bondholder if it does not have a registered account, in each case, in accordance with provisions of the Agency Agreement. Such payment will only be made after surrender of the relevant Certificate at the specified office of any of the Agents. If an amount which is due on the Bonds is not paid in full, the Registrar will annotate the Register with a record of the amount (if any) paid.
- (ii) Interest on the Bonds due on an Interest Payment Date will be paid on the due date for the payment of interest to the holder shown on the Register at the close of business on the 15th day before the due date for the payment of interest (the “**Interest Record Date**”). Payments of interest on each Bond will be made by transfer to the registered account of the Bondholder or by U.S. dollar cheque drawn on a bank in New York City mailed to the registered address of the Bondholder if it does not have a registered account, in each case, in accordance with the terms of the Agency Agreement.

### 7.2 Registered Accounts

For the purposes of this Condition, a Bondholder’s “**registered account**” means the U.S. dollar account maintained by or on behalf of it with a bank in New York City, details of which appear on the Register at the close of business on the second business day (as defined below) before the due date for payment, and a Bondholder’s registered address means its address appearing on the Register at that time.

### 7.3 Applicable Laws

All payments are subject in all cases to any applicable laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9. No commissions or expenses shall be charged to the Bondholders in respect of such payments.

### 7.4 Payment Initiation

Where payment is to be made by transfer to a registered account, payment instructions (for value on the due date or, if that is not a business day (as defined below), for value on the first following day which is a business day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (at the risk and, if mailed at the request of the holder otherwise than by ordinary mail, expense of the holder) on the due date for payment (or, if it is not a business day, the immediately following business day) or, in the case of a payment of principal, if later, on the business day on which the relevant Certificate is surrendered at the specified office of an Agent.

### 7.5 Default Interest and Delay in Payment

- (i) If the Issuer fails to pay any sum in respect of the Bonds when the same becomes due and payable under these Conditions, interest shall accrue on the overdue sum at the rate of 5.94% per annum (being the yield to maturity plus default interest) from the due date. Such default interest shall accrue on the basis of the actual number of days elapsed and a 360-day year.

*RBI regulations may require the Issuer to obtain the prior approval of the RBI before making any such default interest payments. Such approval may or may not be forthcoming.*

- (ii) Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a business day, if the Bondholder is late in surrendering its Certificate (if required to do so) or if a cheque mailed in accordance with this Condition arrives after the due date for payment.

### 7.6 Business Day

In this Condition, “**business day**” means a day other than a Saturday or Sunday on which commercial banks are open for business in Mumbai, New York City and London and, in the case of the surrender of a Certificate, in the place where the Certificate is surrendered.

## 8 Redemption, purchase and cancellation

### 8.1 Maturity

Unless previously redeemed, converted or purchased and cancelled as provided herein, the Issuer will redeem the Bonds at their principal amount on 16 July 2019 (the “**Maturity Date**”) together with accrued interest, if any, calculated in accordance with Condition 5.1. The Issuer may not redeem the Bonds at its option prior to that date except as provided in Condition 8.2 or 8.3 below (but without prejudice to Condition 10).

### 8.2 Mandatory Conversion at the Option of the Issuer

- 8.2.1** On or at any time after the date falling 15 July 2016, and on or prior to 15 January 2018 (the “**First Phase**”), the Issuer may, having given not less than 30

nor more than 60 days' notice to the Bondholders, the Trustee and the Principal Agent (such notice the "**Mandatory Conversion Notice**" and such period the "**Mandatory Conversion Notice Period**") which notice shall be irrevocable, mandatorily convert the Bonds in part (but subject to not converting more than U.S.\$182,305,333.33) pursuant to a single Mandatory Conversion Notice, into Shares at the then prevailing Conversion Price. The Issuer may deliver a Mandatory Conversion Notice only if the Volume Weighted Average Price (converted into U.S. dollars at the Prevailing Rate) of the Shares on each day during a period of not less than 30 Trading Days prior to the date on which such Mandatory Conversion Notice is delivered, was at least 175% of the applicable Conversion Price (converted into U.S. dollars at the Fixed Exchange Rate). Such notice may not be given more than 14 days after the end of such period of 30 Trading Days.

- 8.2.2** On or at any time after 15 January 2018 and on or prior to 17 May 2019 (the "**Second Phase**"), the Issuer may, having provided a Mandatory Conversion Notice in accordance with the Mandatory Conversion Notice Period to the Bondholders, the Trustee and the Principal Agent, which notice shall be irrevocable, mandatorily convert the Bonds in part (but subject to not converting more than U.S.\$182,305,333.33) pursuant to a single Mandatory Conversion Notice, into Shares at the then prevailing Conversion Price. The Issuer may deliver a Mandatory Conversion Notice only if the Volume Weighted Average Price (converted into U.S. dollars at the Prevailing Rate) of the Shares on each day during a period of not less than 30 Trading Days prior to the date on which such Mandatory Conversion Notice is delivered, was at least 150% of the applicable Conversion Price (converted into U.S. dollars at the Fixed Exchange Rate). Such notice may not be given more than 14 days after the end of such period of 30 Trading Days.

If the Issuer exercises its option to exercise the mandatory conversion more than once during the term of the Bonds, there must be a six month period between the delivery of any two Mandatory Conversion Notices.

In the case of mandatory conversion in accordance with this condition, the Bonds to be converted will be converted on a *pro rata* basis (which will result in the face value of each Bond being marked down in part) or otherwise in accordance with the rules of Euroclear and Clearstream, Luxembourg in the case of mandatory conversion of the Bonds represented by Global Certificates.

Any Mandatory Conversion Notice shall specify (i) the expiry date of the Mandatory Conversion Notice Period; (ii) the Cut-Off Date (as defined herein); (iii) a confirmation that the conditions to a mandatory conversion in accordance with this Condition have been satisfied; and (iv) the then applicable Conversion Price. The Mandatory Conversion Notice shall also specify further details of the conversion, including instructions to Bondholders regarding the time period in which Bondholders must deposit and surrender their respective Certificates and the duly signed and completed Conversion Notice at the specified office of the relevant Conversion Agent or the Principal Agent.

The Issuer's right to mandatorily convert under this Condition 8.2 does not affect a holder's right to exercise its Conversion Right hereunder (which shall remain in full force and effect during the Mandatory Conversion Notice Period) provided that in no event shall the Conversion Date fall after the date for mandatory conversion hereunder. Upon the expiry of the Mandatory Conversion Notice Period, the Issuer will be bound (subject to and in accordance with Condition 6) to convert the Bonds to which such notice relates into Shares and the date of expiry of such period shall be

deemed to be the Conversion Date. The holders of the Bonds to be so converted shall be deemed to have exercised their Conversion Rights and the provisions of Condition 6 apply *mutatis mutandis*.

If on the business day immediately following the Mandatory Conversion Notice Period (the “**Cut-Off Date**”), Conversion Notices have not been received by the relevant Conversion Agent or the Principal Agent in respect of any Bonds outstanding (“**Relevant Bonds**”), the Relevant Bonds shall be converted into Shares in accordance with these Conditions at the applicable Conversion Price and such Shares shall be delivered to an agent of the Issuer located in Mumbai (the “**Share Agent**”). Certificates for such Shares will be issued by the Issuer in the name of an agent of the Issuer and deposited at the office of the Share Agent and the Issuer will be responsible for all fees and charges for the issue of such Certificate or Certificates. All of the Shares delivered, or to be delivered, on such conversion shall be sold by, or on behalf of, the Share Agent as soon as practicable, and (subject to any necessary consents being obtained, and to the deduction by the Share Agent of any amount which it determines to be payable in respect of its liability to taxation and the payment of any capital, stamp, transfer, issue or registration duties (if any) and any costs incurred by the Share Agent in connection with the transfer, delivery and sale thereof) the net proceeds of sale together with accrued interest (if any) payable under Condition 6, and any cash in lieu of fractions and any other amount payable by the Issuer in respect of the relevant exercise in respect of the Relevant Bonds (the “**Net Proceeds**”) shall be held by the Share Agent for the benefit of the Bondholders so entitled and distributed rateably to the holders of such Relevant Bonds.

Immediately following the sale of Shares by the Share Agent, the Issuer shall forthwith notify Bondholders of such sale and provide details of the Net Proceeds available for distribution to Bondholders so entitled. The Issuer’s obligation to pay the principal and interest on the Bonds shall not be satisfied unless and until the relevant Shares or Net Proceeds (as applicable) attributable to the Bonds converted pursuant to Condition 8.2 shall have been delivered to the applicable Bondholder.

The Trustee shall not be required to take any steps to ascertain or verify whether any of the events described in Conditions 8.2.1 and 8.2.2 has occurred. The Trustee and the Issuer shall have no responsibility to any person for the manner in which such sale is effected or if the aggregate sale proceeds fall short of the principal amount of the Relevant Bonds. The Trustee shall have no liability in respect of the exercise or non-exercise of the right of the Issuer to mandatorily convert any Bonds pursuant to this Condition 8.2 or the timing of such exercise or in respect of any such sale of Shares whether for the timing of any such sale or the price at which any such Shares are sold, or the inability to sell any such Shares or otherwise.

- 8.2.3** If at any time the aggregate principal amount of the Bonds outstanding is less than 10% of the aggregate principal amount originally issued (including any Bonds issued pursuant to Condition 16), the Issuer shall have the option to redeem such outstanding Bonds in whole but not in part at their Early Redemption Amount (as defined below) together with accrued but unpaid interest to such date, on the date fixed for redemption. The Issuer will give at least 30 days’ but not more than 60 days’ prior notice to the holders for such redemption.

### **8.3 Redemption for Taxation Reasons**

- 8.3.1** At any time the Issuer may, having given not less than 30 nor more than 60 days’ notice to the Bondholders (which notice shall be irrevocable) redeem all, and not

some only, of the Bonds at their Early Redemption Amount together with accrued but unpaid interest to such date, on the date fixed for redemption (“**Tax Redemption Date**”), if (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice that the Issuer has or will become obliged to pay additional amounts in respect of payments of interest on the Bonds pursuant to Condition 9 as a result of any change in, or amendment to, the laws or regulations of India or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Closing Date, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee a certificate signed by two directors of the Issuer stating that the obligation referred to in (i) above cannot be avoided by the Issuer (taking reasonable measures available to it); and an opinion of independent legal or tax advisors of recognised international standing to the effect that such change or amendment has occurred (irrespective of whether such amendment or change is then effective) and the Trustee shall be entitled to accept such certificate and opinion as sufficient evidence thereof in which event it shall be conclusive and binding on the Bondholders.

**8.3.2** Upon the expiry of any such notice, the Issuer will be bound to redeem the Bonds at their Early Redemption Amount together with accrued but unpaid interest to such date, on the Tax Redemption Date.

**8.3.3** If the Issuer gives a notice of redemption pursuant to this Condition 8.3, each Bondholder will have the right to elect that his Bond(s) shall not be redeemed and that the provisions of Condition 9 shall not apply in respect of any payment of principal or interest to be made in respect of such Bond(s) which falls due after the relevant Tax Redemption Date whereupon no additional amounts shall be payable in respect thereof pursuant to Condition 9 and payment of all amounts shall be made subject to the deduction or withholding of the taxation required to be withheld or deducted by the Indian Government or any authority thereof or therein having power to tax. For the avoidance of doubt, any additional amounts which had been payable in respect of the Bonds as a result of the laws or regulations of the Indian Government or any authority thereof or therein having power to tax prior to the Closing Date will continue to be payable to such Bondholders. To exercise such right, the holder of the relevant Bond must complete, sign and deposit at the specified office of any Paying Agent a duly completed and signed notice of election (the “**Bondholder’s Tax Election Notice**”), in the form for the time being current, obtainable from the specified office of any Paying Agent together with the Certificate evidencing the Bonds on or before the day falling 10 days prior to the Tax Redemption Date.

#### **8.4** Redemption for Change of Control

**8.4.1** Following the occurrence of a Relevant Event (as defined below) and to the extent permitted by applicable law, each Bondholder will have the right at such Bondholder’s option to require the Issuer to redeem in whole but not in part such Bondholder’s Bonds on the Relevant Event Put Date at their Early Redemption Amount together with accrued but unpaid interest to such date. To exercise such right, the relevant Bondholder must complete, sign and deposit at the specified office of any Paying Agent a duly completed and signed notice of redemption, in the form for the time

being current, obtainable from the specified office of any Paying Agent (“**Relevant Event Put Exercise Notice**”) together with the Certificate evidencing the Bonds to be redeemed by not later than 30 days following a Relevant Event, or, if later, 30 days following the date upon which notice thereof is given to Bondholders by the Issuer in accordance with Condition 17. The “**Relevant Event Put Date**” shall be the fourteenth day after the expiry of such period of 30 days as referred to above.

**8.4.2** A Relevant Event Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Bonds which form the subject of the Relevant Event Put Exercise Notices delivered as aforesaid on the Relevant Event Put Date.

**8.4.3** The Trustee shall not be required to take any steps to ascertain whether a Relevant Event or any event which could lead to the occurrence of a Relevant Event has occurred and shall not be responsible or liable to Bondholders for any loss arising from any failure by it to do so.

**8.4.4** No later than seven days after becoming aware of a Relevant Event, the Issuer shall procure that notice regarding the Relevant Event shall be delivered to Bondholders (in accordance with Condition 17) stating: (i) the Relevant Event Put Date; (ii) the date of such Relevant Event and, briefly, the events causing such Relevant Event; (iii) the date by which the Relevant Event Put Exercise Notice (as defined above) must be given; (iv) the redemption amount and the method by which such amount will be paid; (v) the names and specified offices of all Paying Agents; (vi) briefly, the Conversion Right and the then current Conversion Price; (vii) the procedures that Bondholders must follow and the requirements that Bondholders must satisfy in order to exercise the Relevant Event Put Right or Conversion Right; and (viii) that a Relevant Event Put Exercise Notice, once validly given, may not be withdrawn.

**8.4.5** For the purposes of this Condition 8:

- (i) a “**person**” includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity) but does not include the Issuer’s Board of Directors or any other governing board and does not include the Issuer’s 100% owned direct or indirect Subsidiaries;
- (ii) “**Relevant Event**” occurs when there has been a Change of Control (as defined in Condition 6.6) in the Issuer; and
- (iii) “**Early Redemption Amount**” of a Bond, for each U.S.\$1,000 principal amount of the Bonds, is determined so that it represents (i) in the case of a redemption of Bonds on the Maturity Date, 100% of the principal amount of such Bonds, or (ii) in the case of a redemption of the Bonds pursuant to Condition 8 or if the Bonds become due and payable pursuant to Condition 10, the amount which is determined to be the amount which, together with unpaid accrued interest from the immediately preceding Interest Payment Date, or, if none, the Closing Date, and after taking into account any interest paid in respect of such Bonds in preceding periods, represents for the Bondholder on the relevant date for determination of the Early Redemption Amount (the “**Determination Date**”) for the Bondholder a gross yield of 4.94% per annum calculated on a semi-annual basis. The applicable Early Redemption Amount for each U.S.\$1,000 principal amount of Bonds is calculated in accordance with the following formula, rounded (if necessary) to two decimal places with 0.005 being rounded upwards (provided that if the

date fixed for redemption is a Interest Payment Date (as set out below), such Early Redemption Amount shall be as set out in the table below in respect of such Interest Payment Date):

$$\text{Early Redemption Amount} = \text{Previous Redemption Amount} \times (1 + r/2)^{d/p} - AI$$

Previous Redemption Amount = the Early Redemption Amount for each U.S.\$1,000 principal amount on the Interest Payment Date immediately preceding the date fixed for redemption as set out below (or if the Bonds are to be redeemed prior to 16 January 2015, U.S.\$1,000)

<b>Interest Payment Date</b>	<b>Early Redemption Amount</b>
16 January 2015 .....	U.S.\$ 1,008.50
16 July 2015 .....	U.S.\$ 1,017.16
16 January 2016 .....	U.S.\$ 1,026.03
16 July 2016 .....	U.S.\$ 1,022.63
16 January 2017 .....	U.S.\$ 1,019.13
16 July 2017 .....	U.S.\$ 1,015.56
16 January 2018 .....	U.S.\$ 1,011.89
16 July 2018 .....	U.S.\$ 1,008.13
16 January 2019 .....	U.S.\$ 1,004.29

r = 4.94 %, expressed as a fraction.

d = number of days from and including the immediately preceding Interest Payment Date (or if the Determination Date is before the first Interest Payment Date, from and including the Closing Date) to, but excluding, the Determination Date, calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

p = 180

AI = the accrued interest on a Bond in the principal amount of U.S.\$1,000 from and including the immediately preceding Bonds Interest Payment Date (or if the Determination Date is before the first Bonds Interest Payment Date, from and including the Closing Date) to but excluding the Determination Date, calculated on the basis of a 360 day year consisting of 12 months of 30 days each and in the case of an incomplete month, the number of days elapsed.

If the Early Redemption Amount payable in respect of any Bond upon its redemption pursuant to Condition 8 or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Bond shall be the Early Redemption Amount of such Bond as described above, as though references to the Determination Date had been replaced by references to the Tax Redemption Date or Put Date or Non-Permitted Conversion Price Adjustment Date, as applicable, and interest shall accrue at the rate provided for in Condition 5.1 on the principal amount of such Bond to such date. The calculation of the Early Redemption Amount in accordance with this Condition will continue to be made (as well after as before judgment) until the Tax Redemption Date or Put Date or Non-Permitted Conversion Price Adjustment Date, as applicable, unless such date falls on or after the Maturity Date, in which case the amount due and payable shall be 100% of the principal amount of the Bonds together with interest thereon (inclusive of interest payable pursuant to Condition 5) at the rate of 5.94% per annum from and including the Maturity Date to but excluding the Tax Redemption Date or Put Date or Non-Permitted Conversion Price Adjustment Date, as applicable.

## 8.5 Delisting Put Right

**8.5.1** In the event the Shares cease to be listed or admitted to trading on the BSE or NSE (a “**Delisting**”), each Bondholder shall have the right (the “**Delisting Put Right**”), at such Bondholder’s option, to require the Issuer to redeem all (but not less than all) of such Bondholder’s Bonds on the twentieth business day after notice has been given to Bondholders regarding the Delisting referred to under Condition 8.5.2 below or, if such notice is not given, the twentieth business day after the Delisting (the “**Delisting Put Date**”) at their Early Redemption Amount together with accrued interest but unpaid to such date (the “**Delisting Put Price**”).

**8.5.2** Promptly after becoming aware of a Delisting, the Issuer shall procure that notice regarding the Delisting Put Right shall be given to Bondholders (in accordance with Condition 17) stating:

- (i) the Delisting Put Date;
- (ii) the date of such Delisting and, briefly, the events causing such Delisting;
- (iii) the date by which the Delisting Put Notice (as defined below) must be given;
- (iv) the Delisting Put Price and the method by which such amount will be paid;

- (v) the names and specified offices of all Paying Agents;
- (vi) the Conversion Right and the then current Conversion Price;
- (vii) the procedures that Bondholders must follow and the requirements that Bondholders must satisfy in order to exercise the Delisting Put Right or Conversion Right; and
- (viii) that a Delisting Put Notice, once validly given, may not be withdrawn.

**8.5.3** To exercise its rights to require the Issuer to redeem its Bonds, the Bondholder must deliver a written irrevocable notice of the exercise of such right (a “**Delisting Put Notice**”), in the then current form obtainable from the specified office of any Paying Agent, to any Paying Agent on any business day prior to the close of business at the location of such Paying Agent on such day and which day is not less than 10 business days prior to the Delisting Put Date.

**8.5.4** A Delisting Put Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Bonds which form the subject of the Delisting Put Notices delivered as aforesaid on the Delisting Put Date.

**8.5.5** The Trustee shall not be required to take any steps to ascertain whether a Delisting or any event which could lead to the occurrence of a Delisting has occurred and shall not be responsible or liable to Bondholders for any loss arising from any failure by it to do so.

**8.5.6** For the purposes of this Condition 8.5, “**business day**” shall mean a day on which commercial banks are open for business in New York City, London and Mumbai.

## **8.6** Redemption Following Exercise of a Put Option

Upon the exercise of any put option specified in Condition 8.4 or 8.5, payment of the applicable redemption amount shall be conditional upon (i) the Issuer obtaining all approvals required by law and (ii) delivery of the Bondholder’s Certificate (together with any necessary endorsements) to any Paying Agent on any business day (in the location of the relevant Paying Agent) together with the delivery of any other document(s) required by these Conditions, and will be made promptly following the later of the date set for redemption and the time of delivery of such Certificate. If the Paying Agent holds on the Put Date (as defined below) money sufficient to pay the applicable redemption monies of Bonds for which notices have been delivered in accordance with the provisions hereof upon exercise of such right, then, whether or not such Certificate is delivered to the Paying Agent, on and after such Put Date, (a) such Bond will cease to be outstanding; (b) such Bond will be deemed paid; and (c) all other rights of the Bondholder shall terminate (other than the right to receive the applicable redemption monies). “**Put Date**” shall mean the Relevant Event Put Date or the Delisting Put Date, as applicable.

## **8.7** Non-Permitted Conversion Price Adjustment Event Repurchase Right

To the extent permitted by applicable law, unless the Bonds have been previously redeemed, converted or purchased and cancelled, if the Issuer is unable to provide the Trustee with a Price Adjustment Opinion as set forth in Condition 6.4.1 prior to the occurrence of an event triggering an adjustment to the Conversion Price (a “**Non- Permitted Conversion Price Adjustment Event**”), the Issuer shall, within 10 business days after the occurrence of the relevant event triggering such adjustment, notify the Bondholders and the Trustee of such

Non-Permitted Conversion Price Adjustment Event, and each Bondholder shall have the right (the “**Non-Permitted Conversion Price Adjustment Event Repurchase Right**”), at such Bondholder’s option, to require the Issuer to repurchase all (or any portion of the principal amount thereof which is U.S.\$1,000 and any integral multiple thereof) of such Bondholder’s Bonds at a price equal to their Early Redemption Amount (the “**Non-Permitted Conversion Price Adjustment Event Repurchase Price**”), on the date set by the Issuer for such repurchase (the “**Non- Permitted Conversion Price Adjustment Date**”), which shall be not less than 30 days nor more than 60 days following the date on which the Issuer notifies the Bondholders of the Non-Permitted Conversion Price Adjustment.

For the purposes of this Condition 8.7, “**business day**” shall mean a day on which commercial banks are open for business in New York City, London and Mumbai.

## 8.8 Future Equity Issuances

The net proceeds of any equity or equity-linked issuance by the Issuer (“**Equity Issuance Proceeds**”) after the satisfaction of the Security Conditions will be utilised by the Issuer (subject to compliance with prevalent RBI regulations or subject to obtaining RBI approval) to make an offer to Bondholders to repurchase all or a part of their Bonds, on a *pro rata* basis, as follows:

- 8.8.1 if a fresh convertible bond offering or an offering of any other similar unsecured convertible instrument is undertaken by the Issuer at any time during the term of the Bonds, 100% to repurchase the Bonds at the Early Redemption Amount, if approved by the RBI or permitted under the applicable Indian regulations, or, failing which, such price that is lower than the Early Redemption Amount as the RBI may approve;
- 8.8.2 if a straight equity issuance is undertaken by the Issuer within six to twelve months from the Maturity Date, at least 75% to repurchase the Bonds at the Early Redemption Amount, if approved by the RBI or permitted under the applicable Indian regulations or, failing which, such price that is lower than the Early Redemption Amount as the RBI may approve; and
- 8.8.3 if a straight equity issuance is undertaken by the Issuer within six months from the Maturity Date, 100% to repurchase the Bonds at the Early Redemption Amount, if approved by the RBI or permitted under the applicable Indian regulations, or, failing which, such price that is lower than the Early Redemption Amount as the RBI may approve.

The Issuer shall utilise the Equity Issuance Proceeds to make an offer to the Bondholders to repurchase the Bonds on a *pro rata* basis in accordance with the applicable RBI regulations. If required, the Issuer shall seek approval of the RBI to utilise the Equity Issuance Proceeds.

On receipt of RBI approval to utilise the Equity Issuance Proceeds in the manner provided in this Condition 8.8, the Issuer shall, having given not less than 30 nor more than 60 days’ notice to Bondholders, the Trustee and the Principal Agent (which notice shall be irrevocable), repurchase the Bonds, in accordance with applicable regulations, in whole or in part. Upon the expiry of any such notice, the Issuer will be bound to repurchase the Bonds at the Early Redemption Amount, if approved by the RBI or permitted under the applicable Indian regulations, or, failing which, such price that is lower than the Early Redemption Amount as the RBI may approve.

The offer to repurchase using the Equity Issuance Proceeds shall be made to all Bondholders and each Bondholder may accept such offer at its option.

If RBI approval is not obtained or if any Equity Issuance Proceeds remains after the Issuer's offer, the Equity Issuance Proceeds will be pre-approved by the CDR lenders for payment to Bondholders on the Maturity Date.

Upon receipt of the Equity Issuance Proceeds by the Issuer, they will be placed into an account secured for the benefit of the Bondholders. On the Maturity Date, the Equity Issuance Proceeds will be applied in redeeming the Bonds without the need for procuring CDR lenders' approval.

## **8.9 Purchases**

The Issuer or any of its Subsidiaries may, if permitted under the laws of India, at any time and from time to time purchase Bonds at any price in the open market or otherwise. The Issuer or the relevant Subsidiary is required to submit to the Registrar for cancellation any Bonds so purchased. If purchases are made by tender, the tender must be available to all Bondholders alike.

## **8.10 Cancellation**

All Bonds which are redeemed or converted or purchased by the Issuer or any of its Subsidiaries will forthwith be cancelled. Certificates in respect of all Bonds cancelled will be forwarded to or to the order of the Registrar and such Bonds may not be reissued or resold.

## **8.11 Redemption Notices**

All notices to Bondholders given by or on behalf of the Issuer pursuant to this Condition will be given in accordance with Condition 17, and specify the Conversion Price as at the date of the relevant notice, the closing price of the Shares (as quoted on the BSE) as at the latest practicable date prior to the publication of the notice, the date for redemption, the manner in which redemption will be effected and the aggregate principal amount of the Bonds outstanding as at the latest practicable date prior to the publication of the notice.

No notice of redemption given under Condition 8.2 or Condition 8.3 shall be effective if it specifies a date for redemption which falls during a Closed Period or within 15 days following the last day of a Closed Period.

## **8.12 Multiple Notices**

If more than one notice of redemption (which shall include any notice given by the Issuer pursuant to Condition 8.2 or Condition 8.3, any Relevant Event Put Exercise Notice or Delisting Put Notice given by a Bondholder pursuant to Condition 8.4 or 8.5 and any relevant notice given by a Bondholder pursuant to Condition 8.7) is given pursuant to this Condition 8, the first of such notices to be given shall prevail.

## **9 Taxation**

### **9.1** All payments of principal, premium (if any) and interest (including default interest (if any)) made in respect of the Bonds by the Issuer will be made free from any restriction or Condition and without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of India or any authority thereof or therein having power to tax, unless deduction or withholding of such taxes, duties, assessments or governmental charges is compelled by law.

- 9.2** Where such withholding or deduction is in respect of Indian withholding tax on premium or interest payments at the rate of up to 10.00% (plus applicable surcharge on such tax payable, education cess and higher and secondary education cess on the income tax and surcharge) the Issuer will increase the amount of premium or interest paid by it to the extent required so that the amount of premium or interest received by Bondholders (without prejudice to Condition 7.3) amounts to the relevant amount of the premium or interest payable pursuant to Condition 5 or 8.
- 9.3** In the event that any such withholding or deduction in respect of principal or any such additional withholding or deduction in excess of 10.00% (plus applicable surcharge on such tax payable, education cess and higher and secondary education cess on the income tax and surcharge) in respect of premium or interest is required, the Issuer will pay such additional amounts by way of principal, premium or interest as will result in the receipt by the Bondholders of the amounts which would otherwise have been receivable in the absence of such withholding or deduction, except that no such additional amount shall be payable in respect of any Bond:
- 9.3.1** to a holder (or to a third party on behalf of a holder) who is subject to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with India otherwise than merely by holding the Bond or by the receipt of amounts in respect of the Bond; or
  - 9.3.2** (in the case of a payment of principal or premium) if the Certificate in respect of such Bond is surrendered more than 30 days after the Relevant Date except to the extent that the holder would have been entitled to such additional amount on surrendering the relevant Certificate for payment on the last day of such period of 30 days; or
  - 9.3.3** where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of November 26 to 27, 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or
  - 9.3.4** presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Bond to another Paying Agent or Conversion Agent in a Member State of the European Union.
- 9.4** For the purposes hereof, “**Relevant Date**” means the date on which such payment first becomes due except that if the full amount payable has not been received by the Trustee or the Principal Agent on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Bondholders and cheques despatched or payment made.
- 9.5** References in these Conditions to principal, premium and interest shall be deemed also to refer to any additional amounts which may be payable under this Condition or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed.

The provisions of this Condition 9 shall not apply in respect of any payments of interest which fall due after the relevant Tax Redemption Date in respect of any Bonds which are the subject of a Bondholder election pursuant to Condition 8.3.

## **10 Events of Default**

- 10.1** The Trustee at its discretion may, and if so requested in writing by the holders of not less than 25% in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution shall (subject to being indemnified and/or secured and/or pre-funded by the Bondholders to its satisfaction), give notice to the Issuer that the Bonds are, and they shall accordingly thereby become, immediately due and repayable at their Early Redemption Amount together with accrued interest (if any) to the date of payment (subject as provided below and without prejudice to the right of Bondholders to exercise the Conversion Right in respect of their Bonds in accordance with Condition 6) if any of the following events (each an “**Event of Default**”) has occurred:
- 10.1.1** a default is made in the payment of any amounts due in respect of the Bonds and is subsisting for a period of more than seven days;
  - 10.1.2** failure by the Issuer to deliver the Shares as and when such Shares are required to be delivered following conversion of a Bond;
  - 10.1.3** failure by the Issuer to perform or comply with one or more of its other obligations in the Bonds or the Trust Deed which default is incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not in the opinion of the Trustee remedied within 15 days after written notice of such default shall have been given to the Issuer by the Trustee.
  - 10.1.4** failure to implement the springing Second Lien within 90 days once the Security Conditions have been satisfied, subject to regulatory approvals;
  - 10.1.5** any security, once created, ceases to be in full force and effect or does not create the security which it purports to create with the ranking and priority it is expressed to have;
  - 10.1.6** occurrence of an event of default in respect of making required payments when due or, as the case may be, within any applicable grace period in respect of any present or future indebtedness for or in respect of monies borrowed or raised by the Issuer or any of its Material Subsidiaries, and if such default is subsisting for a period of more than 30 days, or acceleration on obligations, in an aggregate amount greater than U.S.\$25,000,000;
  - 10.1.7** other than pursuant to the ongoing CDR Scheme, or in accordance with the terms of an agreement with its senior lenders prior to the Closing Date (or any future amendment to the CDR Scheme or such agreement with its senior lenders), the Issuer or any Material Subsidiary is (or is, or could be, declared by a court to be) insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend, payment of all or a material part of (or a particular type of) its debts, proposes or makes an agreement for the deferral, rescheduling or other readjustment of all of (or a particular type of) its debts (or of any part which it will or might otherwise be unable to pay), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer or any of its Material Subsidiaries;
  - 10.1.8** legal process is levied and an adverse order is passed and enforced against a material part of the property, assets or revenues of the Issuer or any Material Subsidiary and such process has not been stayed within a period of 45 days;

- 10.1.9** (i) an order for winding up has been passed in respect of the Issuer or any Material Subsidiary and no appeal against such order has been filed by the Issuer or the Material Subsidiary, as the case may be, within a period of 60 days from the date of the order; or (ii) insolvency proceedings against the Issuer or any Material Subsidiary have commenced and an official liquidator is appointed;
- 10.1.10** an encumbrancer takes possession or an administrative or other receiver or an administrator is appointed of the whole or a material part of the property, assets or revenues of the Issuer or any of its Subsidiaries (as the case may be) and is not discharged within 90 days;
- 10.1.11** it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Bonds or the Trust Deed;
- 10.1.12** any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer or any of its Subsidiaries; or
- 10.1.13** any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs.

For the purposes of this Condition 10:

**“Material Subsidiary”** means:

- (a) any Subsidiary of the Issuer that meets the following two tests, each determined under Indian GAAP:
- (i) whose gross revenues, as shown by the then latest accounts (consolidated where applicable) of such Subsidiary, constitute at least 5% of the consolidated gross revenues of the Issuer, as shown by the then latest consolidated accounts of the Issuer; and
  - (ii) whose gross assets, as shown by the then latest accounts (consolidated where applicable) of such Subsidiary, constitute at least 5% of the total consolidated gross assets of the Issuer, as shown by the then latest consolidated accounts of the Issuer;

provided that:

in the case of a Subsidiary acquired, or a company becoming a Subsidiary, (A) after the end of the financial period to which the latest consolidated accounts of the Issuer relates, the reference to the then latest consolidated accounts of the Issuer for the purposes of the calculation above shall, until consolidated accounts of the issuer for the financial period in which the acquisition is made or, as the case may be, in which the relevant company becomes a Subsidiary are published, be deemed to be a reference to the then latest consolidated accounts of the Issuer adjusted (on a pro forma basis if required) to consolidate the latest accounts of all such subsequently acquired Subsidiaries in such accounts; or (B) prior to the end of the financial period to which the latest consolidated accounts of the Issuer relates, the reference to the then latest consolidated accounts of the Issuer for the purposes of the calculation above shall be deemed to be a reference to the then latest consolidated accounts of the Issuer adjusted (on a pro forma basis if required) to consolidate the latest accounts of all such acquired Subsidiaries in such accounts as if such companies had

been Subsidiaries for the whole of the financial period to which the latest consolidated accounts of the Issuer relates; or

- (b) any Subsidiary of the Issuer to which is transferred all or substantially all of the assets of a Subsidiary which immediately prior to such transfer was a Material Subsidiary, provided that the Material Subsidiary which so transfers its assets shall forthwith upon such transfer cease to be a Material Subsidiary.

**10.2** Notwithstanding receipt of any payment after the acceleration of the Bonds, a Bondholder may exercise its Conversion Right by depositing a Conversion Notice with a Conversion Agent or Paying Agent during the period from and including the date of a default notice with respect to an event specified in Condition 10.1.2 (at which time the Issuer will notify the Bondholders of the number of Shares per Bond to be delivered upon conversion, assuming all the then outstanding Bonds are converted) to and including the 30th business day after such payment.

If any converting Bondholder deposits a Conversion Notice pursuant to this Condition 10 in the business day prior to, or during, a Closed Period, the Bondholder's Conversion Right shall continue until the business day following the last day of the Closed Period, which shall be deemed the Conversion Date, for the purposes of such Bondholder's exercise of its Conversion Right pursuant to this Condition 10.

If the Conversion Right attached to any Bond is exercised pursuant to this Condition 10, the Issuer will deliver Shares (which number will be disclosed to such Bondholder as soon as practicable after the Conversion Notice is given) in accordance with the Conditions, except that the Issuer shall have 10 business days (as defined in Condition 7.6) before it is required to register the converting Bondholder (or its designee) in its register of members as the owner of the number of Shares to be delivered pursuant to this Condition and an additional five business days (as defined in Condition 7.6) from such registration date to make payment in accordance with the following paragraph.

If the Conversion Right attached to any Bond is exercised pursuant to this Condition 10, the Issuer shall, at the request of the converting Bondholder subject to regulatory approval, pay to such Bondholder an amount in United States dollars (converted from Rupees at the Prevailing Rate) (the "**Default Cure Amount**"), equal to the product of (x) (i) the number of Shares that are required to be delivered by the Issuer to satisfy the Conversion Right in relation to such converting Bondholder minus (ii) the number of Shares that are actually delivered by the Issuer pursuant to such Bondholders' Conversion Notice and (y) the Closing Price of the Shares on the Conversion Date; provided that if such Bondholder has received any payment under the Bonds pursuant to this Condition 10, the amount of such payment shall be deducted from the Default Cure Amount.

The "**Prevailing Rate**" shall be the arithmetic average of the spot rates for the purchase of U.S. dollars with Rupees quoted by the State Bank of India on each of the relevant Trading Days or if such rate is not available on such Trading Day, such rate prevailing on the immediately preceding day on which such rate is so available.

The "**Share Price**" means the Closing Price of the Shares on the Conversion Date.

## **11 Consolidation, amalgamation or merger**

The Issuer will not consolidate with, merge or amalgamate into or transfer its assets substantially as an entirety to any corporation or convey or transfer its properties and assets

substantially as an entirety to any person (the consummation of any such event, a “Merger”), unless:

- (i) the corporation formed by such Merger or the person that acquired such properties and assets shall expressly assume, by a supplemental trust deed, all obligations of the Issuer under the Trust Deed, the Agency Agreement and the Bonds and the performance of every covenant and agreement applicable to it contained therein and to ensure that the holder of each Bond then outstanding will have the right (during the period when such Bond shall be convertible) to convert such Bond into the class and amount of shares, cash and other securities and property receivable upon such consolidation, amalgamation, merger, sale or transfer by a holder of the number of Shares which would have become liable to be issued upon conversion of such Bond immediately prior to such consolidation, amalgamation, merger, sale or transfer;
- (ii) immediately after giving effect to any such Merger, no Event of Default shall have occurred or be continuing or would result therefrom; and
- (iii) the corporation formed by such Merger, or the person that acquired such properties and assets, shall expressly agree, among other things, to indemnify each holder of a Bond against any tax, assessment or governmental charge payable by withholding or deduction thereafter imposed on such holder solely as a consequence of such Merger with respect to the payment of principal and interest on the Bonds.

## **12 Prescription**

Claims in respect of amounts due in respect of the Bonds will become prescribed unless made within 10 years (in the case of principal and premium (if any)) and five years (in the case of interest) from the relevant date for payment. Neither the Trustee nor the Agents will be responsible or liable for any amounts so prescribed.

## **13 Enforcement**

At any time after the Bonds have become due and repayable, the Trustee may, at its discretion and without further notice, take such proceedings against the Issuer as it may think fit to enforce repayment of the Bonds and to enforce the provisions of the Trust Deed, but it will not be bound to take any such proceedings unless (i) it shall have been so requested in writing by the holders of not less than 25% in principal amount of the Bonds then outstanding or shall have been so directed by an Extraordinary Resolution of the Bondholders and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Bondholder will be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing.

## **14 Meetings of Bondholders, modification, waiver and substitution**

### **14.1 Meetings**

The Trust Deed contains provisions for convening meetings of Bondholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Bonds or the provisions of the Trust Deed. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing in the aggregate over 50% in principal amount of the Bonds for the time being outstanding or, at any adjourned such meeting, two or more persons being or representing Bondholders whatever the principal amount of the Bonds so held or represented unless the

business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the due date for any payment in respect of the Bonds, (ii) to reduce or cancel the amount of principal, premium or interest (including default interest) payable in respect of the Bonds (including the Early Redemption Amount or method of calculation thereof), (iii) to change the currency of payment of the Bonds, (iv) to modify or cancel the Conversion Rights or the put options specified in Condition 8, or (v) to modify the provisions concerning the quorum required at any meeting of the Bondholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 75%, or at any adjourned such meeting not less than 25%, in principal amount of the Bonds for the time being outstanding. An Extraordinary Resolution passed at any meeting of Bondholders will be binding on all Bondholders, whether or not they are present at the meeting. The Trust Deed provides that a written resolution signed by or on behalf of the holders of not less than 90% of the aggregate principal amount of Bonds outstanding shall be as valid and effective as a duly passed Extraordinary Resolution.

#### **14.2** Modification and Waiver

The Trustee may agree, without the consent of the Bondholders, to (i) any modification (except as mentioned in Condition 14.1 above) to, or the waiver or authorisation of any breach or proposed breach of, the Bonds, the Agency Agreement or the Trust Deed which is not, in the opinion of the Trustee, materially prejudicial to the interests of the Bondholders or (ii) any modification to the Bonds or the Trust Deed which, in the Trustee's opinion, is of a formal, minor or technical nature or to correct a manifest error or to comply with mandatory provisions of law. Any such modification, waiver or authorisation will be binding on the Bondholders and, unless the Trustee agrees otherwise, any such modifications will be notified by the Issuer to the Bondholders as soon as practicable thereafter.

#### **14.3** Substitution

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Bondholders, to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Bonds. In the case of such a substitution the Trustee may agree, without the consent of the Bondholders, to a change of the law governing the Bonds and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Bondholders. In such event, the Issuer shall give notice to Bondholders in accordance with Condition 17.

#### **14.4** Interests of Bondholders

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification, authorisation, waiver or substitution) the Trustee shall have regard to the interests of the Bondholders as a class and shall not have regard to the consequences of such exercise for individual Bondholders and the Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer or the Trustee, any indemnification or payment in respect of any tax consequences of any such exercise upon individual Bondholders except to the extent provided for in Condition 9 and/or any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.

#### **14.5 Certificates/Reports**

Any certificate or report of any expert or other person called for by or provided to the Trustee (whether or not addressed to the Trustee) in accordance with or for the purposes of these Conditions or the Trust Deed may be relied upon by the Trustee as sufficient evidence of the facts therein (and shall, in absence of manifest error, in the Trustee's opinion, be conclusive and binding on all parties) notwithstanding that such certificate or report and/or engagement letter or other document entered into by the Trustee and/or the Issuer in connection therewith contains a monetary or other limit on the liability of the relevant expert or person in respect thereof. The Trustee shall not be responsible for any loss occasioned by acting on or refraining from acting in reliance on such certificate or report.

#### **15 Replacement of Certificates**

If any Certificate is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the specified office of the Registrar or any Agent upon payment by the claimant of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer and such Agent may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

#### **16 Further issues**

The Issuer may from time to time without the consent of the Bondholders create and issue further securities either having the same terms and conditions as the Bonds in all respects except for the first payment of interest on them and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Bonds) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Bonds include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Bonds. Any further securities forming a single series with the outstanding securities of any series (including the Bonds) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the written consent of the Trustee), be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Bondholders and the holders of securities of other series where the Trustee so decides.

#### **17 Notices**

All notices to Bondholders shall be validly given if mailed to them at the Issuer's expense at their respective addresses in the register of Bondholders maintained by the Registrar or published at the Issuer's expense in a leading newspaper having general circulation in Asia (which is expected to be the Asian Wall Street Journal). Such notices shall be deemed to have been given on the later of the date of such publications. Any such notice shall be deemed to have been given on the later of the date of such publication and the seventh day after being so mailed, as the case may be.

#### **18 Agents**

The names of the initial Agents and the Registrar and their specified offices are set out below. The Issuer reserves the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of any Agent or the Registrar and to appoint additional or other Agents or a replacement Registrar. The Issuer will at all times maintain (i) a Principal Agent, (ii) a Registrar outside the United Kingdom, (iii) an Agent having a specified office in Singapore where the Bonds may be presented or surrendered for payment or redemption, so

long as the Bonds are listed on the Singapore Stock Exchange and the rules of that exchange so require (and such agent in Singapore shall be a Paying, Transfer and Conversion Agent and shall be referred to in these Conditions as the “**Singapore Agent**”) and (iv) a Paying Agent and Conversion Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any law implementing the Savings Directive (2003/48/EC) or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000. Notice of any such termination or appointment, of any changes in the specified offices of any Agent or the Registrar and of any change in the identity of the Registrar or the Principal Agent will be given promptly by the Issuer to the Bondholders in accordance with Condition 17 and in any event not less than 45 days’ notice will be given.

## **19 Indemnification**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment unless indemnified and/or secured and/or pre-funded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer without accounting for any profit.

## **20 Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of this Bond under the Contracts (Rights of Third Parties) Act 1999.

## **21 Governing law**

The Bonds, the Trust Deed and the Agency Agreement and any non-contractual obligations arising out of or in connection with them, are governed by, and shall be construed in accordance with, the laws of England. In relation to any legal action or proceedings arising out of or in connection with the Trust Deed or the Bonds, the Issuer has in the Trust Deed irrevocably submitted to the courts of England and in relation thereto has appointed Suzlon Wind Energy Limited, now at Global House, 5A Sandy’s Row, London E1 7HW, United Kingdom as its agent for service of process in England. Nothing shall affect the right to serve process in any other manner permitted by law.

**ANNEXURE IIA**

**AMENDED TERMS AND CONDITIONS OF THE EXISTING BONDS**

## ANNEXURE IIA

### AMENDED TERMS AND CONDITIONS OF THE EXISTING BONDS

*The Terms and Conditions of the Bonds shall be amended by amending and restating the Terms and Conditions with the Terms and Conditions set out below (deletions are shown as a ~~strike through~~; additions are shown in underline). A full legend explaining changes is set out at the end of these Terms and Conditions.*

*The following, other than the words in italics, is the text of such amended Terms and Conditions of the Bonds which will appear on the reverse of each of the definitive certificates evidencing the Bonds.*

The issue of U.S.\$546,916,000 Step Up Convertible Bonds due 2019 (the “**Bonds**”, which term shall include, unless the context requires otherwise, any further Bonds issued in accordance with Condition 16 and consolidated and forming a single series with the Bonds) of Suzlon Energy Limited (the “**Issuer**”), was authorised by resolutions of the Board of Directors of the Issuer on 3 May 2014 and by the shareholders of the Issuer on 20 September 2013. The Bonds are constituted by a trust deed (~~as dated 15 July 2014, as amended and supplemented by the first supplemental trust deed dated 11 December 2014 (and as further~~ amended or supplemented from time to time) (the “**Trust Deed**”) ~~dated on or about 15 July 2014 and~~ each made between the Issuer and The Bank of New York Mellon, London Branch as trustee for the holders of the Bonds (the “**Trustee**”, which term shall, where the context so permits, include all other persons for the time being acting as trustee or trustees under the Trust Deed). The Issuer has entered into a paying, conversion and transfer agency agreement (as amended or supplemented from time to time, (the “**Agency Agreement**”) dated ~~on or about~~ 15 July 2014 with The Bank of New York Mellon, London Branch as principal paying and conversion agent (the “**Principal Agent**”), The Bank of New York Mellon SA/NV, Luxembourg Branch (formerly known as The Bank of New York Mellon (Luxembourg) S.A.) as registrar (the “**Registrar**”) and transfer agent and the other paying, conversion and transfer agents appointed under it (each a “**Paying Agent**”, “**Conversion Agent**”, “**Transfer Agent**” (references to which shall include the Registrar) and together with the Registrar and the Principal Agent, the “**Agents**” (~~which shall, where applicable, include the Singapore Agent (as defined in Condition 18)~~) relating to the Bonds. References to the “**Principal Agent**”, “**Registrar**” and “**Agents**” below are references to the principal agent, registrar and agents for the time being for the Bonds.

The statements in these terms and conditions (these “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed. Unless otherwise defined, terms used in these Conditions have the meaning specified in the Trust Deed.

Copies of the Trust Deed and of the Agency Agreement are available for inspection during normal business hours at the registered office of the Trustee being at the date hereof at One Canada Square, ~~40<sup>th</sup> Floor~~, London, E14 5AL, United Kingdom and at the specified offices of each of the Agents. The Bondholders are entitled to the benefit of the Trust Deed and are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement applicable to them.

*The Issuer entered into a Second Supplemental Trust Deed (as defined below) with the Trustee and, on the date upon which the Bondholders’ Resolution (as defined below) (approving certain amendments to these Conditions and the Trust Deed as set out in a notice of meeting issued on 13 March 2020 by the Issuer, as supplemented by the Consent Solicitation and Information Memorandum) was passed, the Second Supplemental Trust Deed became effective in accordance with its terms in order to give effect to such Bondholders’ Resolution.*

[For the avoidance of doubt, the Bondholder Options \(defined below\) as set out in these Conditions shall at all times remain subject to the fulfillment of the Conditions Precedent \(defined below\).](#)

## **1 Status**

The Bonds constitute direct, unsubordinated, unconditional and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to Condition 4, at all times rank at least equally with all of its other present and future direct, unsubordinated, unconditional and unsecured obligations.

## **2 Form, Denomination and Title**

### **2.1 Form and Denomination**

The Bonds are issued in registered form in the denomination of U.S.\$1,000 each and integral multiples thereof. A bond certificate (each a “**Certificate**”) will be issued to each Bondholder in respect of its registered holding of Bonds. Each Bond and each Certificate will be numbered serially with an identifying number, which will be recorded on the relevant Certificate and in the Register (as defined in Condition 3.1) of Bondholders which the Issuer will procure to be kept by the Registrar.

### **2.2 Title**

Title to the Bonds passes only by transfer and registration in the register of Bondholders as described in Condition 3. The holder of any Bond will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder. In these Conditions “**Bondholder**” and (in relation to a Bond) “**holder**” means the person in whose name a Bond is registered.

## **3 Transfers of Bonds; Issue of Certificates**

### **3.1 Register**

The Issuer will cause to be kept at the specified office of the Registrar and in accordance with the terms of the Agency Agreement a register on which shall be entered the names and addresses of the holders of the Bonds and the particulars of the Bonds held by them and of all transfers of the Bonds (the “**Register**”).

Each Bondholder shall be entitled to receive only one Certificate in respect of its entire holding of Bonds.

### **3.2 Transfers**

Subject to Conditions 3.5 and 3.6 and the terms of the Agency Agreement, a Bond may be transferred or exchanged by delivery of the Certificate issued in respect of that Bond, with the form of transfer on the back duly completed and signed by the holder or his attorney duly authorised in writing, to the specified office of the Registrar or any of the Transfer Agents. No transfer of title to a Bond will be valid unless and until entered on the Register.

### 3.3 Delivery of New Certificates

- 3.3.1** Each new Certificate to be issued upon a transfer or exchange of Bonds will, within seven business days (at the place of the relevant specified office) of receipt by the Registrar or, as the case may be, any other relevant Transfer Agent of the original Certificate and the form of transfer duly completed and signed, be made available for collection at the specified office of the Registrar or such other relevant Transfer Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder entitled to the Bonds (but free of charge to the holder) to the address specified in the form of transfer. The form of transfer is available at the specified office of the Principal Agent.
- 3.3.2** Where only part of a principal amount of the Bonds (being that of one or more Bonds) in respect of which a Certificate is issued is to be transferred, exchanged, converted or redeemed, a new Certificate in respect of the Bonds not so transferred, exchanged, converted or redeemed will, within seven business days of delivery of the original Certificate to the Registrar or other relevant Agent, be made available for collection at the specified office of the Registrar or such other relevant Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder of the Bonds not so transferred, exchanged, converted or redeemed (but free of charge to the holder) to the address of such holder appearing on the Register.
- 3.3.3** For the purposes of these Conditions (except for Condition ~~4.3, Condition~~ 7, [Condition 8.2](#), Condition 8.5 and Condition 8.7), “**business day**” shall mean a day other than a Saturday or Sunday on which banks are open for business in the city in which the specified office of the Registrar (if a Certificate is deposited with it in connection with a transfer or conversion) or the Agent with whom a Certificate is deposited in connection with a transfer or conversion, is located.

### 3.4 Formalities Free of Charge

Registration of a transfer of Bonds and issuance of new Certificates will be effected without charge by or on behalf of the Issuer or any of the Agents, but upon (i) payment (or the giving of such indemnity as the Issuer or any of the Agents may require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer; and (ii) the Issuer or the relevant Transfer Agent being satisfied that the regulations concerning transfer of Bonds have been complied with.

### 3.5 Restricted Transfer Periods

No Bondholder may require the transfer of a Bond to be registered (i) during the period of seven days ending on (and including) the due date for any principal on the Bonds; (ii) after a Conversion Notice (as defined in Condition 6.2) has been delivered with respect to a Bond; (iii) after [an Account Holder Instruction \(as defined in Condition 8.2\) has been delivered with respect to a Bond by such Bondholder](#); (iv) [after an election or deemed election of Option A \(as defined in Condition 8.2\) or an election of Option B \(as defined in Condition 8.2\) has been made with respect to a Bond by such Bondholder](#); (v) after a Relevant Event Put Exercise Notice (as defined in Condition 8.4) has been deposited in respect of such a Bond; ~~(vi)~~ after a Delisting Put Notice (as defined in Condition 8.5) has been deposited in respect of such a Bond; ~~(vii)~~ after the Non-Permitted Conversion Price Adjustment Event Purchase Right (as defined in Condition 8.7) has been exercised in respect of such Bonds; or ~~(viii)~~ during the period of seven days ending on (and including) any record date in respect of any payment of interest on the Bonds, each such period being a “**Restricted Transfer Period**”.

### 3.6 Regulations

All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer of Bonds scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Trustee and the Registrar. A copy of the current regulations will be mailed (free of charge to the holder and at the Issuer's expense) by the Registrar to any Bondholder upon request.

## 4 Negative Pledge ~~and Security~~

### 4.1 So long as any Bond remains outstanding (as defined in the Trust Deed):

- (i) the Issuer will not create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest ("**Security**") upon the whole or any part of its undertaking, assets or revenues, present or future, to secure any International Investment Securities (as defined below), or to secure any guarantee or indemnity in respect of any International Investment Securities;
- (ii) the Issuer will procure that no Subsidiary (as defined below) or other person creates or permits to subsist any Security upon the whole or any part of the undertaking, assets or revenues, present or future, of that Subsidiary or other person to secure any of the Issuer's or any Subsidiary's International Investment Securities, or to secure any guarantee of or indemnity in respect of any of the Issuer's or any Subsidiary's International Investment Securities; and
- (iii) the Issuer will procure that no other person gives any guarantee of, or indemnity in respect of, any of the Issuer's or any Subsidiary's International Investment Securities,

unless, at the same time or prior thereto, the Issuer's obligations under the Bonds and the Trust Deed (a) are secured equally and rateably therewith to the satisfaction of the Trustee, or (b) have the benefit of such other security, guarantee, indemnity or other arrangement as the Trustee in its absolute discretion shall deem to be not materially less beneficial to the Bondholders or as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders.

~~Provided however that, the following Security shall be excluded from the terms of this Condition 4.1:~~

- ~~(i) the Second Lien (as defined below);~~
- ~~(ii) Provided however that, the Issuer or any Subsidiary may create or permit to subsist Security upon the whole or any part of its undertaking, assets or revenues, present or future to secure a guarantee or indemnity or credit enhancement provided by a non-Group (as defined in the Trust Deed) third party in respect of International Investment Securities issued by the Issuer or any Subsidiary for the purpose of using the proceeds from any such issuance in ~~the following order:~~~~

~~or towards the repayment or prepayment of the Bonds or (a) first, in or towards the repayment or prepayment of any of its existing senior debt or debt with an original maturity prior to the Maturity Date (as defined in Condition 8.1) with a new maturity beyond the Maturity Date provided that such repayment or prepayment is to the CDR (as defined in Condition 6.3) lenders under the CDR Scheme (as defined below) (such debt, the "CDR Debt") in order to meet the Security Conditions (as defined below) or the refinancing of such~~

~~GDR Debt (provided that such refinancing does not impair the Bondholders' rights to a springing Second Lien as set out in Condition 4.2 below); and~~

~~(b) **secondly**, in or towards the repayment or prepayment of any of its existing senior debt or debt with an original maturity prior to the Maturity Date with a new maturity beyond the Maturity Date (such debt, the "Other Senior Debt") or the refinancing of such Other Senior Debt (provided that such refinancing does not impair the Bondholders' rights to a springing Second Lien as set out in Condition 4.2 below).~~

~~4.2 [Reserved]~~

~~4.3 [Reserved]~~

~~4.4 [Reserved]~~

~~(iii) any funds made available to the Issuer or any of its Subsidiaries by any member of the Servion Group (as defined below), from the proceeds of an issuance of International Investment Securities by a member of the Servion Group, raised by creating or permitting to subsist Security upon the whole or any part of the undertaking, assets or revenues, present or future of such member of the Servion Group to secure a guarantee or indemnity or credit enhancement provided by a non-Group third party in respect of such International Investment Securities, for the purpose of the Issuer or its Subsidiaries using the proceeds from any such issuance in the following order:~~

~~(a) **first**, in or towards the repayment or prepayment of any of its CDR Debt in order to meet the Security Conditions or the refinancing of such CDR Debt (provided that such refinancing does not impair the Bondholders' rights to a springing Second Lien as set out in Condition 4.2 below); and~~

~~(b) **secondly**, in or towards the repayment or prepayment of any of its Other Senior Debt or the refinancing of such Other Senior Debt (provided that such refinancing does not impair the Bondholders' rights to a springing Second Lien as set out in Condition 4.2 below).~~

~~4.2 Subject to receipt of regulatory approvals, the Issuer shall execute a springing second lien (the "**Second Lien**") in favour of a suitably qualified security trustee of national or international repute appointed by the Issuer (in prior consultation with the Trustee) (the "**Security Trustee**") acting on behalf of the Bondholders over all the domestic assets of the Issuer and its Indian Subsidiaries (as defined below) that are secured for the benefit of the Issuer's Secured Lenders (as defined below) in accordance with the requirements of the master restructuring agreement dated 28 March 2013 in respect of the CDR Scheme and any other financing documents signed by non-CDR lenders in accordance with Condition 4.3 and, subject to (a) the written consent of the Secured Lenders, and (b) the Issuer:~~

~~(i) prepaying of an amount of approximately U.S\$1.158 billion to the CDR lenders under the CDR Scheme; and~~

~~(ii) achieving a minimum Asset Coverage Ratio (as defined below) in excess of 1.33:1.~~

~~((i) and (ii) together, the "**Security Conditions**").~~

~~4.3 Subject to the Conditions set out in Condition 4.2 being fulfilled (without prejudice to Condition 4.1.4), the springing Second Lien will be implemented as follows:~~

- (i) ~~the Issuer shall notify the Monitoring Institution and the Trustee in writing within 5 business days of the Security Conditions having been complied with;~~
- (ii) ~~the Issuer shall also inform the Trustee of the receipt of the written approval of the Secured Lenders within 5 business days of receipt of the same; and~~
- (iii) ~~the Issuer shall create the Second Lien within 90 days from the date on which all the Conditions set out in Condition 4.2 have been satisfied (the “**Springing Second Lien Implementation Date**”).~~

**4.4** ~~On or prior to the Springing Second Lien Implementation Date, the Security Trustee and the Secured Lenders or any duly authorised agent of the Secured Lenders will enter into an intercreditor agreement in form and substance satisfactory to all the parties thereto (the “**Intercreditor Agreement**”).~~

~~The Intercreditor Agreement, which will be governed by Indian law, will establish the subordination of the security held pursuant to the Second Lien only to the first ranking security held by the Secured Lenders and which may be amended from time to time to add other Secured Lenders or parties representing such Secured Lenders. The Intercreditor Agreement will not include (i) any financial covenants in relation to the Issuer for the benefit of the Bondholders; (ii) any covenants in relation to security except as set out in these Conditions; or (iii) any voting rights for Bondholders in relation to any determination, consent or waiver to be made by the Secured Lenders with respect to the secured assets.~~

For the purposes of these Conditions:

[“Indian GAAP” means generally accepted accounting principles in India, including the Indian Accounting Standards prescribed under Section 133 of the \(Indian\) Companies Act, 2013 \(as amended\) read with the \(Indian\) Companies \(Indian Accounting Standards\) Rules, 2015 \(as amended\).](#)

~~“**Asset Coverage Ratio**” means the result, expressed as a fraction, obtained by dividing the aggregate of tangible fixed assets (excluding revaluation reserves) and capital work-in-progress and current assets, which have been secured on first *pari passu* charge basis, by the aggregate loans (both fund based and non fund based) (which are secured on first *pari passu* charge basis against such tangible fixed assets and capital work-in-progress and current assets), of the Issuer and its Indian Subsidiaries. The book value of the assets shall be calculated on the basis of the latest annual audited financial statements submitted by the Issuer and its Indian Subsidiaries to the Monitoring Institution in accordance with generally accepted accounting principles in India (“**Indian GAAP**”) and the Asset Coverage Ratio shall accordingly be tested annually.~~

~~“**business day**” shall mean a day on which commercial banks are open for business in New York City, London and Mumbai.~~

~~“**Indian Subsidiaries**” means, collectively, Suzlon Structures Limited, Suzlon Power Infrastructure Limited, Suzlon Generators Limited, Suzlon Gujarat Wind Park Limited, SE Electricals Limited, Suzlon Wind International Limited and SE Blades Limited or any other entity, each of which, together with the Issuer, are, or become, borrowers under the master restructuring agreement dated 28 March 2013 entered into with the CDR lenders (the “**CDR Scheme**”).~~

~~“**International Investment Securities**” means any present or future indebtedness in the form of, or represented by, bonds, debentures, notes or other investment securities which (i) are~~

denominated in a currency other than Rupees or are by their terms payable, or confer a right to receive payment, in any currency other than Rupees, or are denominated or payable in Rupees and more than 50% of the aggregate principal amount thereof is initially distributed outside India, and (ii) are for the time being, or are intended to be or capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over the counter or other securities market.

~~“Monitoring Institution” means the bank appointed as the monitoring institution under the CDR Scheme.~~

~~“Secured Lenders” means the CDR lenders and any senior lenders that have the benefit of the security over the assets of the Issuer and its Indian Subsidiaries.~~

~~“Senvion Group” means Senvion SE and its subsidiaries.~~

“Subsidiary” means any company or other business entity of which the Issuer owns or controls (either directly or through one or more other subsidiaries) more than 50% of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or other business entity or any company or other business entity which the Issuer recognises in its consolidated accounts as a subsidiary, jointly controlled entity or associated company under Indian law, regulations or generally accepted accounting principles from time to time, or which should have its accounts consolidated with those of the Issuer.

~~Provided that, for the purpose of this Condition 4, no member of the Senvion Group will be considered a Subsidiary.~~

## 5 Interest

### 5.1 Interest Rate

The Bonds bear interest (i) at the rate of 3.25% per annum, from (and including) 15 July 2014 (the “Closing Date”) up to (but excluding) 16 January 2016, calculated by reference to the principal amount thereof and payable semi-annually in arrear on 16 July and 16 January in each year (each an “Interest Payment Date”), commencing with the Interest Payment Date falling on 16 January 2015 (the “First Interest Payment Date”) and the last payment of interest at such rate will be made on 16 January 2016, in respect of the period from (and including) the Closing Date to (but excluding) 16 January 2016; and (ii) at the rate of 5.75% per annum, from (and including) 16 January 2016 to the Maturity Date, calculated by reference to the principal amount and payable semi-annually in arrear on each Interest Payment Date, commencing with the Interest Payment Date falling on 16 July 2016 except that the last payment of interest will be made on the Maturity Date in respect of the period from (and including) 16 January 2019 to (but excluding) the Maturity Date, and such final payment of interest will amount to U.S.\$~~1,004.29~~28.75 per U.S.\$1,000 principal amount of Bonds.

The amount of interest payable in respect of any period which is shorter than an Interest Period shall be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

“Interest Period” means the payment period beginning on (and including) the Closing Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

## 5.2 Accrual of Interest

Each Bond will cease to bear interest (i) where the Conversion Right shall have been exercised by a Bondholder, from the Interest Payment Date immediately preceding the relevant Conversion Date or, if none, the Closing Date (subject in any such case as provided in Condition 6.2.4) or (ii) where [the Mandatory Conversion has occurred with respect to such Bond in accordance with Condition 8.2A and the requirements of Condition 8.2A have been fulfilled; or \(iii\) where the Bond Exchange has occurred with respect to such Bond in accordance with Condition 8.2B and the requirements of Condition 8.2B have been fulfilled or \(iv\) where](#) such Bond is redeemed or repaid pursuant to Condition 8 or Condition 10, from the due date for redemption or repayment thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused, in which event interest will continue to accrue as provided in these Conditions.

## 6 Conversion

### 6.1 Conversion Right

#### 6.1.1 Conversion Period

- (i) Subject as hereinafter provided, Bondholders have the right to convert their Bonds into Shares at any time during the Conversion Period referred to below. The right of a Bondholder to convert any Bond into Shares is called the “**Conversion Right**”.

Subject to and upon compliance with the provisions of this Condition, the Conversion Right attaching to any Bond may be exercised, at the option of the holder thereof, at any time (subject to Condition 6.1.1(ii)) on and after 25 August 2014 up to the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on 9 July 2019 (but, except as provided in Conditions 6.1.4 and 10, in no event thereafter) or if such Bond shall have been called for redemption before the Maturity Date, then up to the close of business (at the place aforesaid) on a date no later than seven business days (at the place aforesaid) prior to the date fixed for redemption thereof (the “**Conversion Period**”).

- (ii) Conversion Rights may not be exercised in relation to any Bond [\(a\)](#) during the period ~~(each, a “**Closed Period**”)~~ commencing on: ~~(a)~~ the date falling 21 days prior to the date of the Issuer’s annual general shareholders’ meeting and ending on the date of that meeting, [\(b\) during the period commencing on](#) the date falling 30 days prior to an extraordinary shareholders’ meeting and ending on the date of that meeting, [\(c\) during the period commencing on the](#) date that the Issuer notifies BSE Limited (the “**BSE**”) or National Stock Exchange of India Limited (the “**NSE**” and together with the BSE, the “**Indian Exchanges**”) of the record date for determination of the shareholders entitled to receipt of dividends, subscription of shares due to capital increase or other benefits, and ending on the record date for the distribution or allocation of the relevant dividends, rights and benefits; ~~(d) on such date and for~~[\(d\) during](#) such period as determined by Indian law applicable from time to time that the Issuer is required to close its stock transfer books; ~~or~~ [\(e\) in circumstances where the exercise of the Conversion Right would fall during the period commencing on a record date in respect of any payment of interest on the Bonds and ending on the relevant Interest Payment Date \(both days inclusive\); \(f\) prior to the date which is the earlier to occur of the Cut-off Date](#)

(as defined in Condition 8.2), or, in the event that the Mandatory Conversion Record Date (as defined in Condition 8.2) has occurred prior to the Cut-off Date, the Long Stop Date (as defined in Condition 8.2) or (g) prior to the date which is the earlier to occur of the Cut-off Date (as defined in Condition 8.2), or, in the event that the Bond Exchange Date (as defined in Condition 8.2) has occurred prior to the Cut-off Date, the Bond Exchange Date, each such period referred to in (a) to (g) above, a "Closed Period". The Issuer will give notice of any such period to the Trustee, the Bondholders and the Conversion Agent at the beginning of each such period.

The Issuer shall provide to the Trustee, the Bondholders and the Conversion Agent notice of any meeting of the Issuer's board of directors which is convened to consider the declaration of any dividends, subscription of shares due to capital increase or other benefits, at the same time notice of such meeting is announced in India.

Conversion Rights may not be exercised (a) in respect of a Bond where the Bondholder shall have exercised its right to require the Issuer to redeem such Bond pursuant to Condition 8.4 or 8.5; ~~or~~ (b) in respect of a Bond where the Mandatory Conversion has occurred in accordance with Condition 8.2A and the requirements of Condition 8.2A have been fulfilled; (c) in respect of a Bond where the Bond Exchange has occurred in accordance with Condition 8.2B and the requirements of Condition 8.2B have been fulfilled, or (d) except as provided in Condition 6.1.4 and Condition 10, in each case following the giving of notice by the Trustee pursuant to Condition 10.

The number of Shares to be issued on conversion of a Bond will be determined by dividing the principal amount of the Bond to be converted (translated into Rupees at the fixed rate of ₹60.225 = U.S.\$1.00 (the "**Fixed Exchange Rate**")) by the Conversion Price in effect at the Conversion Date (both as hereinafter defined).

A Conversion Right may only be exercised in respect of one or more Bonds. If more than one Bond held by the same holder is converted at any one time by the same holder, the number of Shares to be issued upon such conversion will be calculated on the basis of the aggregate principal amount of the Bonds to be converted.

Upon exercise of Conversion Rights in relation to any Bond and the fulfilment by the Issuer of all its obligations in respect thereof, the relevant Bondholder shall have no further rights in respect of such Bond and the obligations of the Issuer in respect thereof shall be extinguished.

#### **6.1.2 Fractions of Shares:**

Fractions of Shares will not be issued on conversion and no cash adjustments will be made in respect thereof. Notwithstanding the foregoing, in the event of a consolidation or reclassification of Shares by operation of law or otherwise occurring after the Closing Date which reduces the number of Shares outstanding, the Issuer will upon conversion of Bonds pay in cash (in U.S. dollars by means of a U.S. dollar cheque drawn on a bank in New York City) a sum equal to such portion of the principal amount of the Bond or Bonds evidenced by the Certificate deposited in connection with the exercise of Conversion Rights, aggregated as provided in Condition 6.1.1, as corresponds to any fraction of a Share not issued if such sum

exceeds U.S.\$10.00 (which sum shall be translated into U.S. dollars at the ~~Fixed~~ Exchange Rate). Any such sum shall be paid not later than 14 business days in Mumbai after the relevant Conversion Date by transfer to a U.S. dollar account with a bank in New York City specified in the relevant Conversion Notice.

However, if upon mandatory conversion pursuant to Condition 8.2 or if the Conversion Right in respect of more than one Bond is exercised at any one time such that shares to be issued on conversion are to be registered in the same name, the number of such shares to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being converted and rounded down to the nearest whole number of Shares.

### 6.1.3 Conversion Price and Conversion Ratio:

~~The~~(i) Subject to (ii) below, the price at which Shares will be issued upon conversion, as adjusted from time to time, (the “**Initial Conversion Price**”) will initially be ₹15.46 per Share but will be subject to adjustment in the manner provided in Condition 6.3. The “Initial Conversion Ratio” is equal to the principal amount of the Bonds divided by the Initial Conversion Price translated into U.S. dollars at the Exchange Rate.

~~The~~“(ii) With effect from the Bonds Amendment Date, and subject to the fulfilment of the Conditions Precedent, the price at which Shares will be issued upon conversion, as adjusted from time to time, (the “Amended Conversion Price”) will initially be ₹6.77 per Share but will be subject to adjustment in the manner provided in Condition 6.3. The “Amended Conversion Ratio” is equal to the principal amount of the Bonds divided by the thenAmended Conversion Price translated into U.S. dollars at the Fixed-Exchange Rate.

(iii) The Issuer proposes to issue, through preferential allotment, Shares in favour of the Promoter Group and the Investor Group (each as defined in the Consent Solicitation and Information Memorandum) aggregating up to Rs. 4,000 million, pursuant to a general meeting of its shareholders proposed to be held on 7 April 2020 or an adjourned or rescheduled such meeting, or other similar corporate action for this purpose (the “Promoter Preferential Allotment”).

Notwithstanding anything contained herein, in the event the price per Share at which the Promoter Preferential Allotment takes place (the “Promoter Preferential Allotment Share Price”) is:

(a) Rs. 2.45 or more, no change shall be made to the Amended Conversion Price set out in Condition 6.1.3(ii); and

(b) less than Rs. 2.45, the Amended Conversion Price set out in Condition 6.1.3(ii) shall be reduced by Rs. 0.02763 (rounded to the nearest two decimal places) for every reduction of 1 paise in the Promoter Preferential Allotment Share Price below Rs. 2.45.

As used in these Conditions, the “Conversion Price” means the Initial Conversion Price or the Amended Conversion Price, as is applicable on the Conversion Date (as defined in Condition 6.2.1) in respect of the exercise of a Conversion Right attaching to any Bond in accordance with Condition 6.1. If the Conditions Precedent have not been fulfilled on the Conversion Date applicable to the exercise of a Conversion Right

attaching to any Bond then the Initial Conversion Price will apply to the exercise of the Conversion Right in respect of that Bond.

#### 6.1.4 Revival and/or survival after Default:

Notwithstanding the provisions of Condition 6.1.1, if (a) the Issuer shall default in making payment in full in respect of any Bond which shall have been called for redemption on the date fixed for redemption thereof, (b) any Bond has become due and payable prior to the Maturity Date by reason of the occurrence of any of the events referred to in Condition 10 or (c) any Bond is not redeemed on the Maturity Date in accordance with Condition 8.1, the Conversion Right attaching to such Bond will revive and/or will continue to be exercisable up to, and including, the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on the date upon which the full amount of the moneys payable in respect of such Bond has been duly received by the Principal Agent or the Trustee and notice of such receipt has been duly given to the Bondholders and, notwithstanding the provisions of Condition 6.1.1, any Bond in respect of which the Certificate and Conversion Notice are deposited for conversion prior to such date shall be converted on the relevant Conversion Date (as defined in Condition 6.2.1(iii)) notwithstanding that the full amount of the moneys payable in respect of such Bond shall have been received by the Principal Agent or the Trustee before such Conversion Date or that the Conversion Period may have expired before such Conversion Date.

#### 6.1.5 Meaning of “Shares”:

As used in these Conditions, the expression “**Shares**” means (1) shares of the class of share capital of the Issuer which, at the date of the Trust Deed, are designated as equity shares of the Issuer with full voting rights, together with shares of any class or classes resulting from any subdivision, consolidation or re- classification of those shares, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Issuer; and (2) fully-paid and non- assessable shares of any class or classes of the share capital of the Issuer authorised after the date of the Trust Deed which have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or winding-up of the Issuer; provided that, subject to the provisions of Condition 11, shares to be issued on conversion of the Bonds means only “**Shares**” as defined in sub-clause (1) above.

## 6.2 Conversion Procedure

### 6.2.1 Conversion Notice:

- (i) To exercise the Conversion Right attaching to any Bond, the holder thereof must complete, execute and deposit at his own expense between 9.00 a.m. and 3.00 p.m. (local time on any business day) at the specified office of any Conversion Agent a notice of conversion (a “**Conversion Notice**”) in duplicate in the form (for the time being current) obtainable from the specified office of each Agent, together with (a) the relevant Certificate; and (b) certification by the Bondholder, in the form obtainable from any Conversion Agent, as may be required under the laws of the Republic of India or the jurisdiction in which the specified office of such Conversion Agent shall be located. A Conversion Notice deposited outside the hours of 9.00 a.m. to 3.00 p.m. or on a day which is not a business day at the place of the specified office of the relevant Conversion Agent shall for all purposes be

deemed to have been deposited with that Conversion Agent during the normal business hours on the next business day following such business day. Any Bondholder who deposits a Conversion Notice during a Closed Period will not be permitted to convert the Bonds into Shares (as specified in the Conversion Notice) until the next business day after the end of that Closed Period, which (if all other conditions to conversion have been fulfilled) will be the Conversion Date for such Bonds notwithstanding that such date may fall outside of the Conversion Period. A Bondholder exercising its Conversion Right for Shares will be required to open a depository account with a depository participant under the Depositories Act, 1996 of India (the “**1996 Depositories Act**”), for the purposes of receiving the Shares.

~~(ii) The holder of any Bond which is to be mandatorily converted pursuant to Condition 8.2 shall deliver a Conversion Notice relating to its holding of Bonds and deposit it, together with the relevant Certificate and in the manner aforesaid, no later than the business day before the end of the Mandatory Conversion Notice Period (as defined in Condition 8.2) for the Bonds.~~

(iii) The conversion date in respect of a Bond (the “**Conversion Date**”) must fall at a time when the Conversion Right attaching to that Bond is expressed in these Conditions to be exercisable (subject to the provisions of Condition 6.1.4) and will be deemed to be the date of the surrender of the Certificate in respect of such Bond and delivery of such Conversion Notice and, if applicable, any payment to be made or indemnity given under these Conditions in connection with the exercise of such Conversion Right. A Conversion Notice once delivered shall be irrevocable and may not be withdrawn unless the Issuer consents to such withdrawal.

Conversion Rights may only be exercised in respect of the whole of the principal amount of a Bond.

#### 6.2.2 Stamp Duty etc.:

A Bondholder delivering a Certificate in respect of a Bond for conversion must pay directly to the relevant authorities any taxes and capital, stamp, issue and registration duties arising on conversion (other than any taxes or capital or stamp duties payable in India and, if relevant, in the place of the Alternative Stock Exchange (as defined below), by the Issuer in respect of the allotment and issue of Shares and listing of the Shares on the Indian Exchanges on conversion) (the “**Taxes**”) and such Bondholder must pay all, if any, taxes arising by reference to any disposal or deemed disposal of a Bond in connection with such conversion. The Issuer will pay all other expenses arising on the issue of Shares on conversion of the Bonds and all charges of the Agents and the share transfer agent for the Shares (“**Share Transfer Agent**”) in connection with conversion. The Trustee and the Agent are under no obligation to determine whether a Bondholder or the Issuer is liable to pay or has paid any taxes including stamp, issue, registration or similar taxes and duties or the amounts payable (if any) in connection with this Condition 6.2.2 and shall not be liable for any failure by any Bondholder or the Issuer to make such payment to the relevant authorities or determine the sufficiency or insufficiency of any amount so paid.

#### 6.2.3 Delivery of Shares:

(i) Upon exercise by a Bondholder of its Conversion Right for Shares, the Issuer will, on or with effect from the relevant Conversion Date, ~~enter the name of~~

~~the relevant Bondholder or his/their nominee in the register of members of the Issuer in respect of such number of Shares to be issued upon conversion (notwithstanding any retroactive adjustment of the Conversion Price referred to below prior to the time it takes effect) and will,~~ as soon as practicable, and in any event not later than 40 days after the Conversion Date, cause the relevant securities account of the Bondholder exercising his Conversion Right or of his/their nominee, to be credited with such number of relevant Shares to be issued upon conversion (notwithstanding any retroactive adjustment of the Conversion Price referred to below prior to the time it takes effect) and shall further cause the name of the concerned Bondholder or its nominee to be registered accordingly, in the record of the beneficial holders of shares, maintained by the depository registered under the 1996 Depositories Act with whom the Issuer has entered into a depository agreement and, subject to any applicable limitations then imposed by Indian laws and regulations, shall procure the Share Transfer Agent to, as soon as practicable, and in any event within 14 business days in Mumbai of the Conversion Date, despatch or cause to be despatched to the order of the person named for that purpose in the relevant Conversion Notice at the place and in the manner specified in the relevant Conversion Notice (uninsured and the risk of delivery at any such place being that of the converting Bondholder), a U.S. dollar cheque drawn on a branch of a bank in New York City in respect of any cash payable pursuant to Condition 6.1.2 required to be delivered on conversion and such assignments and other documents (if any) as required by law to effect the transfer thereof.

The crediting of the Shares to the relevant securities account of the converting Bondholder will be deemed to satisfy the Issuer's obligation to pay the principal, premium (if any) and interest (including default interest (if any)) on the Bonds.

~~(ii) In the case of Bonds mandatorily converted in accordance with Condition 8.2 in respect of which Conversion Notices have not been received by a Conversion Agent or the Principal Agent on the business day immediately following the Mandatory Conversion Notice Period, the Issuer will, as soon as reasonably practicable thereafter, register, or procure the registration of, an agent of the Issuer, located in Mumbai in accordance with Condition 8.2, as holder of the relevant number of Shares in the Issuer's share register and will make a certificate or certificates for the relevant Shares available for collection at the office of the Issuer's share registrar (as specified herein), together (in either case) with any other securities, property or cash required to be delivered upon conversion and such assignments and other documents (if any) as may be required by law to effect the transfer thereof.~~

- (iii) If the Conversion Date in relation to any Bond shall be after the record date for any issue, distribution, grant, offer or other event as gives rise to the adjustment of the Conversion Price pursuant to Condition 6.3, but before the relevant adjustment becomes effective under the relevant Condition (a “**Retroactive Adjustment**”), upon the relevant adjustment becoming effective the Issuer shall procure the issue to the converting Bondholder (or in accordance with the instructions contained in the Conversion Notice (subject to applicable exchange control or other laws or other regulations)), such additional number of Shares (“**Additional Shares**”) as, together with the

Shares issued or to be issued on conversion of the relevant Bond, is equal to the number of Shares which would have been required to be issued on conversion of such Bond if the relevant adjustment to the Conversion Price had been made and become effective as at such Conversion Date immediately after the relevant record date and in such event and in respect of such Additional Shares references in Conditions 6.2.3(i) and (iii) to the Conversion Date shall be deemed to refer to the date upon which the Retroactive Adjustment becomes effective (notwithstanding that the date upon which it becomes effective falls after the end of the Conversion Period).

- (viii) The Shares issued upon conversion of the Bonds will in all respects rank *pari passu* with the Shares in issue on the relevant Conversion Date (except for any right excluded by mandatory provisions of applicable law) and such Shares shall be entitled to all rights the record date for which falls on or after such Conversion Date to the same extent as all other fully-paid and non-assessable Shares of the Issuer in issue as if such Shares had been in issue throughout the period to which such rights relate. A holder of Shares issued on conversion of Bonds shall not be entitled to any rights the record date for which precedes the relevant Conversion Date.
- (vii) Save as provided in Condition 6.2.2, no payment or adjustment shall be made on conversion for any interest which otherwise would have accrued on the relevant Bonds since the last Interest Payment Date preceding the Conversion Date relating to such Bonds (or, if such Conversion Date falls before the first Interest Payment Date, since the Closing Date).

#### 6.2.4 Interest on Conversion:

If any notice requiring the redemption of any of the Bonds is given pursuant to Condition 8.2 on or after the fifteenth business day prior to a record date (a “**Share Distribution Record Date**”) which has occurred since the last Interest Payment Date (or in the case of the first Interest Period, since the Closing Date) in respect of any distribution payable in respect of the Shares where such notice specifies a date for redemption falling on or prior to the date which is 14 days after the Interest Payment Date next following such Share Distribution Record Date, interest shall accrue at the rate provided in Condition 5.1 on Bonds in respect of which Conversion Rights shall have been exercised and in respect of which the Conversion Date falls after such Share Distribution Record Date and on or prior to the Interest Payment Date next following such Share Distribution Record Date, in each case from and including the preceding Interest Payment Date (or, if such Conversion Date falls before the first Interest Payment Date, from the Closing Date) to but excluding such Conversion Date. The Issuer shall pay any such interest by not later than 14 days after the relevant Conversion Date by transfer to a U.S. dollar account maintained by the payee with a bank in New York City in accordance with instructions given by the relevant Bondholder in the relevant Conversion Notice.

### 6.3 Adjustments to Conversion Price

The Conversion Price will be subject to adjustment in the following events set out in Condition 6.3.1 to Condition 6.3.14, [except, in each case, for an event that occurs pursuant to the implementation of the Share Issue or the Debt Resolution Plan \(each as defined in Condition 10\) by the Issuer.](#)

~~Provided however, that no adjustment will be made to the Conversion Price for a CDR Preferential Issue:~~

~~“CDR” means corporate debt restructuring.~~

~~“CDR Preferential Issue” means issuances of Shares or compulsorily convertible debentures (“CCDs”) to the CDR lenders undertaken pursuant to the terms of the master restructuring agreement dated 28 March 2013 between the CDR lenders, the Issuer, the Indian Subsidiaries, the Issuer (as the borrowers’ agent) and the State Bank of India (as the monitoring institution), which amount and/or number of Shares or CCDs shall not exceed the amount and/or the number of Shares or CCDs set out below and shall not have an issue price of less than ₹18.51:~~

<b>Details</b>	<b>Amount (₹ in million)</b>	<b>No. of Shares or CCDs (approximately) (in million)</b>
<del>CDR lenders .....</del>	<del>4,500</del>	<del>243.2</del>

### 6.3.1 Free distribution, bonus issue, division, consolidation and re-classification of Shares:

*Adjustment:* If the Issuer shall (a) make a free distribution of Shares (other than by way of a dividend in Shares), (b) make a bonus issue of its Shares, (c) divide its outstanding Shares, (d) consolidate its outstanding Shares into a smaller number of Shares, or (e) re-classify any of its Shares into other securities of the Issuer, then the Conversion Price shall be appropriately adjusted so that the holder of any Bond, the Conversion Date in respect of which occurs after the coming into effect of the adjustment described in this Condition 6.3.1, shall be entitled to receive the number of Shares and/or other securities of the Issuer which such holder would have held or have been entitled to receive after the happening of any of the events described above had such Bond been converted immediately prior to the happening of such event (or, if the Issuer has fixed a prior record date for the determination of shareholders entitled to receive any such free distribution or bonus issue of Shares or other securities issued upon any such division, consolidation or re-classification, immediately prior to such record date), but without prejudice to the effect of any other adjustment to the Conversion Price made with effect from the date of the happening of such event (or such record date) or any time thereafter.

*Effective date of adjustment:* An adjustment made pursuant to this Condition 6.3.1 shall become effective immediately on the relevant event referred to above becoming effective or, if a record date is fixed therefor, immediately after such record date; provided that in the case of a free distribution or bonus issue of Shares which must, under applicable laws of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before being legally paid or made, and which is so approved after the record date fixed for the determination of shareholders entitled to receive such distribution or issue, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date.

### 6.3.2 Declaration of dividend in Shares:

*Adjustment:* If the Issuer shall issue Shares as a dividend in Shares or make a distribution of Shares which is treated as a capitalisation issue for accounting

purposes under Indian GAAP (including, but not limited to, capitalisation of capital reserves and employee stock bonus), then the Conversion Price in effect when such dividend and/or distribution is declared (or, if the Issuer has fixed a prior record date for the determination of shareholders entitled to receive such dividend and/or distribution, on such record date) shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N}{N+n} \right]$$

where:

- NCP = the Conversion Price after such adjustment.
- OCP = the Conversion Price before such adjustment.
- N = the number of Shares outstanding, at the time of issuance of such dividend and/or distribution (or at the close of business in Mumbai on such record date as the case may be).
- n = the number of Shares to be distributed to the shareholders as a dividend and/or distribution.

*Effective date of adjustment:* An adjustment made pursuant to this Condition 6.3.2 shall become effective immediately on the relevant event referred to in this Condition 6.3.2 becoming effective or, if a record date is fixed therefor, immediately after such record date; provided that in the case of a dividend in Shares which must, under applicable laws of India, be submitted for approval to a general meeting of shareholders of the Issuer or be approved at a meeting of the Board of Directors of the Issuer before being legally paid or made, and which is so approved after the record date fixed for the determination of shareholders entitled to receive such dividend, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date.

### **6.3.3** Concurrent adjustment events:

If the Issuer shall declare a dividend in, or make a free distribution or bonus issue of, Shares which dividend, issue or distribution is to be paid or made to shareholders as of a record date which is also:

- (a) the record date for the issue of any rights or warrants which requires an adjustment of the Conversion Price pursuant to Conditions 6.3.5, 6.3.6 or 6.3.7;
- (b) the day immediately before the date of issue of any securities convertible into or exchangeable for Shares which requires an adjustment of the Conversion Price pursuant to Condition 6.3.9;
- (c) the day immediately before the date of grant, offer or issue of any Shares which requires an adjustment of the Conversion Price pursuant to Condition 6.3.10 or, if applicable, the record date for determination of stock dividend entitlement as referred to in Condition 6.3.10;

- (d) the day immediately before the date of issue of any rights, options or warrants which requires an adjustment of the Conversion Price pursuant to Condition 6.3.11; or
- (e) determined by the Issuer and notified to the Trustee in writing to be the relevant date for an event or circumstance which requires an adjustment to the Conversion Price pursuant to Condition 6.3.13.

then (except where such dividend, bonus issue or free distribution gives rise to a retroactive adjustment of the Conversion Price under Conditions 6.3.1 and 6.3.2) no adjustment of the Conversion Price in respect of such dividend, bonus issue or free distribution shall be made under Conditions 6.3.1 and 6.3.2, but in lieu thereof an adjustment shall be made under Conditions 6.3.5, 6.3.6, 6.3.7, 6.3.9, 6.3.10, 6.3.11 or 6.3.13 (as the case may require) by including in the denominator of the fraction described therein the aggregate number of Shares to be issued pursuant to such dividend, bonus issue or free distribution.

#### 6.3.4 Capital Distribution:

*Adjustment:*

- (i) If the Issuer shall pay or make to its shareholders any Dividend (as defined below), then the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{CMP - fmv}{CMP} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

CMP = the Current Market Price (as defined in Condition 6.3.15 below) per Share on the date on which the relevant Dividend is first publicly announced.

fmv = the portion of the Fair Market Value (as defined below), with such portion being determined by dividing the Fair Market Value of the aggregate Dividend by the number of Shares entitled to receive the relevant Dividend (or, in the case of a purchase of Shares or any receipts or certificates representing shares by or on behalf of the Issuer, by the number of Shares in issue immediately prior to such purchase), of the Dividend distribution attributable to one Share.

*Effective date of adjustment:* Any adjustment pursuant to this Condition 6.3.4 shall become effective immediately after the record date for the determination of shareholders entitled to receive the relevant Dividend; provided that (a) in the case of such a Dividend which must, under applicable law of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before such Dividend may legally be made and is so approved after the record date fixed for the determination of shareholders entitled to receive such Dividend, such

adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date and (b) if the Fair Market Value of the relevant Dividend cannot be determined until the record date fixed for the determination of shareholders entitled to receive the relevant Dividend, such adjustment shall, immediately upon such Fair Market Value being determined, become effective retroactively to immediately after such record date.

If such Dividend is not so paid, the Conversion Price shall again be adjusted to be the Conversion Price which would then be in effect if such Dividend had not been approved.

For the purposes of this Condition:

**“Dividend”** means any dividend or distribution of cash or other property or assets or evidences of the Issuer’s indebtedness, whenever paid or made and however described provided that:

- (a) where a cash Dividend is announced which is to be, or may at the election of a shareholder or shareholders be, satisfied by the issue or delivery of Shares or other property or assets, or where a capitalisation of profits or reserves is announced which is to be, or may at the election of a shareholder or shareholders be, satisfied by the payment of a Dividend, then for the purposes of this definition the Dividend in question shall be treated as a Dividend of (i) such cash Dividend or (ii) the Fair Market Value (on the date of announcement of such Dividend or date of capitalisation (as the case may be) or, if later, the date on which the number of Shares (or amount of property or assets, as the case may be) which may be issued or delivered is determined) of such Shares or other property or assets if such Fair Market Value is greater than the Fair Market Value of such cash Dividend;
- (b) any tender or exchange offer falling within Condition 6.3.12 and any issue or distribution of Shares falling within Condition 6.3.2 shall be disregarded; and
- (c) a purchase or redemption of ordinary share capital by or on behalf of the Issuer shall not constitute a Dividend unless, in the case of purchases of Shares by or on behalf of the Issuer, the Volume Weighted Average Price per Share (before expenses) on any one day in respect of such purchases exceeds the Current Market Price per Share by more than 5% either (1) on that day (or if such day is not a Trading Day, the immediately preceding Trading Day), or (2) where an announcement (excluding for the avoidance of doubt for these purposes, any general authority for such purchases or redemptions approved by a general meeting of shareholders of the Issuer or any notice convening such a meeting of shareholders) has been made of the intention to purchase Shares at some future date at a specified price, on the Trading Day immediately preceding the date of such announcement, in which case such purchase shall be deemed to constitute a Dividend (but not a cash Dividend) to the extent that the aggregate price paid (before expenses) in respect of such Shares purchased by or on behalf of the Issuer exceeds the

product of (i) the Current Market Price per Share determined as aforesaid and (ii) the number of Shares so purchased.

**“Fair Market Value”** means, with respect to any property on any date, the fair market value of that property as determined in good faith by an Independent Financial Institution provided, that (i) the Fair Market Value of a cash Dividend paid or to be paid shall be the amount of such cash Dividend; (ii) the Fair Market Value of any other cash amount shall be equal to such cash amount; (iii) where shares, options, warrants or other rights are publicly traded in a market of adequate liquidity (as determined by the Independent Financial Institution) the fair market value of such shares, options, warrants or other rights shall equal the arithmetic mean of the daily closing prices of such options, warrants or other rights during the period of five trading days on the relevant market commencing on the first such trading day such shares, options, warrants or other rights are publicly traded; and in the case of (i) translated into Rupees (if declared or paid in a currency other than Rupees) at the rate of exchange used to determine the amount payable to shareholders who were paid or are to be paid or are entitled to be paid the cash Dividend in Rupees; and in any other case, converted into Rupees (if expressed in a currency other than Rupees) at such rate of exchange as may be determined in good faith by an Independent Financial Institution to be the spot rate ruling at the close of business on that date (or if no such rate is available on that date the equivalent rate on the immediately preceding date on which such a rate is available).

**“Independent Financial Institution”** means an independent or commercial bank of international repute selected by the Issuer (at the expense of the Issuer) and notified to the Trustee in writing.

**“Volume Weighted Average Price”** or **“VWAP”** means, in respect of a Share on any Trading Day, or series of Trading Days, the order book volume-weighted average price appearing on or derived from Bloomberg (or any successor service) page SUEL IN or such other source as shall be determined to be appropriate by an Independent Financial Institution on such Trading Day, or series of Trading Days, provided that on any Trading Day where such price is not available or 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.

**“cash Dividend”** means (i) any Dividend which is to be paid in cash and (ii) any Dividend determined to be a cash Dividend pursuant to paragraph (a) of the definition **“Dividend”**, and for the avoidance of doubt, a Dividend falling within paragraph (c) of the definition **“Dividend”** shall be treated as not being a cash Dividend.

#### **6.3.5** Rights Issues to Shareholders:

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares rights entitling them to subscribe for or purchase Shares, which expression shall include those Shares that are required to be offered to employees and persons other than shareholders in connection with such grant, issue or offer:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date mentioned below and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer which is fixed after the record date mentioned below and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration,

then the Conversion Price in effect (in a case within (a) above) on the record date for the determination of shareholders entitled to receive such rights or (in a case within (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$\text{NCP} = \text{OCP} \times \left[ \frac{N + v}{N + n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within (a) above) on such record date or (in a case within (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares initially to be issued upon exercise of such rights at the said consideration being (aa) the number of Shares which underwriters have agreed to underwrite as referred to below or, as the case may be, (bb) the number of Shares for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in (a) or, as the case may be, (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective immediately after the latest date for the submission of applications for such Shares by shareholders entitled to the same pursuant to such rights or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

*Rights not taken up by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of rights entitling them to subscribe for or purchase Shares, any Shares which are not subscribed for or purchased by the persons entitled thereto are underwritten by other persons prior to the latest date for the submission of applications for such Shares, an adjustment shall be made to the Conversion Price in

accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares of rights entitling them to subscribe for or purchase Shares, any such Shares which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred such rights) who have submitted applications for such Shares as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

#### **6.3.6 Warrants issued to Shareholders:**

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares warrants entitling them to subscribe for or purchase Shares:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date for the determination of shareholders entitled to receive such warrants and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer which is fixed after the record date mentioned above and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration, then the Conversion Price in effect (in a case within (a) above) on the record date for the determination of shareholders entitled to receive such warrants or (in a case within (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N + v}{N + n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within (a) above) on such record date or (in a case within (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares initially to be issued upon exercise of such warrants at the said consideration which, where no applications by shareholders entitled to such warrants are required, shall be based on the number of warrants issued. Where applications by shareholders entitled to such warrants are required, the number of such Shares shall be calculated based upon (aa) the number of warrants which underwriters have agreed to underwrite as referred to below or, as the

case may be, (bb) the number of warrants for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in (a) or, as the case may be, (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective (i) where no applications for such warrants are required from shareholders entitled to the same, upon their issue and (ii) where applications by shareholders entitled to the same are required as aforesaid, immediately after the latest date for the submission of such applications or (if later) immediately after the Issuer fixes the said consideration but in all cases retroactively to immediately after the record date mentioned above.

*Warrants not subscribed for by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of warrants entitling them to subscribe for or purchase Shares in the circumstances described in (a) and (b) of this Condition 6.3.6, any warrants which are not subscribed for or purchased by the shareholders entitled thereto are underwritten by others prior to the latest date for the submission of applications for such warrants, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares of warrants entitling them to subscribe for or purchase Shares, any warrants which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred the right to purchase such warrants) who have submitted applications for such warrants as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

### **6.3.7** Issues of rights or warrants for equity-related securities to Shareholders:

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares rights or warrants entitling them to subscribe for or purchase any securities convertible into or exchangeable for Shares:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date mentioned below and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer (determined as aforesaid) which is fixed after the record date mentioned below and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration,

then the Conversion Price in effect (in a case within (a) above) on the record date for the determination of shareholders entitled to receive such rights or warrants or (in a case within (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N + v}{N + n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within (a) above) on such record date or (in a case within (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares initially to be issued upon exercise of such rights or warrants and conversion or exchange of such convertible or exchangeable securities at the said consideration being, in the case of rights, (aa) the number of Shares initially to be issued upon conversion or exchange of the number of such convertible or exchangeable securities which the underwriters have agreed to underwrite as referred to below or, as the case may be, (bb) the number of Shares initially to be issued upon conversion or exchange of the number of such convertible or exchangeable securities for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa) and which, in the case of warrants, where no applications by shareholders entitled to such warrants are required, shall be based on the number of warrants issued. Where applications by shareholders entitled to such warrants are required, the number of such Shares shall be calculated based upon (x) the number of warrants which underwriters have agreed to underwrite as referred to below or, as the case may be, (y) the number of warrants for which applications are received from shareholders as referred to below save to the extent already adjusted for under (x).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in (a) or, as the case may be, (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective (a) where no applications for such warrants are required from shareholders entitled to the same, upon their issue and (b) where applications by

shareholders entitled to the warrants are required as aforesaid and in the case of convertible or exchangeable securities by shareholders entitled to the same pursuant to such rights, immediately after the latest date for the submission of such applications or (if later) immediately after the Issuer fixes the said consideration; but in all cases retroactively to immediately after the record date mentioned above.

*Rights or warrants not taken up by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of rights or warrants entitling them to subscribe for or purchase securities convertible into or exchangeable for Shares in the circumstances described in this Condition 6.3.7, any convertible or exchangeable securities or warrants which are not subscribed for or purchased by the shareholders entitled thereto are underwritten by others prior to the latest date for the submission of applications for such convertible or exchangeable securities or warrants, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares or rights or warrants entitling them to subscribe for or purchase securities convertible into or exchangeable for Shares, any convertible or exchangeable securities or warrants which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred such rights or the right to purchase such warrants) who have submitted applications for such convertible or exchangeable securities or warrants as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

#### **6.3.8** Other distributions to Shareholders:

*Adjustment:* If the Issuer shall distribute to the holders of Shares of capital stock of the Issuer (other than Shares), assets (excluding any Dividends), evidences of its indebtedness or rights or warrants to subscribe for or purchase Shares or securities (excluding those rights and warrants referred to in Conditions 6.3.5, 6.3.6 and 6.3.7), then the Conversion Price in effect on the record date for the determination of shareholders entitled to receive such distribution shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{CMP - fmv}{CMP} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

CMP = the Current Market Price per Share on the record date for the determination of shareholders entitled to receive such distribution.

fmv = the fair market value (as determined by an Independent Financial Institution or, if pursuant to applicable law of India such determination is to be made by application to a court of

competent jurisdiction, as determined by such court or by an appraiser appointed by such court) of the portion of the equity share capital shares of capital stock, assets, rights or warrants so distributed applicable to one Share less any consideration payable for the same by the relevant shareholder.

*Effective date of adjustment:* Such adjustment shall become effective immediately after the record date for the determination of shareholders entitled to receive such distribution. Provided that (a) in the case of such a distribution which must, under applicable law of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before such distribution may legally be made and is so approved after the record date fixed for the determination of shareholders entitled to receive such distribution, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date and (b) if the fair market value of the shares of capital stock, assets, rights or warrants so distributed cannot be determined until after the record date fixed for the determination of shareholders entitled to receive such distribution, such adjustment shall, immediately upon such fair market value being determined, become effective retroactively to immediately after such record date.

**6.3.9** Issue of convertible or exchangeable securities other than to Shareholders:

*Adjustment:* If the Issuer shall issue any securities convertible into or exchangeable for Shares (other than the Bonds, or in any of the circumstances described in Condition 6.3.7 and Condition 6.3.11) or grant such rights in respect of any existing securities and the consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) shall be less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the issue of such securities is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the date of issue of such convertible or exchangeable securities shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N + v}{N + n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- |   |   |   |
|---|---|---|
| N | = | the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of such issue.    |
| n | = | the number of Shares to be issued upon conversion or exchange of such convertible or exchangeable securities at the initial conversion or exchange price or rate. |
| v | = | the number of Shares which the aggregate consideration receivable by the Issuer would purchase at such Current Market Price per Share.                            |

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India corresponding to the calendar day at the place of issue on which such convertible or exchangeable securities are issued.

**6.3.10** Other issues of Shares:

*Adjustment:* If the Issuer shall issue any Shares (other than Shares issued upon conversion or exchange of any convertible or exchangeable securities (including the Bonds) issued by the Issuer or upon exercise of any rights or warrants granted, offered or issued by the Issuer or in any of the circumstances described in any preceding provision of this Condition 6.3) for cash, for a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the issue of such Shares is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the issue of such additional Shares shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N + v}{N + n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of issue of such additional Shares.
- n = the number of additional Shares issued as aforesaid.
- v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share.

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India of the issue of such additional Shares.

**6.3.11** Issue of equity-related securities:

*Adjustment:* If the Issuer shall grant, issue or offer options, warrants or rights (excluding those rights and warrants referred to in Conditions 6.3.5, 6.3.6, 6.3.7 and 6.3.8) to subscribe for or purchase Shares or securities convertible into or exchangeable for Shares and the consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) shall be less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the offer, grant or issue of such rights, options or warrants is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the date of the offer, grant or issue of

such rights, options or warrants shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N + v}{N + n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of such issue.
- n = the number of Shares to be issued on exercise of such rights or warrants and (if applicable) conversion or exchange of such convertible or exchangeable securities at the said consideration.
- v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share.

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India corresponding to the calendar day at the place of issue on which such rights or warrants are issued.

#### 6.3.12 Tender or exchange offer:

*Adjustment:* In case a tender or exchange offer made by the Issuer or any Subsidiary for all or any portion of the Shares shall expire and such tender or exchange offer shall involve the payment by the Issuer or such Subsidiary of consideration per Share having a Fair Market Value at the last time (the “**Expiration Date**”) tenders or exchanges could have been made pursuant to such tender or exchange offer (as it shall have been amended) that exceeds the Current Market Price per Share, as of the Expiration Date, the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N \times CMP}{fmv + [(N - n) \times CMP]} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- N = the number of Shares outstanding (including any tendered or exchanged Shares) on the Expiration Date.
- CMP = Current Market Price per Share as of the Expiration Date.
- fmv = the Fair Market Value of the aggregate consideration payable to the holders of Shares based on the acceptance

(up to a maximum specified in the terms of the tender or exchange offer) of all Shares validly tendered or exchanged and not withdrawn as of the Expiration Date (the Shares deemed so accepted up to any such maximum, being referred to as the “**Purchased Shares**”).

n = the number of Purchased Shares.

*Effective date of adjustment:* Such adjustment shall become retroactively effective immediately prior to the opening of business on the day following the Expiration Date.

*Tender or exchange offer not completed:* If the Issuer is obligated to purchase Shares pursuant to any such tender or exchange offer, but the Issuer is permanently prevented by applicable law from effecting any such purchase or all such purchases are rescinded, the Conversion Price shall again be adjusted to be the Conversion Price which would then be in effect if such tender or exchange offer had not been made.

#### 6.3.13 Analogous events and modifications:

If (a) the rights of conversion or exchange, purchase or subscription attaching to any options, rights or warrants to subscribe for or purchase Shares or any securities convertible into or exchangeable for, or which carry rights to subscribe for or purchase Shares are modified (other than pursuant to and as provided in the terms and conditions of such options, rights, warrants or securities as originally issued) or (b) the Issuer determines that any other event or circumstance has occurred which has or would have an effect on the position of the Bondholders as a class compared with the position of the holders of all the securities (and options and rights relating thereto) of the Issuer, taken as a class which is analogous to any of the events referred to in Conditions 6.3.1 to 6.3.12, then, in any such case, the Issuer shall promptly notify the Trustee in writing thereof and the Issuer shall consult with an Independent Financial Institution as to what adjustment, if any, should be made to the Conversion Price to preserve the value of the Conversion Right of Bondholders and will make any such adjustment. All costs, charges, liabilities and expenses incurred in connection with the appointment, retention, consultation and remuneration of any Independent Financial Institution appointed under the Conditions shall be borne by the Issuer.

#### 6.3.14 Simultaneous issues of different classes of Shares:

In the event of simultaneous issues of two or more classes of share capital comprising Shares or rights or warrants in respect of, or securities convertible into or exchangeable for, two or more classes of share capital comprising Shares, then, for the purposes of this Condition, the formula:

$$NCP = OCP \times \left[ \frac{N + v}{N + n} \right]$$

shall be restated as:

$$NCP = OCP \times \left[ \frac{N + v1 + v2 + v3}{N + n1 + n2 + n3} \right]$$

where v1 and n1 shall have the same meanings as “v” and “n” but by reference to one class of Shares, v2 and n2 shall have the same meanings as “v” and “n” but by

reference to a second class of Shares, v3 and n3 shall have the same meanings as “v” and “n” but by reference to a third class of Shares and so on.

#### **6.3.15** Certain Definitions:

For the purposes of these Conditions:

the “**Closing Price**” of the Shares for each Trading Day shall be the last reported transaction price of the Shares on the BSE for such day or, if no transaction takes place on such day, the average of the closing bid and offered prices of Shares for such day as furnished by a leading independent securities firm licensed to trade on the BSE selected from time to time by the Issuer and notified to the Trustee in writing for the purpose.

“**Current Market Price**” per Share on any date means the average of the daily Closing Prices of the relevant Shares for the five consecutive Trading Days (as defined below) ending on and including the Trading Day immediately preceding such date. If the Issuer has more than one class of share capital comprising Shares, then the relevant Current Market Price for Shares shall be the price for that class of Shares the issue of which (or of rights or warrants in respect of, or securities convertible into or exchangeable for, that class of Shares) gives rise to the adjustment in question.

If during the said five Trading Days or any period thereafter up to but excluding the date as of which the adjustment of the Conversion Price in question shall be effected, any event (other than the event which requires the adjustment in question) shall occur which gives rise to a separate adjustment to the Conversion Price under the provisions of these Conditions, then the Current Market Price as determined above shall be adjusted in such manner and to such extent as an Independent Financial Institution shall in its absolute discretion deem appropriate and fair to compensate for the effect thereof.

“**Trading Day**” means a day when the BSE is open for business, but does not include a day when (a) no such last transaction price or closing bid and offered prices is/are reported and (b) (if the Shares are not listed or admitted to trading on such exchange) no such closing bid and offered prices are furnished as aforesaid.

If the Shares are no longer listed on the BSE but are still listed on the NSE, references in the above definitions to the BSE shall be deemed to be the NSE, and if the Shares are no longer listed on the BSE or the NSE and have been listed on another stock exchange as required by Condition 6.4.1, references in the above definitions to the BSE will be taken as references to the Alternative Stock Exchange.

#### **6.3.16** Consideration receivable by the Issuer:

For the purposes of any calculation of the consideration receivable by the Issuer pursuant to Conditions 6.3.5, 6.3.6, 6.3.7, 6.3.9, 6.3.10 and 6.3.11 above, the following provisions shall be applicable:

- (a) in the case of the issue of Shares for cash, the consideration shall be the amount of such cash;
- (b) in the case of the issue of Shares for a consideration in whole or in part other than cash, the consideration other than cash shall be deemed to be the fair

value thereof as determined by an Independent Financial Institution or, if pursuant to applicable law of India such determination is to be made by application to a court of competent jurisdiction, as determined by such court or an appraiser appointed by such court, irrespective of the accounting treatment thereof;

- (c) in the case of the issue (whether initially or upon the exercise of rights or warrants) of securities convertible into or exchangeable for Shares, the consideration received by the Issuer for such securities and (if applicable) rights or warrants plus the additional consideration (if any) to be received by the Issuer upon (and assuming) the conversion or exchange of such securities at the initial conversion or exchange price or rate and (if applicable) the exercise of such rights or warrants at the initial subscription or purchase price (the consideration in each case to be determined in the same manner as provided in this Condition 6.3.16) and the consideration per Share receivable by the Issuer shall be such aggregate consideration divided by the number of Shares to be issued upon (and assuming) such conversion or exchange at the initial conversion or exchange price or rate and (if applicable) the exercise of such rights or warrants at the initial subscription or purchase price;
- (d) in the case of the issue of rights or warrants to subscribe for or purchase Shares, the aggregate consideration receivable by the Issuer shall be deemed to be the consideration received by the Issuer for any such rights or warrants plus the additional consideration to be received by the Issuer upon (and assuming) the exercise of such rights or warrants at the initial subscription or purchase price (the consideration in each case to be determined in the same manner as provided in this Condition 6.3.16) and the consideration per Share receivable by the Issuer shall be such aggregate consideration divided by the number of Shares to be issued upon (and assuming) the exercise of such rights or warrants at the initial subscription or purchase price;
- (e) if any of the consideration referred to in any of the preceding paragraphs of this Condition 6.3.16 is receivable in a currency other than Rupees, such consideration shall (in any case where there is a fixed rate of exchange between the Rupees and the relevant currency for the purposes of the issue of the Shares, the conversion or exchange of such securities or the exercise of such rights or warrants) be translated into Rupees for the purposes of this Condition 6.3.16 at such fixed rate of exchange and shall (in all other cases) be translated into Rupees at the mean of the exchange rate quotations (being quotations for the cross rate through U.S. dollars if no direct rate is quoted) by a leading bank in India for buying and selling spot units of the relevant currency by telegraphic transfer against Rupees on the date as of which the said consideration is required to be calculated as aforesaid;
- (f) in the case of the issue of Shares (including, without limitation, to employees under any employee bonus or profit sharing arrangements) credited as fully paid out of retained earnings or capitalisation of reserves at their par value, the aggregate consideration receivable by the Issuer shall be deemed to be zero (and accordingly the number of Shares which such aggregate consideration receivable by the Issuer could purchase at the relevant Current Market Price per Share shall also be deemed to be zero); and

- (g) in making any such determination, no deduction shall be made for any commissions or any expenses paid or incurred by the Issuer.

**6.3.17** Cumulative adjustments:

If, at the time of computing an adjustment (the “**later adjustment**”) of the Conversion Price pursuant to any of Conditions 6.3.2, 6.3.5, 6.3.6, 6.3.9, 6.3.10 and 6.3.11 above, the Conversion Price already incorporates an adjustment made (or taken or to be taken into account pursuant to the proviso to Condition 6.3.18) to reflect an issue of Shares or of securities convertible into or exchangeable for Shares or of rights or warrants to subscribe for or purchase Shares or securities, to the extent that the number of such Shares or securities taken into account for the purposes of calculating such adjustment exceeds the number of such Shares in issue at the time relevant for ascertaining the number of outstanding Shares for the purposes of computing the later adjustment, such excess Shares shall be deemed to be outstanding for the purposes of making such computation.

**6.3.18** Minor adjustments:

No adjustment of the Conversion Price shall be required if the adjustment would be less than 1% of the then current Conversion Price; provided that any adjustment which by reason of this Condition 6.3.18 is not required to be made shall be carried forward and taken into account (as if such adjustment had been made at the time when it would have been made but for the provisions of this Condition 6.3.18) in any subsequent adjustment. All calculations under this Condition 6.3 shall be made to the nearest ₹0.01 with ₹0.005 being rounded up to the next ₹0.01. Except as otherwise set out in Condition 6.3.19, the Issuer may reduce the Conversion Price (but is not obliged to do so) at any time in its absolute discretion, subject to compliance with all applicable Indian laws.

**6.3.19** Minimum Conversion Price:

Notwithstanding the provisions of this Condition, the Issuer covenants that:

- (a) the Conversion Price shall not be reduced below the par value of the Shares (₹2 at the date hereof) as a result of any adjustment made hereunder unless under applicable law then in effect Bonds may be converted at such reduced Conversion Price into legally issued, fully-paid and non-assessable Shares; and
- (b) it will not take any corporate or other action which might result in the Conversion Price being reduced pursuant to Conditions 6.3.1 to 6.3.14 above the level permitted by applicable Indian laws and regulations from time to time (if any) or (ii) applicable Indian regulatory authorities.

**6.3.20** Reference to “fixed”:

Any references herein to the date on which a consideration is “fixed” shall, where the consideration is originally expressed by reference to a formula which cannot be expressed as an actual cash amount until a later date, be construed as a reference to the first day on which such actual cash amount can be ascertained.

**6.3.21** Upward adjustment:

No adjustment involving an increase in the Conversion Price will be made, except in the case of a consolidation of the Shares, as referred to in Condition 6.3.1.

**6.3.22** Trustee not obliged to monitor:

The Trustee shall not be under any duty to monitor whether any event or circumstance has happened or exists under this Condition 6.3 and will not be responsible to Bondholders for any loss arising from any failure by it to do so.

The Trustee and the Agents shall be under no obligation to calculate, determine or verify the number of Shares to be issued upon conversion of the Bonds or verify the Issuer's or the Independent Financial Institution's determination of such number of Shares or method used in such determination and neither the Trustee nor the Agents shall be responsible to Bondholders or any other person for any loss arising from any failure to do so or for any delay of the Issuer or the Independent Financial Institution in making such determination or any erroneous determination by the Issuer or the Independent Financial Institution.

**6.3.23** Approval of Trustee:

The Issuer shall within 3 days of the adjustment event send the Trustee a certificate setting out particulars relating to adjustment of the Conversion Price. The Issuer shall also cause a notice containing the same information to be sent to Bondholders, such notice to be provided to the Trustee in writing before it is given to Bondholders.

**6.3.24** Independent Financial Institution:

If the Issuer fails to select an Independent Financial Institution when required in this Condition 6.3, the Trustee may (at its absolute discretion) select such an Independent Financial Institution at the expense of the Issuer.

**6.3.25** Depositary Receipts:

If the Issuer shall have outstanding a depositary receipt facility programme or facility in respect of its Shares (a "**DR Facility**") on the date of conversion of any Bonds, then, subject to the terms and conditions of the relevant facility or programme and to applicable laws and regulations and to such amendments to these Conditions as the Issuer and the Trustee shall consider to be appropriate, each Bondholder will have the right in respect of the exercise of Conversion Rights to elect (a "**DR Election**") that the Shares to be issued on conversion be represented by depositary receipts ("**DRs**") and to receive DRs instead of such Shares. A DR Election shall be made in the relevant Conversion Notice in such form as the Issuer may require. The number of DRs to be issued on exercise of Conversion Rights in respect of which the relevant Bondholder shall have duly made a DR Election shall be determined by dividing the principal amount of the relevant Bond to be converted by the Conversion Price in effect on the relevant Conversion Date and dividing the resulting number by the number of Shares represented by each DR on such Conversion Date.

Fractions of a DR will not be issued and neither will a Share (where at the relevant time a DR represents more than one Share) or any fraction of a Share be issued and no cash payment or adjustment will be made in respect thereof. However, if the Conversion Right in respect of more than one Bond is exercised at any one time such that DRs are to be issued to the same person, the number of such DRs to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount

of such Bonds being so converted and rounded down to the nearest whole number of DRs.

Where DRs are to be issued, the Issuer will, as soon as practicable, and in any event not later than 30 days after the relevant Conversion Date (i) cause the name of the depository in respect of the relevant DR Facility (the “**DR Depository**”), or its custodian, to be registered in the record of the depositors maintained by the depository registered under the 1996 Depositories Act with whom the Issuer has entered into a depository agreement and (ii) cause the relevant number of DRs to be issued by the DR Depository pursuant to the relevant DR Facility to the relevant Bondholder or his/their nominee.

DRs will be issued in book-entry form or in certificated form as provided in the relevant DR Facility, and may bear such legends and be subject to such restrictions on transfer as the Issuer shall determine to be necessary to comply with applicable laws and regulations.

A Bondholder exercising Conversion Rights and making a DR Election must deliver at its expense to the specified office of any Conversion Agent all and any certificates and other documents as may be required pursuant to the relevant DR Facility in respect of the deposit of the relevant Shares pursuant to such DR Facility.

The Issuer will pay all expenses, charges and fees of the custodian for the DR Depository and of the DR Depository in connection with the deposit of the relevant Shares and issue of the DRs on conversion.

If a Retroactive Adjustment shall occur in relation to the exercise of Conversion Rights in relation to any Bond in respect of which a DR Election shall have been duly made, the Issuer shall, conditional upon the relevant adjustment becoming effective procure that there shall be issued to the relevant Bondholder (or in accordance with instructions contained in the Conversion Notice) such additional number DRs (if any) (the “**Additional DRs**”) as, together with the DRs issued or to be issued on conversion of the relevant Bond is equal to the number of DRs which would have been required to be issued on conversion of such Bond (together with any fraction of a DR not so issued) if the relevant adjustment to the Conversion Price had been made and become effective on and as of the relevant Conversion Date.

DRs issued upon conversion of the Bonds will in all respects rank *pari passu* with all other DRs under the relevant DR Facility then in issue on the relevant Conversion Date, except that the DRs or, as the case may be, the Additional DRs so issued will not rank for any right where the record date or other due date for the establishment of entitlement in respect of the Shares represented by such DRs or, as the case may be, Additional DRs falls prior to the relevant Conversion Date.

If the Issuer determines that it would be contrary to applicable laws or regulations or would be contrary to the terms of the relevant DR Facility (including any provisions thereof relating to the deposit of Shares) to issue Shares to be represented by DRs upon conversion of Bonds in respect of which a DR Election shall have been made, such DR Election shall be ineffective and there shall be issued to such Bondholder (or as specified in the relevant Conversion Notice) Shares as if such DR Election had not been made.

The Issuer is under no obligation to establish and/or maintain any depository facility or programme in respect of the Shares or, if it does, to enable the Shares to be

eligible for deposit pursuant thereto. The Issuer shall be entitled to impose such conditions and restrictions on the deposit of Shares pursuant to any such facility or programme as it may determine, and may agree with the Trustee such changes to these Conditions as may be appropriate in respect of or relating to the deposit of Shares pursuant to any such facility or programme.

#### 6.3.26 Employee Share Option Scheme:

No adjustment will be made to the Conversion Price where Shares or options to subscribe or acquire Shares are issued, offered, allotted, appropriated, modified or granted to or for the benefit of employees or former employees (including directors) of the Issuer or its Subsidiaries or any associated company of the Issuer (as set out in the relevant employee stock option plan), or persons related to such employees or former employees (including directors) or former employees, directly or indirectly, pursuant to any employee stock option scheme or plan approved by shareholders in general meeting and otherwise adopted in accordance with and complying with all applicable provisions of relevant Indian laws and regulations and official guidelines of any relevant governmental or official body except to the extent that such issues in any period of 12 months amount to, or entitle such persons to receive Shares in excess of 3% of the average number of Shares outstanding during such period of 12 months.

### 6.4 Undertakings

6.4.1 The Issuer has undertaken in the Trust Deed, *inter alia*, that so long as any Bond remains outstanding, save with the approval of an Extraordinary Resolution of the Bondholders or with the prior written consent of the Trustee where, in the opinion of the Trustee, it is not materially prejudicial to the interests of Bondholders to give such approval:

- (i) it will use its best endeavours ~~(a) to obtain and maintain a listing of the Bonds on the Singapore Exchange Securities Trading Limited (the "Singapore Stock Exchange")~~, (b) to maintain a listing for all the issued Shares on the Indian Exchanges, ~~(c)~~ to obtain and maintain a listing for all the Shares issued on the exercise of the Conversion Rights attaching to the Bonds on the Indian Exchanges, and ~~(d)~~ if the Issuer is unable to obtain or maintain such listings, or maintenance of such listings is unduly onerous to obtain and maintain a listing for all the ~~Bonds and the~~ Shares issued on the exercise of the Conversion Rights, on an alternative stock exchange as the Issuer may from time to time (with the prior written consent of the Trustee) determine (the "**Alternative Stock Exchange**") and will forthwith give notice to the Bondholders in accordance with Condition 17 below of the listing or delisting of the Shares ~~or the Bonds (as a class)~~ by any of such stock exchanges;
- (ii) it will reserve, free from any other pre-emptive or other similar rights, out of its authorised but unissued ordinary share capital the full number of Shares liable to be issued on conversion of the Bonds without breaching any foreign ownership restrictions in India applicable to the Shares and will ensure that all such Shares will be duly and validly issued as fully-paid;
- (iii) it will pay the expenses of the issue or delivery of, and all expenses of obtaining listing for, Shares arising on conversion of the Bonds;

- (iv) it will not make any reduction of its ordinary share capital or any uncalled liability in respect thereof or of any share premium account or capital redemption reserve fund (except, in each case, as permitted by law);
- (v) it will not make any offer, issue or distribute or take any action the effect of which would be to reduce the Conversion Price below the par value of the Shares of the Issuer, provided always that the Issuer shall not be prohibited from purchasing its Shares to the extent permitted by law;
- (vi) it will not take any corporate or other action pursuant to Conditions 6.3.1 to 6.3.14 that would cause the Conversion Price to be adjusted to a price which would render conversion of the Bonds into Shares at such adjusted Conversion Price to be in contravention of applicable law or subject to approval from the Reserve Bank of India, the Ministry of Finance of the Indian Government and/or any other governmental/regulatory authority in India. The Issuer also covenants that prior to taking any action which would cause an adjustment to the Conversion Price, the Issuer shall provide the Trustee with an opinion of a legal counsel in India of international repute, stating that the Conversion Price as proposed to be adjusted pursuant to such action, is in conformity with applicable law and that the conversion of the Bonds to the Shares at such adjusted Conversion Price would not require approval of the Reserve Bank of India, the Ministry of Finance of the Indian Government and/or any other governmental/regulatory authority in India (the "**Price Adjustment Opinion**"). To the extent that an event triggering an adjustment to the Conversion Price occurs and the Issuer is unable to provide the Trustee with a Price Adjustment Opinion, the Issuer shall give notice to Bondholders of their Non-Permitted Conversion Price Adjustment Event Repurchase Right, as defined in and pursuant to Condition 8.7;
- (vii) it will not acquire or retire for value any Shares;
- (viii) except to the extent required pursuant to the Share Issue or the Debt Resolution Plan (each as defined in Condition 10), it will not retire for value prior to its repayment or maturity date any loans and/or securities *pari passu* with or subordinated to the Bonds (provided that, for the purpose of this Condition 6.4.1, the Bonds will be presumed to be in unsecured form throughout their term); and
- (ix) it will not declare or pay any dividends or make any payments or repayments of any kind to its shareholders, for so long as any Bonds are outstanding.

**6.4.2** The Issuer undertakes that so long as any Bond remains outstanding it shall provide to the Trustee:

- ~~(a) on an annual basis and in addition to its regular stock exchange reporting requirements, the details of amounts prepaid to the CDR lenders and the Asset Coverage Ratio in order to enable the Trustee to monitor the Security Conditions;~~
- (a) [Reserved];
- (b) (i) its semi-annual financial information prepared in accordance with ~~Clause 41 of the listing agreements entered into with the Indian Exchanges~~the Securities and Exchange Board of India (Listing Obligations and Disclosure

[Requirements\) Regulations, 2015, as amended](#) in respect of each semi-annual fiscal period within 3 months of the end of the relevant semi-annual fiscal period, and (ii) its annual report containing audited financial statements in respect of each fiscal year within 6 months from the end of the relevant fiscal year reported on by the auditors and prepared in accordance with Indian GAAP and if so requested, certified by two directors of the Issuer (in each case in English language); and

- (c) a copy of all publicly available notices, statements and documents which are issued to its Shareholders or its creditors as soon as practicable (but not later than 30 days) after their date of issue.

**6.4.3** The Issuer has also given certain other undertakings in the Trust Deed for the protection of the Conversion Rights.

## **6.5** Notice of Change in Conversion Price

The Issuer shall give notice to the Bondholders in accordance with Condition 17 ~~and, for so long as the Bonds are listed on the Singapore Stock Exchange and the rules of the Singapore Stock Exchange so require, the Issuer shall also give notice to the Singapore Stock Exchange,~~ of any change in the Conversion Price. Any such notice relating to a change in the Conversion Price shall set forth the event giving rise to the adjustment, the Conversion Price prior to such adjustment, the adjusted Conversion Price and the effective date of such adjustment.

## **6.6** Conversion upon Change of Control

If a Change of Control (as defined below) shall have occurred during the Conversion Period, the Issuer shall give notice of that fact to the Bondholders (the “**Change of Control Notice**”) in accordance with Condition 17 within seven days after it becomes aware of such Change of Control. Following the giving of a Change of Control Notice, upon any exercise of Conversion Rights such that the relevant Conversion Date falls within 30 days following a Change of Control, or, if later, 30 days following the date on which the Change of Control Notice is given to Bondholders (such period, the “**Change of Control Conversion Period**”), the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = \frac{OCP}{1 + (CP \times c/t)}$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2. For the avoidance of doubt, OCP for the purposes of this Condition 6.6 shall be the Conversion Price applicable on the relevant Conversion Date in respect of any conversion pursuant to this Condition 6.6.

Conversion Premium (“CP”)	=	10% expressed as a fraction.
c	=	the number of days from and including the first day of the Change of Control Conversion to but excluding 16 July 2019
t	=	the number of days from and including 15 July 2014 to but excluding 16 July 2019

provided that the Conversion Price shall not be reduced pursuant to this Condition 6.6 above the level permitted by applicable Indian laws and regulations from time to time (if any).

If the last day of a Change of Control Conversion Period shall fall during a Closed Period, the Change of Control Conversion Period shall be extended such that its last day will be the fifteenth day following the last day of a Closed Period.

For the purposes of this Condition 6.6 and Condition 8.4,

“**control**” means (a) the acquisition or control of more than 50% of the Voting Rights of the issued share capital of the Issuer or (b) the right to appoint and/or remove all or the majority of the members of the Issuer’s Board of Directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise;

a “**Change of Control**” occurs when other than pursuant to the Share Issue or the Debt Resolution Plan (each as defined in Condition 10):

- (a) any person or persons (excluding the Promoter Group), acting together, acquires control, directly or indirectly, of the Issuer; or
- (b) the Issuer consolidates with or merges into or sells or transfers all or substantially all of the Issuer’s assets to any other person or persons, acting together;

a “**person**” includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity) but does not include the Issuer’s Board of Directors or any other governing board and does not include the Issuer’s 100% owned direct or indirect Subsidiaries;

“**Promoter Group**” means Tulsi R. Tanti, Tanti Holdings Private Limited, Gita T. Tanti, Tulsi R. Tanti (as karta of Tulsi Ranchhodbhai HUF), Tulsi R. Tanti (as karta of Ranchhodbhai Ramjibhai HUF) ~~and~~ jointly by Tulsi R. Tanti, Vinod R. Tanti and Jitendra R. Tanti, Vinod R. Tanti, Jitendra R. Tanti, Sangita V. Tanti, Lina J. Tanti, Girish R. Tanti, Rambhaben Ukabhai, Vinod R. Tanti (as karta of Vinod Ranchhodbhai HUF), Jitendra R. Tanti (as karta of Jitendra Ranchhodbhai HUF), Pranav T. Tanti, Nidhi T. Tanti, Radha G. Tanti, Aarav G. Tanti ~~(through guardian Girish R. Tanti)~~, Aanya G. Tanti ~~(through guardian Girish R. Tanti)~~, Rajan V. Tanti, Brij J. Tanti, Trisha J. Tanti, Girish R. Tanti (as karta of Girish Ranchhodbhai HUF), ~~Suruchi Holdings Private Limited, Sugati Holdings Private Limited and Samanvaya Holdings Private Limited, The Tanti Trust and Sanyogita P. Tanti~~; and

“**Voting Rights**” means the right generally to vote at a general meeting of Shareholders of the Issuer (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

## 7 Payments

### 7.1 Principal and Interest

- (i) Payment of principal, interest and premium (if any) will be made by transfer to the registered account of the Bondholder or by U.S. dollar cheque drawn on a bank in New York City mailed to the registered address of the Bondholder if it does not have a registered account, in each case, in accordance with provisions of the Agency Agreement. Such payment will only be made after surrender of the relevant

Certificate at the specified office of any of the Agents. If an amount which is due on the Bonds is not paid in full, the Registrar will annotate the Register with a record of the amount (if any) paid.

- (ii) Interest on the Bonds due on an Interest Payment Date will be paid on the due date for the payment of interest to the holder shown on the Register at the close of business on the 15th day before the due date for the payment of interest (the “**Interest Record Date**”). Payments of interest on each Bond will be made by transfer to the registered account of the Bondholder or by U.S. dollar cheque drawn on a bank in New York City mailed to the registered address of the Bondholder if it does not have a registered account, in each case, in accordance with the terms of the Agency Agreement.

## 7.2 Registered Accounts

For the purposes of this Condition, a Bondholder’s “**registered account**” means the U.S. dollar account maintained by or on behalf of it with a bank in New York City, details of which appear on the Register at the close of business on the second business day (as defined below) before the due date for payment, and a Bondholder’s registered address means its address appearing on the Register at that time.

## 7.3 Applicable Laws

All payments are subject in all cases to any applicable laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9. No commissions or expenses shall be charged to the Bondholders in respect of such payments.

## 7.4 Payment Initiation

Where payment is to be made by transfer to a registered account, payment instructions (for value on the due date or, if that is not a business day (as defined below), for value on the first following day which is a business day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (at the risk and, if mailed at the request of the holder otherwise than by ordinary mail, expense of the holder) on the due date for payment (or, if it is not a business day, the immediately following business day) or, in the case of a payment of principal, if later, on the business day on which the relevant Certificate is surrendered at the specified office of an Agent.

## 7.5 Default Interest and Delay in Payment

- (i) If the Issuer fails to pay any sum in respect of the Bonds when the same becomes due and payable under these Conditions, interest shall accrue on the overdue sum at the rate of 5.94% per annum (being the yield to maturity plus default interest) from the due date. Such default interest shall accrue on the basis of the actual number of days elapsed and a 360-day year.

*RBI regulations may require the Issuer to obtain the prior approval of the RBI before making any such default interest payments. Such approval may or may not be forthcoming.*

- (ii) Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a business day, if the Bondholder is late in surrendering its Certificate (if required to do so) or if a cheque mailed in accordance with this Condition arrives after the due date for payment.

## 7.6 Business Day

In this Condition, “**business day**” means a day other than a Saturday or Sunday on which commercial banks are open for business in Mumbai, New York City and London and, in the case of the surrender of a Certificate, in the place where the Certificate is surrendered.

## 8 Redemption, purchase and cancellation

As at 13 March 2020 (being the date of the notice of meeting issued by the Issuer in relation to the Bonds Restructuring (as defined below)), the principal amount outstanding under the Bonds was U.S.\$172,002,000 (the “Notice Date Outstanding Principal”).

As at the later of (i) the Share Completion Date (as defined below); and (ii) the Bond Exchange Date (as defined below), the entire principal amount outstanding of the Bonds shall be marked down and cancelled by the Principal Agent.

*For the avoidance of doubt, the Share Completion Date and the Bond Exchange Date shall at all times remain subject to the fulfillment of the Conditions Precedent (as defined below).*

### 8.1 Maturity

Unless previously redeemed, converted or purchased and cancelled as provided herein, the Issuer will redeem the Bonds at their principal amount on 16 July 2019 (the “**Maturity Date**”) together with accrued interest, if any, calculated in accordance with Condition 5.1. The Issuer may not redeem the Bonds at its option prior to that date except as provided in Condition 8.2 or 8.3 below (but without prejudice to Condition 10).

### 8.2 Mandatory Conversion or Bond Exchange at the Option of the ~~Issuer~~Bondholders

~~**8.2.1** On or at any time after the date falling 15 July 2016, and on or prior to 15 January 2018 (the “**First Phase**”), the Issuer may, having given not less than 30 nor more than 60 days’ notice to the Bondholders, the Trustee and the Principal Agent (such notice the “**Mandatory Conversion Notice**” and such period the “**Mandatory Conversion Notice Period**”) which notice shall be irrevocable, mandatorily convert the Bonds in part (but subject to not converting more than U.S.\$182,305,333.33) pursuant to a single Mandatory Conversion Notice, into Shares at the then prevailing Conversion Price. The Issuer may deliver a Mandatory Conversion Notice only if the Volume Weighted Average Price (converted into U.S. dollars at the Prevailing Rate) of the Shares on each day during a period of not less than 30 Trading Days prior to the date on which such Mandatory Conversion Notice is delivered, was at least 175% of the applicable Conversion Price (converted into U.S. dollars at the Fixed Exchange Rate). Such notice may not be given more than 14 days after the end of such period of 30 Trading Days.~~

~~**8.2.2** On or at any time after 15 January 2018 and on or prior to 17 May 2019 (the “**Second Phase**”), the Issuer may, having provided a Mandatory Conversion Notice in accordance with the Mandatory Conversion Notice Period to the Bondholders, the Trustee and the Principal Agent, which notice shall be irrevocable, mandatorily convert the Bonds in part (but subject to not converting more than U.S.\$182,305,333.33) pursuant to a single Mandatory Conversion Notice, into Shares at the then prevailing Conversion Price. The Issuer may deliver a Mandatory Conversion Notice only if the Volume Weighted Average Price (converted into U.S. dollars at the Prevailing Rate) of the Shares on each day during a period of not less~~

~~than 30 Trading Days prior to the date on which such Mandatory Conversion Notice is delivered, was at least 150% of the applicable Conversion Price (converted into U.S. dollars at the Fixed Exchange Rate). Such notice may not be given more than 14 days after the end of such period of 30 Trading Days.~~

~~If the Issuer exercises its option to exercise the mandatory conversion more than once during the term of the Bonds, there must be a six month period between the delivery of any two Mandatory Conversion Notices.~~

~~In the case of mandatory conversion in accordance with this condition, the Bonds to be converted will be converted on a *pro rata* basis (which will result in the face value of each Bond being marked down in part) or otherwise in accordance with the rules of Euroclear and Clearstream, Luxembourg in the case of mandatory conversion of the Bonds represented by Global Certificates.~~

~~Any Mandatory Conversion Notice shall specify (i) the expiry date of the Mandatory Conversion Notice Period; (ii) the Cut Off Date (as defined herein); (iii) a confirmation that the conditions to a mandatory conversion in accordance with this Condition have been satisfied; and (iv) the then applicable Conversion Price. The Mandatory Conversion Notice shall also specify further details of the conversion, including instructions to Bondholders regarding the time period in which Bondholders must deposit and surrender their respective Certificates and the duly signed and completed Conversion Notice at the specified office of the relevant Conversion Agent or the Principal Agent.~~

~~The Issuer's right to mandatorily convert under this Condition 8.2 does not affect a holder's right to exercise its Conversion Right hereunder (which shall remain in full force and effect during the Mandatory Conversion Notice Period) provided that in no event shall the Conversion Date fall after the date for mandatory conversion hereunder. Upon the expiry of the Mandatory Conversion Notice Period, the Issuer will be bound (subject to and in accordance with Condition 6) to convert the Bonds to which such notice relates into Shares and the date of expiry of such period shall be deemed to be the Conversion Date. The holders of the Bonds to be so converted shall be deemed to have exercised their Conversion Rights and the provisions of Condition 6 apply *mutatis mutandis*.~~

~~If on the business day immediately following the Mandatory Conversion Notice Period (the "**Cut Off Date**"), Conversion Notices have not been received by the relevant Conversion Agent or the Principal Agent in respect of any Bonds outstanding ("**Relevant Bonds**"), the Relevant Bonds shall be converted into Shares in accordance with these Conditions at the applicable Conversion Price and such Shares shall be delivered to an agent of the Issuer located in Mumbai (the "**Share Agent**"). Certificates for such Shares will be issued by the Issuer in the name of an agent of the Issuer and deposited at the office of the Share Agent and the Issuer will be responsible for all fees and charges for the issue of such Certificate or Certificates. All of the Shares delivered, or to be delivered, on such conversion shall be sold by, or on behalf of, the Share Agent as soon as practicable, and (subject to any necessary consents being obtained, and to the deduction by the Share Agent of any amount which it determines to be payable in respect of its liability to taxation and the payment of any capital, stamp, transfer, issue or registration duties (if any) and any costs incurred by the Share Agent in connection with the transfer, delivery and sale thereof) the net proceeds of sale together with accrued interest (if any) payable under Condition 6, and any cash in lieu of fractions and any other amount payable by the Issuer in respect of the relevant exercise in respect of the Relevant Bonds (the "**Net**~~

~~Proceeds”) shall be held by the Share Agent for the benefit of the Bondholders so entitled and distributed rateably to the holders of such Relevant Bonds.~~

~~Immediately following the sale of Shares by the Share Agent, the Issuer shall forthwith notify Bondholders of such sale and provide details of the Net Proceeds available for distribution to Bondholders so entitled. The Issuer's obligation to pay the principal and interest on the Bonds shall not be satisfied unless and until the relevant Shares or Net Proceeds (as applicable) attributable to the Bonds converted pursuant to Condition 8.2 shall have been delivered to the applicable Bondholder.~~

~~The Trustee shall not be required to take any steps to ascertain or verify whether any of the events described in Conditions 8.2.1 and 8.2.2 has occurred. The Trustee and the Issuer shall have no responsibility to any person for the manner in which such sale is effected or if the aggregate sale proceeds fall short of the principal amount of the Relevant Bonds. The Trustee shall have no liability in respect of the exercise or non-exercise of the right of the Issuer to mandatorily convert any Bonds pursuant to this Condition 8.2 or the timing of such exercise or in respect of any such sale of Shares whether for the timing of any such sale or the price at which any such Shares are sold, or the inability to sell any such Shares or otherwise.~~

On or at any time prior to the date of the Bondholder's Meeting, each Bondholder shall elect to require the Issuer to redeem in whole, but not in part, such Bondholder's Bonds in exchange for either of the following:

- (i) Shares, subject to and in accordance with the terms of the Consent Solicitation and Information Memorandum and the provisions relating to Mandatory Conversion set out under Condition 8.2A below (the “Option A”); or
- (ii) U.S.\$ denominated Convertible Bonds due 2032 to be issued by the Issuer (the “New Bonds”), subject to and in accordance with the terms of the Consent Solicitation and Information Memorandum and the provisions under Condition 8.2B below (the “Option B”, and, together with Option A, the “Bondholder Options” , and each a “Bondholder Option”).

provided that if, and to the extent, any Bondholder fails to make the aforesaid election, it shall be deemed to have elected in favour of Option A subject to, and in accordance with, the provisions under Condition 8.2A below.

For the avoidance of doubt, voting instructions provided by Bondholders in accordance with the terms of the Consent Solicitation and Information Memorandum, which specify their respective election out of the two Bondholder Options shall be irrevocable and be deemed to satisfy the Bondholder's election requirement mentioned hereinabove. If, and to the extent, any Bondholder fails to provide its voting instructions, in accordance with the terms of the Consent Solicitation and Information Memorandum, or abstains from voting thereon, such failure or abstention shall be deemed to be an election by such Bondholder of Option A.

***For the avoidance of doubt, the Bondholder Options (defined above) as set out in these Conditions shall at all times remain subject to the fulfillment of the Conditions Precedent (as defined below).***

For the purposes of these Conditions, “Consent Solicitation and Information Memorandum” means the Consent Solicitation and Information Memorandum dated on or about 26 March 2020 issued by the Issuer in relation to the Bonds Restructuring (as defined below).

## 8.2A Option A

The following shall apply if, and to the extent, Option A is elected or is deemed to have been elected by the relevant Bondholder(s) (with the provisions hereof being limited solely to the Bonds that are registered in the name of such Bondholder(s) and all references in this Condition 8.2A to “Bonds”, “Bondholders” and “holders” being construed as references to such Bonds and Bondholders only). For the avoidance of doubt, no Bondholder that has elected for Option B shall have any rights or obligations under this Condition 8.2A whatsoever.

8.2A.1 On the Bonds Amendment Date, the Issuer must issue a written notice to the Trustee (on behalf of the Bondholders), the Bondholders, the Principal Agent and the Conversion Agent substantially in the form set out in Part 3 of Schedule 1 hereto (the “**Account Holder Notification**”). The Account Holder Notification must specify the Notification Date and must provide instructions regarding, *inter alia*, the completion of the Account Holder Instructions.

8.2A.2 During the period starting from the date on which all of the Conditions Precedent have been satisfied and ending on the Cut-off Date, the Issuer must issue a written irrevocable notice to the Trustee (on behalf of the Bondholders), the Bondholders, the Principal Agent and the Conversion Agent substantially in the form set out in Part 4 of Schedule 1 hereto (the “**Mandatory Conversion Notice**”). The Mandatory Conversion Notice must:

- (i) specify the Mandatory Conversion Record Date (as defined below);
- (ii) specify the Mandatory Conversion Exchange Rate (as defined below);
- (iii) specify the Mandatory Conversion Price (as defined below); and
- (iv) contain an accurate representation by the Issuer that all of the Conditions Precedent have been satisfied.

8.2A.3 On the Mandatory Conversion Record Date the Issuer shall, subject to receipt by the Conversion Agent of Account Holder Instructions, convert all of the outstanding Bonds into Shares in accordance with this Condition 8.2A (the “**Mandatory Conversion**”). Bonds in respect of which Account Holder Instructions have not been received by the Conversion Agent by the business day immediately following the Notification Date shall be cancelled on the Share Completion Date and the holders of such Bonds will receive limited rights under the Deed of Covenant (as defined below) in lieu of the Shares due to them.

8.2A.4 The price at which Shares will be issued upon Mandatory Conversion will be ₹6.77 per Share (the “**Mandatory Conversion Price**”). The exchange rate for conversion of U.S. dollars into Indian Rupees for the purposes of the Mandatory Conversion shall be U.S.\$1.00 = ₹60.225 (the “**Mandatory Conversion Exchange Rate**”).

The Issuer proposes to issue, through preferential allotment, Shares in favour of the Promoter Group and the Investor Group (each as defined in the Consent Solicitation and Information Memorandum) aggregating up to Rs. 4,000 million, pursuant to a general meeting of its shareholders proposed to be held on 7 April 2020 or an adjourned or rescheduled such meeting, or other similar corporate action for this purpose (the “**Promoter Preferential Allotment**”).

Notwithstanding anything contained herein, in the event the price per Share at which the Promoter Preferential Allotment takes place (the “Promoter Preferential Allotment Share Price”) is:

- (a) Rs. 2.45 or more, no change shall be made to the Mandatory Conversion Price set out in Condition 8.2A.4; and
- (b) less than Rs. 2.45, the Mandatory Conversion Price set out in Condition 8.2A.4 shall be reduced by Rs. 0.02763 (rounded to the nearest two decimal places) for every reduction of 1 paise in the Promoter Preferential Allotment Share Price below Rs. 2.45.

8.2A.5 The number of Shares to be issued on the Mandatory Conversion of a Bond will be determined by dividing the principal amount of the Bond to be converted (translated into Indian Rupees at the Mandatory Conversion Exchange Rate) by the Mandatory Conversion Price.

8.2A.6 Fractions of Shares will not be issued on such conversion and no cash adjustments will be made in respect thereof. However, if more than one Bond is held by the same holder, and the Shares to be issued upon Mandatory Conversion pursuant to this Condition 8.2A are to be registered in the same name, the number of Shares to be issued in respect thereof will be determined on the basis of the aggregate principal amount of the Bonds held by such Bondholder and rounded down to the nearest whole number of Shares.

8.2A.7 Any taxes or stamp duties payable in India in respect of the allotment of Shares and listing of the Shares on the Indian Exchanges pursuant to the Mandatory Conversion shall be payable by the Issuer. The Issuer will also pay all charges of the Agents and the Share Transfer Agent in connection with the Mandatory Conversion and all other expenses arising on the issue of Shares upon the Mandatory Conversion of the Bonds. A Bondholder must pay all, if any, taxes arising by reference to any disposal or deemed disposal of a Bond in connection with such conversion and must pay directly to the relevant tax authorities any taxes and stamp, issue and registration duties arising on such conversion.

8.2A.8 The Issuer will, on or with effect from the Mandatory Conversion Record Date, as soon as practicable and in any event not later than 45 business days after the Mandatory Conversion Record Date cause:

- (i) the relevant securities account of each Bondholder or its nominee to be credited with such number of relevant Shares as will be issued upon Mandatory Conversion; and
- (ii) the name of the concerned Bondholder or its nominee to be registered accordingly in the record of the depositors, maintained by the depository registered under the 1996 Depositories Act with whom the Issuer has entered into a depository agreement;

and shall take all such other steps necessary to complete the Mandatory Conversion (the date on which all obligations of the Issuer in respect of the Mandatory Conversion have been fulfilled, the “Share Completion Date”).

8.2A.9 The Shares issued upon the Mandatory Conversion of the Bonds will in all respects rank *pari passu* with the Shares in issue on the relevant Mandatory Conversion

Record Date (except for any right excluded by mandatory provisions of applicable law) and such Shares shall be entitled to all rights the record date for which falls on or after such Mandatory Conversion Record Date to the same extent as all other fully-paid and non-assessable Shares of the Issuer in issue as if such Shares had been in issue throughout the period to which such rights relate. A holder of Shares issued on Mandatory Conversion of Bonds shall not be entitled to any rights the record date for which precedes the Mandatory Conversion Record Date.

8.2A.10 If, on the business day immediately following the Notification Date, Account Holder Instructions have not been received by the Conversion Agent in respect of any Bonds outstanding as at that date (the “**Relevant Bonds**”), the Relevant Bonds shall be cancelled on the Share Completion Date. However, the Issuer shall for a period of up to 12 months from the Share Completion Date maintain such authorised share capital to enable it to issue such Shares, at the Mandatory Conversion Price and at the Mandatory Conversion Exchange Rate, which correspond to the Relevant Bonds. To effect this, the Issuer shall execute a deed of covenant (the “**Deed of Covenant**”) in favour of the holders of the Relevant Bonds in respect of which Account Holder Instructions have not been received by the business day immediately following the Notification Date (such holders, the “**Residual Holders**”). Under the Deed of Covenant, notwithstanding the cancellation of the Relevant Bonds, the Residual Holders shall have up to 12 months from the Share Completion Date to claim the relevant Shares from the Issuer, provided that they can demonstrate to the Issuer’s reasonable satisfaction that they were holders of Bonds as at the Share Completion Date. Residual Holders who fail to claim the Shares within 12 months from the Share Completion Date, shall be deemed to have forfeited their right to the Shares and no compensation or other amounts shall be due to them.

8.2A.11 On and with effect from the Share Completion Date, upon completion of the Mandatory Conversion in relation to any Bond and the fulfilment by the Issuer of all its obligations in respect thereof:

- (i) the Issuer will notify the Trustee, the Principal Agent, the Conversion Agent and the Bondholders in writing that the Share Completion Date has occurred and instruct the Principal Agent to markdown and cancel the Bonds;
- (ii) once cancelled, Bonds may not be reissued or resold;
- (iii) save for the Issuer’s obligations under the Deed of Covenant, no holder shall have any further rights in respect of a Bond held by it and all obligations of the Issuer in respect thereof shall be extinguished;
- (iv) all of the Issuer’s payment obligations (including any obligation of the Issuer to pay any outstanding principal amount and any accrued interest or any default interest in respect of the Bonds) will be deemed to have been fully satisfied, or waived by the Bondholders; and
- (v) any Events of Default or Potential Events of Default under the Trust Deed and the Conditions existing as at the Share Completion Date will be deemed to have been waived by the Bondholders.

The Trustee and the Agents shall be entitled to rely upon any notification and instruction received from the Issuer pursuant to this Condition 8.2A.11 without any obligation to inquire into or investigate the validity, accuracy or content thereof and

neither the Trustee nor the Agents shall be liable to the Bondholders or any other person for so relying.

8.2A.12 In the event the Mandatory Conversion Record Date has not occurred on or prior to the Cut-Off Date, then:

- (i) the Mandatory Conversion Record Date shall be incapable of occurring;
- (ii) this Condition 8.2A and all other amendments to these Conditions (as approved by the Bondholders' Resolution) shall cease to have effect (and the provisions of the Trust Deed and these Conditions shall operate without the effect of this Condition 8.2A and the other amendments to these Conditions (as approved by the Bondholders' Resolution)); and
- (iii) all of the rights of Bondholders as Bondholders and all of the obligations of the Issuer under the Trust Deed and these Conditions are reinstated and shall continue in full force and effect as such rights and obligations existed on the day immediately prior to the Bonds Amendment Date.

8.2A.13 In the event the Issuer has not fulfilled all of its obligations in respect of the Mandatory Conversion, including delivery of the Shares as and when such Shares are required to be delivered in accordance with this Condition 8.2A, on or before the Long Stop Date, then:

- (i) the Share Completion Date shall be incapable of occurring;
- (ii) this Condition 8.2A and all other amendments to these Conditions (as approved by the Bondholders' Resolution) shall cease to have effect (and the provisions of the Trust Deed and these Conditions shall operate without the effect of this Condition 8.2A and the other amendments to these Conditions (as approved by the Bondholders' Resolution)); and
- (iii) all of the rights of Bondholders as Bondholders and all of the obligations of the Issuer under the Trust Deed and these Conditions are reinstated and shall continue in full force and effect as such rights and obligations existed on the day immediately prior to the Bonds Amendment Date.

8.2A.14 The Issuer will promptly notify the Trustee and the Bondholders in writing if any of the events in Conditions 8.2A.12 or 8.2A.13 have occurred.

8.2A.15 For the purposes of this Condition 8.2A:

"Account Holder Instruction" shall have the meaning as is assigned to such term in Part 3 of Schedule 1 hereto.

"Bonds Restructuring" means the amendments to these Conditions and the Trust Deed (including with respect to the Mandatory Conversion) approved by the Bondholders in, and in order to give effect to, the Bondholders' Resolution.

"Bondholder's Meeting" means the meeting of the Bondholders scheduled to be held at 12.00 p.m. (Singapore Time) on 6 April 2020, with references to "Bondholder's Meeting" to also include an adjourned Bondholder's meeting, if any.

“**Bondholders’ Resolution**” means an Extraordinary Resolution (as defined in the Trust Deed) passed by the Bondholders at the Bondholder’s Meeting approving, *inter alia*, the Bonds Restructuring.

“**Bonds Amendment Date**” means the date on which the Second Supplemental Trust Deed entered into between the Issuer and the Trustee in respect of the Bonds became effective in accordance with its terms, being on or about the date of the Bondholder’s Meeting.

“**business day**” means a day other than a Saturday or Sunday on which commercial banks are open for business in New York City, Mumbai and London.

“**Conditions Precedent**” means the conditions as defined in and as set out in Part 1 of Schedule 1 hereto.

“**Cut-off Date**” means 31 July 2020 or such later date, subject to the Long Stop Date, as may be notified by the Issuer in writing to the Trustee and the Principal Agent (with the Trustee and the Principal Agent being able to conclusively rely and act on such notification without liability to the Bondholders or any other party).

“**Long Stop Date**” means 30 September 2020.

“**Mandatory Conversion Record Date**” means the date specified in the Mandatory Conversion Notice, being a date which occurs after the Notification Date and on which all of the Conditions Precedent have been fulfilled.

“**Notification Date**” means the date by which Bondholders must send the Account Holder Instructions to the Conversion Agent through the relevant clearing system(s), such date being no less than 10 business days from the Bonds Amendment Date, and no more than 15 business days from the Bonds Amendment Date.

“**Second Supplemental Trust Deed**” means the second supplemental trust deed which shall be supplemental to the Trust Deed entered into between the Issuer and the Trustee in order to give effect to the Bonds Restructuring.

## 8.2B Option B

The following shall apply if, and to the extent, Option B is elected by the relevant Bondholder(s) (with the provisions hereof being limited solely to the Bonds that are registered in the name of such Bondholder(s) and all references in this Condition 8.2B to “Bonds”, “Bondholders” and “holders” being construed as references to such Bonds and Bondholders only). For the avoidance of doubt, no Bondholder that has elected, or is deemed to have elected, for Option A shall have any rights or obligations under this Condition 8.2B whatsoever.

- 8.2B.1 During the period starting from the date on which all of the Conditions Precedent have been satisfied and ending on the Cut-off Date, the Issuer shall issue the New Bonds (with the date of such issue being referred to as the “**Bond Exchange Date**”), in accordance with the terms of the Consent Solicitation and Information Memorandum, in favour of the relevant Bondholders (by way of private placement) whereupon each U.S.\$1,000 in principal amount of the Bonds held by such Bondholders, along with any accrued but unpaid interest on such principal amount up to (but not including) the Bond Exchange Date, shall be exchanged for the New Bonds with a face value of U.S.\$320 (the “**Bond Exchange**”).

8.2B.2 On and with effect from the Bond Exchange Date:

- (i) the Issuer will notify the Trustee, the Principal Agent, the Conversion Agent and the Bondholders in writing that the Bond Exchange Date has occurred and all of the Conditions Precedent have been satisfied and instruct the Principal Agent to markdown and cancel the Bonds;
- (ii) once cancelled, Bonds may not be reissued or resold;
- (iii) no holder shall have any further rights in respect of a Bond held by it and all obligations of the Issuer in respect thereof shall be extinguished;
- (iv) all of the Issuer's payment obligations (including any obligation of the Issuer to pay any outstanding principal amount and any accrued interest or any default interest in respect of the Bonds) will be deemed to have been fully satisfied, or waived by the Bondholders; and
- (v) any Events of Default or Potential Events of Default under the Trust Deed and the Conditions existing as at the Bond Exchange Date will be deemed to have been waived by the Bondholders.

The Trustee and the Agents shall be entitled to rely upon any notification and instruction received from the Issuer pursuant to this Condition 8.2B.2 without any obligation to inquire into or investigate the validity, accuracy or content thereof and neither the Trustee nor the Agents shall be liable to the Bondholders or any other person for so relying.

8.2B.3 In the event the Bond Exchange Date has not occurred on or prior to the Cut-Off Date, then:

- (i) the Bond Exchange Date shall be incapable of occurring;
- (ii) this Condition 8.2B and all other amendments to these Conditions (as approved by the Bondholders' Resolution) shall cease to have effect (and the provisions of the Trust Deed and these Conditions shall operate without the effect of this Condition 8.2B and the other amendments to these Conditions (as approved by the Bondholders' Resolution)); and
- (iii) all of the rights of Bondholders as Bondholders and all of the obligations of the Issuer under the Trust Deed and these Conditions are reinstated and shall continue in full force and effect as such rights and obligations existed on the day immediately prior to the Bonds Amendment Date.

8.2B.4 The Issuer will promptly notify the Trustee and the Bondholders in writing if any of the events in Conditions 8.2B.3 have occurred.

8.2B.5 For the purposes of this Condition 8.2B, terms used but not defined hereinabove shall (unless the context requires otherwise) be deemed to have the same meanings as ascribed to such terms under Condition 8.2A.15.

8.3A Clean up option

**8.2.3** If at any time the aggregate principal amount of the Bonds outstanding is less than 10% of the aggregate principal amount originally issued (including any Bonds

issued pursuant to Condition 16), the Issuer shall have the option to redeem such outstanding Bonds in whole but not in part at their Early Redemption Amount (as defined below) together with accrued but unpaid interest to such date, on the date fixed for redemption. The Issuer will give at least 30 days' but not more than 60 days' prior notice to the holders for such redemption.

### 8.3 Redemption for Taxation Reasons

- 8.3.1** At any time the Issuer may, having given not less than 30 nor more than 60 days' notice to the Bondholders (which notice shall be irrevocable) redeem all, and not some only, of the Bonds at their Early Redemption Amount together with accrued but unpaid interest to such date, on the date fixed for redemption ("**Tax Redemption Date**"), if (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice that the Issuer has or will become obliged to pay additional amounts in respect of payments of interest on the Bonds pursuant to Condition 9 as a result of any change in, or amendment to, the laws or regulations of India or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Closing Date, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee a certificate signed by two directors of the Issuer stating that the obligation referred to in (i) above cannot be avoided by the Issuer (taking reasonable measures available to it); and an opinion of independent legal or tax advisors of recognised international standing to the effect that such change or amendment has occurred (irrespective of whether such amendment or change is then effective) and the Trustee shall be entitled to accept such certificate and opinion as sufficient evidence thereof in which event it shall be conclusive and binding on the Bondholders.
- 8.3.2** Upon the expiry of any such notice, the Issuer will be bound to redeem the Bonds at their Early Redemption Amount together with accrued but unpaid interest to such date, on the Tax Redemption Date.
- 8.3.3** If the Issuer gives a notice of redemption pursuant to this Condition 8.3, each Bondholder will have the right to elect that his Bond(s) shall not be redeemed and that the provisions of Condition 9 shall not apply in respect of any payment of principal or interest to be made in respect of such Bond(s) which falls due after the relevant Tax Redemption Date whereupon no additional amounts shall be payable in respect thereof pursuant to Condition 9 and payment of all amounts shall be made subject to the deduction or withholding of the taxation required to be withheld or deducted by the Indian Government or any authority thereof or therein having power to tax. For the avoidance of doubt, any additional amounts which had been payable in respect of the Bonds as a result of the laws or regulations of the Indian Government or any authority thereof or therein having power to tax prior to the Closing Date will continue to be payable to such Bondholders. To exercise such right, the holder of the relevant Bond must complete, sign and deposit at the specified office of any Paying Agent a duly completed and signed notice of election (the "**Bondholder's Tax Election Notice**"), in the form for the time being current, obtainable from the specified office of any Paying Agent together with the Certificate evidencing the Bonds on or before the day falling 10 days prior to the Tax Redemption Date.

## 8.4 Redemption for Change of Control

- 8.4.1** Following the occurrence of a Relevant Event (as defined below) and to the extent permitted by applicable law, each Bondholder will have the right at such Bondholder's option to require the Issuer to redeem in whole but not in part such Bondholder's Bonds on the Relevant Event Put Date at their Early Redemption Amount together with accrued but unpaid interest to such date. To exercise such right, the relevant Bondholder must complete, sign and deposit at the specified office of any Paying Agent a duly completed and signed notice of redemption, in the form for the time being current, obtainable from the specified office of any Paying Agent ("**Relevant Event Put Exercise Notice**") together with the Certificate evidencing the Bonds to be redeemed by not later than 30 days following a Relevant Event, or, if later, 30 days following the date upon which notice thereof is given to Bondholders by the Issuer in accordance with Condition 17. The "**Relevant Event Put Date**" shall be the fourteenth day after the expiry of such period of 30 days as referred to above.
- 8.4.2** A Relevant Event Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Bonds which form the subject of the Relevant Event Put Exercise Notices delivered as aforesaid on the Relevant Event Put Date.
- 8.4.3** The Trustee shall not be required to take any steps to ascertain whether a Relevant Event or any event which could lead to the occurrence of a Relevant Event has occurred and shall not be responsible or liable to Bondholders for any loss arising from any failure by it to do so.
- 8.4.4** No later than seven days after becoming aware of a Relevant Event, the Issuer shall procure that notice regarding the Relevant Event shall be delivered to Bondholders (in accordance with Condition 17) stating: (i) the Relevant Event Put Date; (ii) the date of such Relevant Event and, briefly, the events causing such Relevant Event; (iii) the date by which the Relevant Event Put Exercise Notice (as defined above) must be given; (iv) the redemption amount and the method by which such amount will be paid; (v) the names and specified offices of all Paying Agents; (vi) briefly, the Conversion Right and the then current Conversion Price; (vii) the procedures that Bondholders must follow and the requirements that Bondholders must satisfy in order to exercise the Relevant Event Put Right or Conversion Right; and (viii) that a Relevant Event Put Exercise Notice, once validly given, may not be withdrawn.
- 8.4.5** For the purposes of this Condition 8:
- (i) a "**person**" includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity) but does not include the Issuer's Board of Directors or any other governing board and does not include the Issuer's 100% owned direct or indirect Subsidiaries;
  - (ii) "**Relevant Event**" occurs when there has been a Change of Control (as defined in Condition 6.6) in the Issuer; and
  - (iii) "**Early Redemption Amount**" of a Bond, for each U.S.\$1,000 principal amount of the Bonds, is determined so that it represents (i) in the case of a redemption of Bonds on the Maturity Date, 100% of the principal amount of such Bonds, or (ii) in the case of a redemption of the Bonds pursuant to Condition 8 or if the Bonds become due and payable pursuant to Condition 10, the amount which is determined to be the amount which,

together with unpaid accrued interest from the immediately preceding Interest Payment Date, or, if none, the Closing Date, and after taking into account any interest paid in respect of such Bonds in preceding periods, represents for the Bondholder on the relevant date for determination of the Early Redemption Amount (the “**Determination Date**”) for the Bondholder a gross yield of 4.94% per annum calculated on a semi-annual basis. The applicable Early Redemption Amount for each U.S.\$1,000 principal amount of Bonds is calculated in accordance with the following formula, rounded (if necessary) to two decimal places with 0.005 being rounded upwards (provided that if the date fixed for redemption is a Interest Payment Date (as set out below), such Early Redemption Amount shall be as set out in the table below in respect of such Interest Payment Date):

$$\text{Early Redemption Amount} = \text{Previous Redemption Amount} \times (1 + r/2)^{d/p} - \text{AI}$$

Previous Redemption Amount = the Early Redemption Amount for each U.S.\$1,000 principal amount on the Interest Payment Date immediately preceding the date fixed for redemption as set out below (or if the Bonds are to be redeemed prior to 16 January 2015, U.S.\$1,000)

<b>Interest Payment Date</b>	<b>Early Redemption Amount</b>
16 January 2015 .....	U.S.\$ 1,008.50
16 July 2015 .....	U.S.\$ 1,017.16
16 January 2016 .....	U.S.\$ 1,026.03
16 July 2016 .....	U.S.\$ 1,022.63
16 January 2017 .....	U.S.\$ 1,019.13
16 July 2017 .....	U.S.\$ 1,015.56
16 January 2018 .....	U.S.\$ 1,011.89
16 July 2018 .....	U.S.\$ 1,008.13
16 January 2019 .....	U.S.\$ 1,004.29

r = 4.94 %, expressed as a fraction.

d = number of days from and including the immediately preceding Interest Payment Date (or if the Determination Date is before the first Interest Payment Date, from and including the Closing Date) to, but excluding, the Determination Date, calculated on the basis of a 360-day year consisting of 12

months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

p = 180

AI = the accrued interest on a Bond in the principal amount of U.S.\$1,000 from and including the immediately preceding Bonds Interest Payment Date (or if the Determination Date is before the first Bonds Interest Payment Date, from and including the Closing Date) to but excluding the Determination Date, calculated on the basis of a 360 day year consisting of 12 months of 30 days each and in the case of an incomplete month, the number of days elapsed.

If the Early Redemption Amount payable in respect of any Bond upon its redemption pursuant to Condition 8 or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Bond shall be the Early Redemption Amount of such Bond as described above, as though references to the Determination Date had been replaced by references to the Tax Redemption Date or Put Date or Non-Permitted Conversion Price Adjustment Date, as applicable, and interest shall accrue at the rate provided for in Condition 5.1 on the principal amount of such Bond to such date. The calculation of the Early Redemption Amount in accordance with this Condition will continue to be made (as well after as before judgment) until the Tax Redemption Date or Put Date or Non-Permitted Conversion Price Adjustment Date, as applicable, unless such date falls on or after the Maturity Date, in which case the amount due and payable shall be 100% of the principal amount of the Bonds together with interest thereon (inclusive of interest payable pursuant to Condition 5) at the rate of 5.94% per annum from and including the Maturity Date to but excluding the Tax Redemption Date or Put Date or Non-Permitted Conversion Price Adjustment Date, as applicable.

## 8.5 Delisting Put Right

**8.5.1** In the event the Shares cease to be listed or admitted to trading on the BSE or NSE (a “**Delisting**”), each Bondholder shall have the right (the “**Delisting Put Right**”), at such Bondholder’s option, to require the Issuer to redeem all (but not less than all) of such Bondholder’s Bonds on the twentieth business day after notice has been given to Bondholders regarding the Delisting referred to under Condition 8.5.2 below or, if such notice is not given, the twentieth business day after the Delisting (the “**Delisting Put Date**”) at their Early Redemption Amount together with accrued interest but unpaid to such date (the “**Delisting Put Price**”).

**8.5.2** Promptly after becoming aware of a Delisting, the Issuer shall procure that notice regarding the Delisting Put Right shall be given to Bondholders (in accordance with Condition 17) stating:

- (i) the Delisting Put Date;
- (ii) the date of such Delisting and, briefly, the events causing such Delisting;

- (iii) the date by which the Delisting Put Notice (as defined below) must be given;
- (iv) the Delisting Put Price and the method by which such amount will be paid;
- (v) the names and specified offices of all Paying Agents;
- (vi) the Conversion Right and the then current Conversion Price;
- (vii) the procedures that Bondholders must follow and the requirements that Bondholders must satisfy in order to exercise the Delisting Put Right or Conversion Right; and
- (viii) that a Delisting Put Notice, once validly given, may not be withdrawn.

**8.5.3** To exercise its rights to require the Issuer to redeem its Bonds, the Bondholder must deliver a written irrevocable notice of the exercise of such right (a “**Delisting Put Notice**”), in the then current form obtainable from the specified office of any Paying Agent, to any Paying Agent on any business day prior to the close of business at the location of such Paying Agent on such day and which day is not less than 10 business days prior to the Delisting Put Date.

**8.5.4** A Delisting Put Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Bonds which form the subject of the Delisting Put Notices delivered as aforesaid on the Delisting Put Date.

**8.5.5** The Trustee shall not be required to take any steps to ascertain whether a Delisting or any event which could lead to the occurrence of a Delisting has occurred and shall not be responsible or liable to Bondholders for any loss arising from any failure by it to do so.

**8.5.6** For the purposes of this Condition 8.5, “**business day**” shall mean a day on which commercial banks are open for business in New York City, London and Mumbai.

## **8.6** Redemption Following Exercise of a Put Option

Upon the exercise of any put option specified in Condition 8.4 or 8.5, payment of the applicable redemption amount shall be conditional upon (i) the Issuer obtaining all approvals required by law and (ii) delivery of the Bondholder’s Certificate (together with any necessary endorsements) to any Paying Agent on any business day (in the location of the relevant Paying Agent) together with the delivery of any other document(s) required by these Conditions, and will be made promptly following the later of the date set for redemption and the time of delivery of such Certificate. If the Paying Agent holds on the Put Date (as defined below) money sufficient to pay the applicable redemption monies of Bonds for which notices have been delivered in accordance with the provisions hereof upon exercise of such right, then, whether or not such Certificate is delivered to the Paying Agent, on and after such Put Date, (a) such Bond will cease to be outstanding; (b) such Bond will be deemed paid; and (c) all other rights of the Bondholder shall terminate (other than the right to receive the applicable redemption monies). “**Put Date**” shall mean the Relevant Event Put Date or the Delisting Put Date, as applicable.

## **8.7** Non-Permitted Conversion Price Adjustment Event Repurchase Right

To the extent permitted by applicable law, unless the Bonds have been previously redeemed, converted or purchased and cancelled, if the Issuer is unable to provide the Trustee with a

Price Adjustment Opinion as set forth in Condition 6.4.1 prior to the occurrence of an event triggering an adjustment to the Conversion Price (a “**Non- Permitted Conversion Price Adjustment Event**”), the Issuer shall, within 10 business days after the occurrence of the relevant event triggering such adjustment, notify the Bondholders and the Trustee of such Non-Permitted Conversion Price Adjustment Event, and each Bondholder shall have the right (the “**Non-Permitted Conversion Price Adjustment Event Repurchase Right**”), at such Bondholder’s option, to require the Issuer to repurchase all (or any portion of the principal amount thereof which is U.S.\$1,000 and any integral multiple thereof) of such Bondholder’s Bonds at a price equal to their Early Redemption Amount (the “**Non-Permitted Conversion Price Adjustment Event Repurchase Price**”), on the date set by the Issuer for such repurchase (the “**Non- Permitted Conversion Price Adjustment Date**”), which shall be not less than 30 days nor more than 60 days following the date on which the Issuer notifies the Bondholders of the Non-Permitted Conversion Price Adjustment.

For the purposes of this Condition 8.7, “**business day**” shall mean a day on which commercial banks are open for business in New York City, London and Mumbai.

## 8.8 ~~Future Equity Issuances~~ [Reserved]

~~The net proceeds of any equity or equity-linked issuance by the Issuer (“**Equity Issuance Proceeds**”) after the satisfaction of the Security Conditions will be utilised by the Issuer (subject to compliance with prevalent RBI regulations or subject to obtaining RBI approval) to make an offer to Bondholders to repurchase all or a part of their Bonds, on a *pro rata* basis, as follows:~~

- ~~8.8.1 if a fresh convertible bond offering or an offering of any other similar unsecured convertible instrument is undertaken by the Issuer at any time during the term of the Bonds, 100% to repurchase the Bonds at the Early Redemption Amount, if approved by the RBI or permitted under the applicable Indian regulations, or, failing which, such price that is lower than the Early Redemption Amount as the RBI may approve;~~
- ~~8.8.2 if a straight equity issuance is undertaken by the Issuer within six to twelve months from the Maturity Date, at least 75% to repurchase the Bonds at the Early Redemption Amount, if approved by the RBI or permitted under the applicable Indian regulations or, failing which, such price that is lower than the Early Redemption Amount as the RBI may approve; and~~
- ~~8.8.3 if a straight equity issuance is undertaken by the Issuer within six months from the Maturity Date, 100% to repurchase the Bonds at the Early Redemption Amount, if approved by the RBI or permitted under the applicable Indian regulations, or, failing which, such price that is lower than the Early Redemption Amount as the RBI may approve.~~

~~The Issuer shall utilise the Equity Issuance Proceeds to make an offer to the Bondholders to repurchase the Bonds on a *pro rata* basis in accordance with the applicable RBI regulations. If required, the Issuer shall seek approval of the RBI to utilise the Equity Issuance Proceeds.~~

~~On receipt of RBI approval to utilise the Equity Issuance Proceeds in the manner provided in this Condition 8.8, the Issuer shall, having given not less than 30 nor more than 60 days’ notice to Bondholders, the Trustee and the Principal Agent (which notice shall be irrevocable), repurchase the Bonds, in accordance with applicable regulations, in whole or in part. Upon the expiry of any such notice, the Issuer will be bound to repurchase the Bonds at the Early Redemption Amount, if approved by the RBI or permitted under the applicable Indian~~

~~regulations, or, failing which, such price that is lower than the Early Redemption Amount as the RBI may approve.~~

~~The offer to repurchase using the Equity Issuance Proceeds shall be made to all Bondholders and each Bondholder may accept such offer at its option.~~

~~If RBI approval is not obtained or if any Equity Issuance Proceeds remains after the Issuer's offer, the Equity Issuance Proceeds will be pre-approved by the CDR lenders for payment to Bondholders on the Maturity Date.~~

~~Upon receipt of the Equity Issuance Proceeds by the Issuer, they will be placed into an account secured for the benefit of the Bondholders. On the Maturity Date, the Equity Issuance Proceeds will be applied in redeeming the Bonds without the need for procuring CDR lenders' approval.~~

### **8.9 Purchases**

The Issuer or any of its Subsidiaries may, if permitted under the laws of India, at any time and from time to time purchase Bonds at any price in the open market or otherwise. The Issuer or the relevant Subsidiary is required to submit to the Registrar for cancellation any Bonds so purchased. If purchases are made by tender, the tender must be available to all Bondholders alike.

### **8.10 Cancellation**

All Bonds which are redeemed or converted or purchased by the Issuer or any of its Subsidiaries, or are the subject matter of the Deed of Covenant, will forthwith be cancelled. Certificates in respect of all Bonds cancelled will be forwarded to or to the order of the Registrar and such Bonds may not be reissued or resold.

### **8.11 Redemption Notices**

All notices to Bondholders given by or on behalf of the Issuer pursuant to this Condition will be given in accordance with Condition 17, and specify the Conversion Price as at the date of the relevant notice, the closing price of the Shares (as quoted on the BSE) as at the latest practicable date prior to the publication of the notice, the date for redemption, the manner in which redemption will be effected and the aggregate principal amount of the Bonds outstanding as at the latest practicable date prior to the publication of the notice.

No notice of redemption given under Condition ~~8.2 or Condition 8.3~~ shall be effective if it specifies a date for redemption which falls during a Closed Period or within 15 days following the last day of a Closed Period.

### **8.12 Multiple Notices**

If more than one notice of redemption (which shall include any notice given by the Issuer pursuant to Condition 8.2 or Condition 8.3, any Relevant Event Put Exercise Notice or Delisting Put Notice given by a Bondholder pursuant to Condition 8.4 or 8.5 and any relevant notice given by a Bondholder pursuant to Condition 8.7) is given pursuant to this Condition 8, the first of such notices to be given shall prevail.

## 9 Taxation

- 9.1 All payments of principal, premium (if any) and interest (including default interest (if any)) made in respect of the Bonds by the Issuer will be made free from any restriction or Condition and without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of India or any authority thereof or therein having power to tax, unless deduction or withholding of such taxes, duties, assessments or governmental charges is compelled by law.
- 9.2 Where such withholding or deduction is in respect of Indian withholding tax on premium or interest payments at the rate of up to 10.00% (plus applicable surcharge on such tax payable; ~~education cess and higher and secondary education cess on the income~~such tax and surcharge) the Issuer will increase the amount of ~~premium or~~ interest paid by it to the extent required so that the amount of ~~premium or~~ interest received by Bondholders (without prejudice to Condition 7.3) amounts to the relevant amount of the ~~premium or~~ interest payable pursuant to Condition 5 or 8.
- 9.3 In the event that any such withholding or deduction in respect of principal or any such additional withholding or deduction in excess of 10.00% (plus applicable surcharge on such tax payable; ~~education cess and higher and secondary education cess on the income~~such tax and surcharge) in respect of ~~premium or~~ interest is required, the Issuer will pay such additional amounts by way of principal, premium or interest as will result in the receipt by the Bondholders of the amounts which would otherwise have been receivable in the absence of such withholding or deduction, except that no such additional amount shall be payable in respect of any Bond:
- 9.3.1 to a holder (or to a third party on behalf of a holder) who is subject to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with India otherwise than merely by holding the Bond or by the receipt of amounts in respect of the Bond; or
- 9.3.2 (in the case of a payment of principal or premium) if the Certificate in respect of such Bond is surrendered more than 30 days after the Relevant Date except to the extent that the holder would have been entitled to such additional amount on surrendering the relevant Certificate for payment on the last day of such period of 30 days; or
- ~~9.3.3 where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of November 26 to 27, 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or~~
- ~~9.3.4 presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Bond to another Paying Agent or Conversion Agent in a Member State of the European Union.~~
- 9.4 For the purposes hereof, “**Relevant Date**” means the date on which such payment first becomes due except that if the full amount payable has not been received by the Trustee or the Principal Agent on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Bondholders and cheques despatched or payment made.
- 9.5 References in these Conditions to principal, premium and interest shall be deemed also to refer to any additional amounts which may be payable under this Condition or any

undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed.

The provisions of this Condition 9 shall not apply in respect of any payments of interest which fall due after the relevant Tax Redemption Date in respect of any Bonds which are the subject of a Bondholder election pursuant to Condition 8.3.

## 10 Events of Default

10.1 The Trustee at its discretion may, and if so requested in writing by the holders of not less than 25% in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution shall (subject to being indemnified and/or secured and/or pre-funded by the Bondholders to its satisfaction), give notice to the Issuer that the Bonds are, and they shall accordingly thereby become, immediately due and repayable at their Early Redemption Amount together with accrued interest (if any) to the date of payment (subject as provided below and without prejudice to the right of Bondholders to exercise the Conversion Right in respect of their Bonds in accordance with Condition 6) if any of the following events (each an "Event of Default") has occurred:

10.1.1 a default is made in the payment of any amounts due in respect of the Bonds and is subsisting for a period of more than seven days;

10.1.2 failure by the Issuer to deliver the Shares as and when such Shares are required to be delivered following conversion of a Bond; including (following fulfilment of the Conditions Precedent) on Mandatory Conversion. For the avoidance of doubt, in case of a Mandatory Conversion, the Issuer will only be liable to deliver the Shares to such Bondholders who have (i) elected (or are deemed to have elected) Option A in accordance with Condition 8.2, and (ii) provided the Account Holder Instructions to the Conversion Agent prior to the Notification Date;

10.1.3 failure by the Issuer to perform or comply with one or more of its other obligations in the Bonds or the Trust Deed which default is incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not in the opinion of the Trustee remedied within 15 days after written notice of such default shall have been given to the Issuer by the Trustee.

10.1.4 [reserved]

10.1.5 [reserved]

~~10.1.4 failure to implement the springing Second Lien within 90 days once the Security Conditions have been satisfied, subject to regulatory approvals;~~

~~10.1.5 any security, once created, ceases to be in full force and effect or does not create the security which it purports to create with the ranking and priority it is expressed to have;~~

10.1.6 occurrence of an event of default in respect of making required payments when due or, as the case may be, within any applicable grace period in respect of any present or future indebtedness for or in respect of monies borrowed or raised by the Issuer or any of its Material Subsidiaries, and if such default is subsisting for a period of more than 30 days, or acceleration on obligations, in an aggregate amount greater than U.S.\$25,000,000;

- 10.1.7** other than pursuant to the ~~ongoing GDR Scheme, or in accordance with the terms of an agreement with its senior lenders prior to the Closing Date (or any future amendment to the GDR Scheme or such agreement with its senior lenders)~~Debt Resolution Plan, any resolution plans (the "Additional Resolution Plans") entered into by each of SWECO, Seventus and SEFL or the Second Supplemental Trust Deed, the Issuer or any Material Subsidiary is (or is, or could be, declared by a court to be) insolvent or bankrupt or ~~unable to pay its debts, stops, suspends or threatens to stop or suspend, payment of all or a material part of (or a particular type of) its debts,~~ proposes or makes an agreement for the deferral, rescheduling or other readjustment of all of (or a particular type of) its debts (or of any part which it will or might otherwise be unable to pay), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer or any of its Material Subsidiaries;
- 10.1.8** legal process is levied and an adverse order is passed and enforced against a material part of the property, assets or revenues of the Issuer or any Material Subsidiary and such process has not been stayed within a period of 45 days;
- 10.1.9** (i) an order for winding up, dissolution, judicial management or administration has been passed in respect of the Issuer or any Material Subsidiary and no appeal against such order has been filed by the Issuer or the Material Subsidiary, as the case may be, within a period of 60 days from the date of the order; or (ii) insolvency proceedings against the Issuer or any Material Subsidiary have commenced and an official liquidator or resolution professional is appointed as a result thereof by the appropriate regulatory or judicial authority;
- 10.1.10** an encumbrancer takes possession or an administrative or other receiver or an administrator is appointed of the whole or a material part of the property, assets or revenues of the Issuer or any of its Material Subsidiaries (as the case may be) and is not discharged within 90 days;
- 10.1.11** it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Bonds or the Trust Deed;
- 10.1.12** any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer or any of its Material Subsidiaries; or
- 10.1.13** any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs.

provided that, none of the Share Issue, the Debt Resolution Plan, the Additional Resolution Plans or the Bonds Restructuring shall cause, and no events or circumstances resulting directly or indirectly from the approval or implementation of the Share Issue, the Debt Resolution Plan, the Additional Resolution Plans or the Bonds Restructuring shall constitute, an Event of Default under these Conditions (save for the failure by the Issuer to deliver the Shares (following fulfilment of the Conditions Precedent) on Mandatory Conversion, as provided under Condition 10.1.2).

For the purposes of ~~this Condition 10~~these Conditions:

"Group Lenders" means the lenders to the Issuer and/or its Subsidiaries.

**“Debt Resolution Plan”** means the resolution plan approved by the Group Lenders in terms of the RBI Stressed Assets Framework, and which includes, among other things, the Bonds Restructuring and the Share Issue.

**“Debt Resolution Documents”** means any agreement or other documents entered into by the Issuer with, or any letters received from, the Group Lenders in order to implement or give effect to the Debt Resolution Plan, and shall include any amendments thereto.

**“Material Subsidiary”** means:

- (a) any Subsidiary of the Issuer that meets the following two tests, each determined under Indian GAAP:
  - (i) whose gross revenues, as shown by the then latest accounts (consolidated where applicable) of such Subsidiary, constitute at least 5% of the consolidated gross revenues of the Issuer, as shown by the then latest consolidated accounts of the Issuer; and
  - (ii) whose gross assets, as shown by the then latest accounts (consolidated where applicable) of such Subsidiary, constitute at least 5% of the total consolidated gross assets of the Issuer, as shown by the then latest consolidated accounts of the Issuer;

provided that:

in the case of a Subsidiary acquired, or a company becoming a Subsidiary, (A) after the end of the financial period to which the latest consolidated accounts of the Issuer relates, the reference to the then latest consolidated accounts of the Issuer for the purposes of the calculation above shall, until consolidated accounts of the issuer for the financial period in which the acquisition is made or, as the case may be, in which the relevant company becomes a Subsidiary are published, be deemed to be a reference to the then latest consolidated accounts of the Issuer adjusted (on a pro forma basis if required) to consolidate the latest accounts of all such subsequently acquired Subsidiaries in such accounts; or (B) prior to the end of the financial period to which the latest consolidated accounts of the Issuer relates, the reference to the then latest consolidated accounts of the Issuer for the purposes of the calculation above shall be deemed to be a reference to the then latest consolidated accounts of the Issuer adjusted (on a pro forma basis if required) to consolidate the latest accounts of all such acquired Subsidiaries in such accounts as if such companies had been Subsidiaries for the whole of the financial period to which the latest consolidated accounts of the Issuer relates; or

- (b) any Subsidiary of the Issuer to which is transferred all or substantially all of the assets of a Subsidiary which immediately prior to such transfer was a Material Subsidiary, provided that the Material Subsidiary which so transfers its assets shall forthwith upon such transfer cease to be a Material Subsidiary.

A certificate from the Auditors (as defined in the Trust Deed) of the Issuer that, in their opinion, a Subsidiary of the Issuer is or is not or was or was not at any particular time a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Trustee and the Bondholders.

**“RBI Stressed Assets Framework”** means the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 issued by the Reserve Bank of India on 7

June 2019 through its circular with reference RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19, and shall include any circulars, notifications, directions or orders issued in this regard by the Reserve Bank of India.

SWECO means Suzlon Wind Energy Corporation.

Seventus means Seventus LLC.

SEFL means SE Forge Limited.

“Share Issue” means the issuance by the Issuer of Shares or other instruments convertible into or exchangeable for Shares by way of preferential allotment or otherwise pursuant to the Debt Resolution Plan.

- 10.2** Notwithstanding receipt of any payment after the acceleration of the Bonds, a Bondholder may exercise its Conversion Right by depositing a Conversion Notice with a Conversion Agent or Paying Agent during the period from and including the date of a default notice with respect to an event specified in Condition 10.1.2 (at which time the Issuer will notify the Bondholders of the number of Shares per Bond to be delivered upon conversion, assuming all the then outstanding Bonds are converted) to and including the 30th business day after such payment.

If any converting Bondholder deposits a Conversion Notice pursuant to this Condition 10 in the business day prior to, or during, a Closed Period, the Bondholder’s Conversion Right shall continue until the business day following the last day of the Closed Period, which shall be deemed the Conversion Date, for the purposes of such Bondholder’s exercise of its Conversion Right pursuant to this Condition 10.

If the Conversion Right attached to any Bond is exercised pursuant to this Condition 10, the Issuer will deliver Shares (which number will be disclosed to such Bondholder as soon as practicable after the Conversion Notice is given) in accordance with the Conditions, except that the Issuer shall have 10 business days (as defined in Condition 7.6) before it is required to register the converting Bondholder (or its designee) in its register of members as the owner of the number of Shares to be delivered pursuant to this Condition and an additional five business days (as defined in Condition 7.6) from such registration date to make payment in accordance with the following paragraph.

If the Conversion Right attached to any Bond is exercised pursuant to this Condition 10, the Issuer shall, at the request of the converting Bondholder subject to regulatory approval, pay to such Bondholder an amount in United States dollars (converted from Rupees at the Prevailing Rate) (the “**Default Cure Amount**”), equal to the product of (x) (i) the number of Shares that are required to be delivered by the Issuer to satisfy the Conversion Right in relation to such converting Bondholder minus (ii) the number of Shares that are actually delivered by the Issuer pursuant to such Bondholders’ Conversion Notice and (y) the Closing Price of the Shares on the Conversion Date; provided that if such Bondholder has received any payment under the Bonds pursuant to this Condition 10, the amount of such payment shall be deducted from the Default Cure Amount.

The “**Prevailing Rate**” shall be the arithmetic average of the spot rates for the purchase of U.S. dollars with Rupees quoted by the State Bank of India on each of the relevant Trading Days or if such rate is not available on such Trading Day, such rate prevailing on the immediately preceding day on which such rate is so available.

The “**Share Price**” means the Closing Price of the Shares on the Conversion Date.

## 11 Consolidation, amalgamation or merger

The Issuer will not consolidate with, merge or amalgamate into or transfer its assets substantially as an entirety to any corporation or convey or transfer its properties and assets substantially as an entirety to any person (the consummation of any such event, a “Merger”), unless:

- (i) the corporation formed by such Merger or the person that acquired such properties and assets shall expressly assume, by a supplemental trust deed, all obligations of the Issuer under the Trust Deed, the Agency Agreement and the Bonds and the performance of every covenant and agreement applicable to it contained therein and to ensure that the holder of each Bond then outstanding will have the right (during the period when such Bond shall be convertible) to convert such Bond into the class and amount of shares, cash and other securities and property receivable upon such consolidation, amalgamation, merger, sale or transfer by a holder of the number of Shares which would have become liable to be issued upon conversion of such Bond immediately prior to such consolidation, amalgamation, merger, sale or transfer;
- (ii) immediately after giving effect to any such Merger, no Event of Default shall have occurred or be continuing or would result therefrom; and
- (iii) the corporation formed by such Merger, or the person that acquired such properties and assets, shall expressly agree, among other things, to indemnify each holder of a Bond against any tax, assessment or governmental charge payable by withholding or deduction thereafter imposed on such holder solely as a consequence of such Merger with respect to the payment of principal and interest on the Bonds.

Provided that, neither (a) the Share Issue or any events or circumstances resulting therefrom, nor (b) any merger or amalgamation or a transfer of assets or properties of the Issuer to any corporation or any other person upon a direction of the Issuer's lenders as a result of the Debt Resolution Plan or the Debt Resolution Documents, shall constitute a “Merger” under this Condition 11.

## 12 Prescription

Claims in respect of amounts due in respect of the Bonds will become prescribed unless made within 10 years (in the case of principal and premium (if any)) and five years (in the case of interest) from the relevant date for payment. Neither the Trustee nor the Agents will be responsible or liable for any amounts so prescribed.

## 13 Enforcement

At any time after the Bonds have become due and repayable, the Trustee may, at its discretion and without further notice, take such proceedings against the Issuer as it may think fit to enforce repayment of the Bonds and to enforce the provisions of the Trust Deed, but it will not be bound to take any such proceedings unless (i) it shall have been so requested in writing by the holders of not less than 25% in principal amount of the Bonds then outstanding or shall have been so directed by an Extraordinary Resolution of the Bondholders and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Bondholder will be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing.

## **14 Meetings of Bondholders, modification, waiver and substitution**

### **14.1 Meetings**

The Trust Deed contains provisions for convening meetings of Bondholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Bonds or the provisions of the Trust Deed. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing in the aggregate over 50% in principal amount of the Bonds for the time being outstanding or, at any adjourned such meeting, two or more persons being or representing Bondholders whatever the principal amount of the Bonds so held or represented unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the due date for any payment in respect of the Bonds, (ii) to reduce or cancel the amount of principal, premium or interest (including default interest) payable in respect of the Bonds (including the Early Redemption Amount or method of calculation thereof), (iii) to change the currency of payment of the Bonds, (iv) to modify or cancel the Conversion Rights or the put options specified in Condition 8, or (v) to modify the provisions concerning the quorum required at any meeting of the Bondholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 75%, or at any adjourned such meeting not less than 25%, in principal amount of the Bonds for the time being outstanding. An Extraordinary Resolution passed at any meeting of Bondholders will be binding on all Bondholders, whether or not they are present at the meeting. The Trust Deed provides that a written resolution signed by or on behalf of the holders of not less than 90% of the aggregate principal amount of Bonds outstanding shall be as valid and effective as a duly passed Extraordinary Resolution.

### **14.2 Modification and Waiver**

The Trustee may agree, without the consent of the Bondholders, to (i) any modification (except as mentioned in Condition 14.1 above) to, or the waiver or authorisation of any breach or proposed breach of, the Bonds, the Agency Agreement or the Trust Deed which is not, in the opinion of the Trustee, materially prejudicial to the interests of the Bondholders or (ii) any modification to the Bonds or the Trust Deed which, in the Trustee's opinion, is of a formal, minor or technical nature or to correct a manifest error or to comply with mandatory provisions of law. Any such modification, waiver or authorisation will be binding on the Bondholders and, unless the Trustee agrees otherwise, any such modifications will be notified by the Issuer to the Bondholders as soon as practicable thereafter.

### **14.3 Substitution**

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Bondholders, to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Bonds. In the case of such a substitution the Trustee may agree, without the consent of the Bondholders, to a change of the law governing the Bonds and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Bondholders. In such event, the Issuer shall give notice to Bondholders in accordance with Condition 17.

### **14.4 Interests of Bondholders**

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification, authorisation, waiver or substitution) the Trustee shall have regard to the interests of the Bondholders as a class and shall not have regard to the consequences of such exercise for individual Bondholders and the Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer or the Trustee, any indemnification or payment in respect of any tax consequences of any such exercise upon individual Bondholders except to the extent provided for in Condition 9 and/or any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.

#### **14.5 Certificates/Reports**

Any certificate or report of any expert or other person called for by or provided to the Trustee (whether or not addressed to the Trustee) in accordance with or for the purposes of these Conditions or the Trust Deed may be relied upon by the Trustee as sufficient evidence of the facts therein (and shall, in absence of manifest error, in the Trustee's opinion, be conclusive and binding on all parties) notwithstanding that such certificate or report and/or engagement letter or other document entered into by the Trustee and/or the Issuer in connection therewith contains a monetary or other limit on the liability of the relevant expert or person in respect thereof. The Trustee shall not be responsible for any loss occasioned by acting on or refraining from acting in reliance on such certificate or report.

#### **15 Replacement of Certificates**

If any Certificate is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the specified office of the Registrar or any Agent upon payment by the claimant of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer and such Agent may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

#### **16 Further issues**

The Issuer may from time to time without the consent of the Bondholders create and issue further securities either having the same terms and conditions as the Bonds in all respects except for the first payment of interest on them and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Bonds) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Bonds include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Bonds. Any further securities forming a single series with the outstanding securities of any series (including the Bonds) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the written consent of the Trustee), be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Bondholders and the holders of securities of other series where the Trustee so decides.

#### **17 Notices**

All notices to Bondholders shall be validly given if mailed to them at the Issuer's expense at their respective addresses in the register of Bondholders maintained by the Registrar or published at the Issuer's expense in a leading newspaper having general circulation in Asia (which is expected to be the Asian Wall Street Journal). Such notices shall be deemed to have been given on the later of the date of such publications. Any such notice shall be deemed to have been given on the later of the date of such publication and the seventh day after being so mailed, as the case may be.

So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream, Luxembourg or the Alternative Clearing System (as defined in the form of the Global Certificate), notices to Bondholders shall be given by delivery of the relevant notice to Euroclear or Clearstream, Luxembourg or the Alternative Clearing System, for communication by it to entitled accountholders in substitution for notification as required by the Conditions. Any such notice shall be deemed to have been given to the holders of the Bonds on the second day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

## **18 Agents**

The names of the initial Agents and the Registrar and their specified offices are set out below. The Issuer reserves the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of any Agent or the Registrar and to appoint additional or other Agents or a replacement Registrar. The Issuer will at all times maintain (i) a Principal Agent, and (ii) a Registrar outside the United Kingdom, ~~(iii) an Agent having a specified office in Singapore where the Bonds may be presented or surrendered for payment or redemption, so long as the Bonds are listed on the Singapore Stock Exchange and the rules of that exchange so require (and such agent in Singapore shall be a Paying, Transfer and Conversion Agent and shall be referred to in these Conditions as the "Singapore Agent") and (iv) a Paying Agent and Conversion Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any law implementing the Savings Directive (2003/48/EC) or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000.~~ Notice of any such termination or appointment, of any changes in the specified offices of any Agent or the Registrar and of any change in the identity of the Registrar or the Principal Agent will be given promptly by the Issuer to the Bondholders in accordance with Condition 17 and in any event not less than 45 days' notice will be given.

## **19 Indemnification**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment unless indemnified and/or secured and/or pre-funded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer without accounting for any profit.

## **20 Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of this Bond under the Contracts (Rights of Third Parties) Act 1999.

## **21 Governing law**

The Bonds, the Trust Deed and the Agency Agreement and any non-contractual obligations arising out of or in connection with them, are governed by, and shall be construed in accordance with, the laws of England. In relation to any legal action or proceedings arising out of or in connection with the Trust Deed or the Bonds, the Issuer has in the Trust Deed irrevocably submitted to the courts of England and in relation thereto has (pursuant to the Second Supplemental Trust Deed) appointed ~~Suzlon Wind Energy~~ Law Debenture Corporate Services Limited, ~~now at Global House, 5A Sandy's Row at Fifth Floor, 100 Wood Street, London E4EC2V 7HW, United Kingdom~~ EX as its agent for service of process in England. Nothing shall affect the right to serve process in any other manner permitted by law.



**SCHEDULE 1**  
**PART 1 - CONDITIONS PRECEDENT**

The Bondholders' Resolution approving the Bonds Restructuring and each of (i) (solely in relation to Option A) the occurrence of the Mandatory Conversion Record Date; and (ii) (solely in relation to Option B) the occurrence of the Bond Exchange Date, is conditional on, and subject to, the satisfaction of the conditions precedent set out below on or prior to the Cut-off Date (the "**Conditions Precedent**"):

- (a) The approval (the "**RBI Approval**") of the Reserve Bank of India (the "**RBI**") to implement the Bonds Restructuring (including the Mandatory Conversion and the Bond Exchange), pursuant to an application to be submitted to the RBI by the Issuer, which must have been received by the Issuer on or before the Cut-off Date;
- (b) The Issuer must have obtained all approvals that are necessary to implement the Bonds Restructuring (including the Mandatory Conversion and the Bond Exchange) from all other applicable legal and regulatory authorities in India including, but not limited to, the Indian Exchanges;
- (c) Approvals from the Issuer's board of directors and the Issuer's shareholders that are necessary to implement the Bonds Restructuring (including the Mandatory Conversion and the Bond Exchange);
- (d) The Debt Resolution Plan must have been approved by, and be legally binding upon, the Issuer and the Group Lenders, and the delivery by the Issuer to the Trustee (on behalf of the Bondholders) and the Principal Agent of a certificate appending **any one of the following** (in each case confirming that the Group Lenders have granted their formal sanction to the Debt Resolution Plan in terms of the inter-creditor agreement entered into among the Group Lenders (the "**ICA**")):
  - (i) one or more letters duly issued by the Group Lenders collectively representing at least 75 per cent. by value (including fund and non-fund based facilities outstanding) as at 30 September 2019 or such other date as is mutually agreed between the Group Lenders and the Issuer (such date, the "**Reconciliation Date**") and 60 per cent. of the Group Lenders; or
  - (ii) a letter from the lead bank of the Group Lenders under the terms of the ICA (the "**Lead Bank**"); or
  - (iii) minutes of one or more meetings of the Group Lenders issued by the Lead Bank (and copied to all the Group Lenders);
- (e) The Issuer having paid such fee amounts as have been mutually agreed between it and Houlihan Lokey (Singapore) Private Limited ("**HLSPL**") in relation to the engagement of HLSPL pursuant to an engagement letter dated 15 February 2019;
- (f) The Issuer having paid such fee amounts as have been mutually agreed between it and Kirkland & Ellis LLP ("**K&E**") pursuant to an engagement letter to be executed by the Issuer and K&E; and
- (g) The Issuer having paid such outstanding fees, costs and expenses of the Trustee as due under the terms of the Trust Deed and arising in connection with the execution of the Second Supplemental Trust Deed and implementation of the Bonds Restructuring.

## PART 2 – DEFINITIONS

In this Schedule 1:

“**business day**” refers to a day other than a Saturday or Sunday on which commercial banks are open for business in New York City, Mumbai and London.

### PART 3 – FORM OF ACCOUNT HOLDER NOTIFICATION

*[On the letterhead of the Issuer]*

To: **The Bank of New York Mellon, London Branch**  
One Canada Square  
London E14 5AL  
United Kingdom

(in its capacity as the Trustee)

**The Bank of New York Mellon, London Branch**  
One Canada Square  
London E14 5AL  
United Kingdom

(in its capacity as the Principal Agent and Conversion Agent)

[Date]

Dear Ladies and Gentlemen,

**Suzlon Energy Limited (the “Issuer”)**

**Consent Solicitation in respect of the U.S.\$546,916,000 Step Up Convertible Bonds due 2019 issued by the Issuer (ISIN: XS1081332527 and XS1081332873)**

This certificate is delivered to you in accordance with the Bondholders’ Extraordinary Resolution dated [●] 2020 (the “**Bondholders’ Resolution**”) and the notice of meeting dated 13 March 2020 as supplemented by the Consent Solicitation and Information Memorandum (the “**Notice**”). All words and expressions defined in the Notice and the Bondholders’ Resolution shall (save as otherwise provided herein or unless the context otherwise requires) have the same meanings herein.

This is the Account Holder Notification to be provided by the Issuer in accordance with Condition 8.2A. The Notification Date shall occur on [●] 2020.

Each holder of the Bonds must send the account holder instruction (the “**Account Holder Instruction**”) (as an electronic SWIFT message through the relevant clearing system(s)) to the Conversion Agent or the Principal Agent by the Notification Date in accordance with this Account Holder Notification. The Account Holder Instruction shall include the information set out below:

- (i) the name, address, telephone number and the fax number of the Bondholder or its nominee to be registered in the record of the depositors, maintained by the depository registered under the 1996 Depositories Act with whom the Issuer has entered into a depository agreement;
- (ii) the total principal amount, total number of Bonds, identifying number of Bonds to be converted (if relevant), the identifying number of certificates deposited in respect of the Bonds to be converted (if relevant);
- (iii) the name(s) and address of the person(s) in whose name(s) the Shares required to be delivered on conversion of the Bonds are to be registered; and
- (iv) details of the securities account of the Bondholder to be credited with the Shares, including the name of client (the converting Bondholder who has an account with the

depository participant) and the client ID number, account name/the name of the participant, participant ID, permanent account number (PAN), the account number, the broker account name with the Indian depository, the client account number with his/her broker and the telephone or fax number.

For and on behalf of

**SUZLON ENERGY LIMITED**

\_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

**PART 4 – FORM OF MANDATORY CONVERSION NOTICE**

*[On the letterhead of the Issuer]*

To: **The Bank of New York Mellon, London Branch**  
One Canada Square  
London E14 5AL  
United Kingdom

(in its capacity as the Trustee)

**The Bank of New York Mellon, London Branch**  
One Canada Square  
London E14 5AL  
United Kingdom

(in its capacity as the Principal Agent and Conversion Agent)

[Date]

Dear Ladies and Gentlemen,

**Suzlon Energy Limited (the “Issuer”)**

**Consent Solicitation in respect of the U.S.\$546,916,000 Step Up Convertible Bonds due 2019 issued by the Issuer (ISIN: XS1081332527 and XS1081332873)**

This certificate is delivered to you in accordance with the Bondholders’ Extraordinary Resolution dated [●] 2020 (the “**Bondholders’ Resolution**”) and the notice of meeting dated 13 March 2020 as supplemented by the Consent Solicitation and Information Memorandum (the “**Notice**”). All words and expressions defined in the Notice and the Bondholders’ Resolution shall (save as otherwise provided herein or unless the context otherwise requires) have the same meanings herein.

This is the Mandatory Conversion Notice to be provided by the Issuer in accordance with Condition 8.2A.

The Issuer hereby confirms and represents that, as at the date of this Mandatory Conversion Notice, all Conditions Precedent (as defined in and as set out in Part 1 of Schedule 1 to the amended terms and conditions of the Bonds) have been satisfied.

The Mandatory Conversion Record Date shall occur on [●] 2020.

The Mandatory Conversion Price shall be [●].

For and on behalf of

**SUZLON ENERGY LIMITED**

By:

Title:



## LEGEND

<b>Changes:</b>	
<u>Add</u>	249
<del>Delete</del>	124
<del>Move From</del>	0
<u>Move To</u>	0
<u>Table Insert</u>	2
<del>Table Delete</del>	2
<u>Table moves to</u>	0
<del>Table moves from</del>	0
<b>Total Changes:</b>	<b>377</b>

**ANNEXURE III**

**TERMS AND CONDITIONS OF THE NEW BONDS**

## ANNEXURE III

### TERMS AND CONDITIONS OF THE NEW BONDS

*The following, other than the words in italics, is the text of the Terms and Conditions of the Bonds which will appear on the reverse of each of the definitive certificates evidencing the Bonds.*

*Any redemption prior to the Maturity Date (as defined below) under the terms and conditions of the Bonds may require the Issuer to obtain the prior approval of the Reserve Bank of India or the designated authorized dealer Category 1 bank, as the case may be, in accordance with the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018, the Master Direction on External Commercial Borrowings, Trade Credits and Structured Obligations dated 26 March 2019 and the Master Direction on Reporting under Foreign Exchange Management Act, 1999 dated 1 January 2016 in effect at the time (collectively, the “**ECB Guidelines**”), before effecting a redemption prior to the Maturity Date and such approval may not be forthcoming.*

The issue of U.S.\$ denominated interest bearing Convertible Bonds due 2032 (the “**Bonds**”, which term shall include, unless the context requires otherwise, any further Bonds issued in accordance with Condition 16 and consolidated and forming a single series with the Bonds) of Suzlon Energy Limited (the “**Issuer**”), was authorised by resolutions of the Board of Directors of the Issuer on [●] and by the shareholders of the Issuer on [●]. The initial principal amount of the Bonds issued on the Issue Date (as defined below) is U.S.\$[●]. The Bonds are constituted by a trust deed (as amended or supplemented from time to time) (the “**Trust Deed**”) dated on or about [●] 2020 and made between the Issuer and The Bank of New York Mellon, London Branch as trustee for the holders of the Bonds (the “**Trustee**”, which term shall, where the context so permits, include all other persons for the time being acting as trustee or trustees under the Trust Deed). The Issuer has entered into a paying, conversion and transfer agency agreement (as amended or supplemented from time to time, (the “**Agency Agreement**”) dated on or about [●] 2020 with The Bank of New York Mellon, London Branch as principal paying and conversion agent (the “**Principal Agent**”), The Bank of New York Mellon SA/NV, Luxembourg Branch (formerly known as The Bank of New York Mellon (Luxembourg) S.A.) as registrar (the “**Registrar**”) and transfer agent and the other paying, conversion and transfer agents appointed under it (each a “**Paying Agent**”, “**Conversion Agent**”, “**Transfer Agent**” (references to which shall include the Registrar) and together with the Registrar and the Principal Agent, the “**Agents**” (which shall, where applicable, include the Singapore Agent (as defined in Condition 18)) relating to the Bonds. References to the “**Principal Agent**”, “**Registrar**” and “**Agents**” below are references to the principal agent, registrar and agents for the time being for the Bonds.

The statements in these terms and conditions (these “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed. Unless otherwise defined, terms used in these Conditions have the meaning specified in the Trust Deed.

Copies of the Trust Deed and of the Agency Agreement are available for inspection during normal business hours at the registered office of the Trustee being at the date hereof at One Canada Square, London, E14 5AL, United Kingdom and at the specified offices of each of the Agents. The Bondholders are entitled to the benefit of the Trust Deed and are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement applicable to them.

#### **1 Status**

The Bonds constitute direct, unsubordinated, unconditional and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by mandatory provisions

of applicable law and subject to Condition 4, at all times rank at least equally with all of its other present and future direct, unsubordinated, unconditional and unsecured obligations.

## **2 Form, Denomination and Title**

### **2.1 Form and Denomination**

The Bonds are issued in registered form in the denomination of U.S.\$320 each and integral multiples of U.S.\$10 in excess thereof; provided that Additional PIK Principal (as defined below) may be added in denominations of U.S.\$1.00 in accordance with Condition 5. A bond certificate (each a **"Certificate"**) will be issued to each Bondholder in respect of its registered holding of Bonds. Each Bond and each Certificate will be numbered serially with an identifying number, which will be recorded on the relevant Certificate and in the Register (as defined in Condition 3.1) of Bondholders which the Issuer will procure to be kept by the Registrar.

### **2.2 Title**

Title to the Bonds passes only by transfer and registration in the register of Bondholders as described in Condition 3. The holder of any Bond will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder. In these Conditions **"Bondholder"** and (in relation to a Bond) **"holder"** means the person in whose name a Bond is registered.

## **3 Transfers of Bonds; Issue of Certificates**

### **3.1 Register**

The Issuer will cause to be kept at the specified office of the Registrar and in accordance with the terms of the Agency Agreement a register on which shall be entered the names and addresses of the holders of the Bonds and the particulars of the Bonds held by them and of all transfers of the Bonds (the **"Register"**).

Each Bondholder shall be entitled to receive only one Certificate in respect of its entire holding of Bonds.

### **3.2 Transfers**

Subject to Conditions 3.5 and 3.6 and the terms of the Agency Agreement, a Bond may be transferred or exchanged by delivery of the Certificate issued in respect of that Bond, with the form of transfer on the back duly completed and signed by the holder or his attorney duly authorised in writing, to the specified office of the Registrar or any of the Transfer Agents. No transfer of title to a Bond will be valid unless and until entered on the Register.

### **3.3 Delivery of New Certificates**

3.3.1 Each new Certificate to be issued upon a transfer or exchange of Bonds will, within seven business days (at the place of the relevant specified office) of receipt by the Registrar or, as the case may be, any other relevant Transfer Agent of the original Certificate and the form of transfer duly completed and signed, be made available for collection at the specified office of the Registrar or such other relevant Transfer Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder entitled to the Bonds (but free of charge to the holder) to the address

specified in the form of transfer. The form of transfer is available at the specified office of the Principal Agent.

3.3.2 Where only part of a principal amount of the Bonds (being that of one or more Bonds) in respect of which a Certificate is issued is to be transferred, exchanged, converted or redeemed, a new Certificate in respect of the Bonds not so transferred, exchanged, converted or redeemed will, within seven business days of delivery of the original Certificate to the Registrar or other relevant Agent, be made available for collection at the specified office of the Registrar or such other relevant Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder of the Bonds not so transferred, exchanged, converted or redeemed (but free of charge to the holder) to the address of such holder appearing on the Register.

3.3.3 For the purposes of these Conditions (except for Condition 7, Condition 8.5 and Condition 8.7), “**business day**” shall mean a day other than a Saturday or Sunday on which banks are open for business in the city in which the specified office of the Registrar (if a Certificate is deposited with it in connection with a transfer or conversion) or the Agent with whom a Certificate is deposited in connection with a transfer or conversion, is located.

#### 3.4 Formalities Free of Charge

Registration of a transfer of Bonds and issuance of new Certificates will be effected without charge by or on behalf of the Issuer or any of the Agents, but upon (i) payment (or the giving of such indemnity as the Issuer or any of the Agents may require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer; and (ii) the Issuer or the relevant Transfer Agent being satisfied that the regulations concerning transfer of Bonds have been complied with.

#### 3.5 Restricted Transfer Periods

No Bondholder may require the transfer of a Bond to be registered (i) during the period of seven days ending on (and including) the due date for any principal on the Bonds; (ii) after a Conversion Notice (as defined in Condition 6.2) has been delivered with respect to a Bond; (iii) after a Delisting Put Notice (as defined in Condition 8.5) has been deposited in respect of such a Bond; (iv) after the Non-Permitted Conversion Price Adjustment Event Repurchase Right (as defined in Condition 8.7) has been exercised in respect of such Bonds; or (v) during the period of seven days ending on (and including) any record date in respect of any payment of interest on the Bonds, each such period being a “**Restricted Transfer Period**”.

#### 3.6 Regulations

All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer of Bonds scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Trustee and the Registrar. A copy of the current regulations will be mailed (free of charge to the holder and at the Issuer’s expense) by the Registrar to any Bondholder upon request.

### 4 Negative Pledge

#### 4.1 So long as any Bond remains outstanding (as defined in the Trust Deed):

(i) the Issuer will not create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest (“**Security**”) upon the whole or any

part of its undertaking, assets or revenues, present or future, to secure any International Investment Securities (as defined below), or to secure any guarantee or indemnity in respect of any International Investment Securities;

- (ii) the Issuer will procure that no Subsidiary (as defined below) or other person creates or permits to subsist any Security upon the whole or any part of the undertaking, assets or revenues, present or future, of that Subsidiary or other person to secure any of the Issuer's or any Subsidiary's International Investment Securities, or to secure any guarantee of or indemnity in respect of any of the Issuer's or any Subsidiary's International Investment Securities; and
- (iii) the Issuer will procure that no other person gives any guarantee of, or indemnity in respect of, any of the Issuer's or any Subsidiary's International Investment Securities,

unless, at the same time or prior thereto, the Issuer's obligations under the Bonds and the Trust Deed (a) are secured equally and rateably therewith to the satisfaction of the Trustee, or (b) have the benefit of such other security, guarantee, indemnity or other arrangement as the Trustee in its absolute discretion shall deem to be not materially less beneficial to the Bondholders or as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders.

Provided however that, the Issuer or any Subsidiary may create or permit to subsist Security upon the whole or any part of its undertaking, assets or revenues, present or future to secure a guarantee or indemnity or credit enhancement provided by a non-Group (as defined in the Trust Deed) third party in respect of International Investment Securities issued by the Issuer or any Subsidiary for the purpose of using the proceeds from any such issuance in or towards the repayment or prepayment of the Bonds or any of its existing senior debt or debt with an original maturity prior to the Maturity Date with a new maturity beyond the Maturity Date (such debt, the "**Other Senior Debt**") or the refinancing of such Other Senior Debt.

4.2 *[Reserved]*

4.3 *[Reserved]*

4.4 *[Reserved]*

For the purposes of these Conditions:

**"Indian GAAP"** means generally accepted accounting principles in India, including the Indian Accounting Standards prescribed under Section 133 of the (Indian) Companies Act, 2013 (as amended) read with the (Indian) Companies (Indian Accounting Standards) Rules, 2015 (as amended).

**"International Investment Securities"** means any present or future indebtedness in the form of, or represented by, bonds, debentures, notes or other investment securities which (i) are denominated in a currency other than Rupees or are by their terms payable, or confer a right to receive payment, in any currency other than Rupees, or are denominated or payable in Rupees and more than 50% of the aggregate principal amount thereof is initially distributed outside India, and (ii) are for the time being, or are intended to be or capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over the counter or other securities market.

**"Subsidiary"** means any company or other business entity of which the Issuer owns or controls (either directly or through one or more other subsidiaries) more than 50% of the

issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or other business entity or any company or other business entity which the Issuer recognises in its consolidated accounts as a subsidiary, jointly controlled entity or associated company under Indian law, regulations or generally accepted accounting principles from time to time, or which should have its accounts consolidated with those of the Issuer.

## 5 Interest

### 5.1 Interest Rate

The Bonds bear interest at the rate of 4.0% per annum, from (and including) [●] 2020 (the “**Issue Date**”) up to (but excluding) the Maturity Date, of which (A) 1.25% per annum (the “**Cash Interest Rate**”) shall be payable in cash and (B) 2.75% per annum (with respect to each Interest Payment Date (as defined below)) shall be capitalised by the Issuer (by way of application of a pool factor in accordance with the procedures of the clearing systems) and added to the outstanding principal amount (the “**Additional PIK Principal**”) of the Bonds. Additional PIK Principal will be considered “principal” for all purposes in these Conditions and, without limiting the foregoing, the Additional PIK Principal of the Bonds will bear interest at the rate then applicable to the Bonds, beginning on the date such interest is paid in kind and added to the principal amount thereof.

The interest amounts hereunder shall be calculated by reference to the principal amount of the Bonds from time to time and payable or capitalised, as applicable, semi-annually in arrear on [●] and [●] in each year (each an “**Interest Payment Date**”), commencing with the Interest Payment Date falling on [●] (the “**First Interest Payment Date**”) and the last payment of interest to be made on the Maturity Date.

The amount of interest payable or to be capitalised, as applicable, in respect of any period which is shorter than an Interest Period shall be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

“**Interest Period**” means the payment period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

### 5.2 Accrual of Interest

Each Bond will cease to bear interest (i) where the Conversion Right shall have been exercised by a Bondholder, from the Interest Payment Date immediately preceding the relevant Conversion Date or, if none, the Issue Date or (ii) where such Bond is redeemed or repaid pursuant to Condition 8 or Condition 10, from the due date for redemption or repayment thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused, in which event interest will continue to accrue as provided in these Conditions.

*All interest and Additional PIK Principal payable on the Bonds shall be subject to applicable laws in India, including but not limited to the ECB Guidelines.*

## 6 Conversion

### 6.1 Conversion Right

### 6.1.1 Conversion Period

- (i) Subject as hereinafter provided, Bondholders have the right to convert their Bonds into Shares at any time during the Conversion Period referred to below. The right of a Bondholder to convert any Bond into Shares is called the “**Conversion Right**”.

Subject to and upon compliance with the provisions of this Condition, the Conversion Right attaching to any Bond may be exercised, at the option of the holder thereof, at any time (subject to Condition 6.1.1(ii)) on and after *[insert date that is 40 days from the Issue Date]* up to the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on *[insert date that is seven business days prior to the Maturity Date]* (but, except as provided in Conditions 6.1.4 and 10, in no event thereafter) or if such Bond shall have been called for redemption before the Maturity Date, then up to the close of business (at the place aforesaid) on a date no later than seven business days (at the place aforesaid) prior to the date fixed for redemption thereof (the “**Conversion Period**”).

- (ii) Conversion Rights may not be exercised in relation to any Bond during the period (each, a “**Closed Period**”) commencing on: (a) the date falling 21 days prior to the date of the Issuer’s annual general shareholders’ meeting and ending on the date of that meeting, (b) the date falling 30 days prior to an extraordinary shareholders’ meeting and ending on the date of that meeting, (c) the date that the Issuer notifies BSE Limited (the “**BSE**”) or National Stock Exchange of India Limited (the “**NSE**” and together with the BSE, the “**Indian Exchanges**”) of the record date for determination of the shareholders entitled to receipt of dividends, subscription of shares due to capital increase or other benefits, and ending on the record date for the distribution or allocation of the relevant dividends, rights and benefits; (d) on such date and for such period as determined by Indian law applicable from time to time that the Issuer is required to close its stock transfer books; or (e) in circumstances where the exercise of the Conversion Right would fall during the period commencing on a record date in respect of any payment of interest on the Bonds and ending on the relevant Interest Payment Date (both days inclusive). The Issuer will give notice of any such period to the Trustee, the Bondholders and the Conversion Agent at the beginning of each such period.

The Issuer shall provide to the Trustee, the Bondholders and the Conversion Agent notice of any meeting of the Issuer’s board of directors which is convened to consider the declaration of any dividends, subscription of shares due to capital increase or other benefits, at the same time notice of such meeting is announced in India.

Conversion Rights may not be exercised (a) in respect of a Bond where the Bondholder shall have exercised its right to require the Issuer to redeem such Bond pursuant to Condition 8.5; or (b) except as provided in Condition 6.1.4 and Condition 10, in each case following the giving of notice by the Trustee pursuant to Condition 10.

The number of Shares to be issued on conversion of a Bond will be determined by dividing the principal amount from time to time of the Bond to be converted (translated into Rupees at the fixed rate of ₹*[Lower of (i) ₹75.0; or (ii) USD:INR spot rate on the Issue Date]* = U.S.\$1.00 (the “**Fixed**”

**Exchange Rate**”) by the Conversion Price in effect at the Conversion Date (both as hereinafter defined).

A Conversion Right may only be exercised in respect of one or more Bonds. If more than one Bond held by the same holder is converted at any one time by the same holder, the number of Shares to be issued upon such conversion will be calculated on the basis of the aggregate principal amount from time to time of the Bonds to be converted.

Upon exercise of Conversion Rights in relation to any Bond and the fulfilment by the Issuer of all its obligations in respect thereof, the relevant Bondholder shall have no further rights in respect of such Bond and the obligations of the Issuer in respect thereof shall be extinguished.

#### 6.1.2 Fractions of Shares:

Fractions of Shares will not be issued on conversion and no cash adjustments will be made in respect thereof. Notwithstanding the foregoing, in the event of a consolidation or reclassification of Shares by operation of law or otherwise occurring after the Issue Date which reduces the number of Shares outstanding, the Issuer will upon conversion of Bonds pay in cash (in U.S. dollars by means of a U.S. dollar cheque drawn on a bank in New York City) a sum equal to such portion of the principal amount of the Bond or Bonds evidenced by the Certificate deposited in connection with the exercise of Conversion Rights, aggregated as provided in Condition 6.1.1, as corresponds to any fraction of a Share not issued if such sum exceeds U.S.\$10.00 (which sum shall be translated into U.S. dollars at the Fixed Exchange Rate). Any such sum shall be paid not later than 14 business days in Mumbai after the relevant Conversion Date by transfer to a U.S. dollar account with a bank in New York City specified in the relevant Conversion Notice.

#### 6.1.3 Conversion Price and Conversion Ratio:

The price at which Shares will be issued upon conversion, as adjusted from time to time, (the “**Conversion Price**”) will initially be ₹2.80 but will be subject to adjustment in the manner provided in Condition 6.3.

Notwithstanding anything contained herein, the initial Conversion Price under this Condition 6.1.3 shall be subject to revision such that the initial Conversion Price shall be 6.50% (rounded to the nearest amount in Indian Rupees up to two decimal points) higher than the price at which Shares (or other convertible instruments) are proposed to be issued by the Issuer through preferential allotment aggregating up to Rs. 4,000 million, pursuant to a general meeting of its shareholders proposed to be held on 7 April 2020 or an adjourned or rescheduled such meeting or other similar corporate action for this purpose, in favour of the Promoter Group and the Investor Group (each as defined in the Consent Solicitation and Information Memorandum dated 26 March 2020 issued by the Issuer).

The “**Conversion Ratio**” is equal to the principal amount from time to time of the Bonds divided by the then Conversion Price translated into U.S. dollars at the Fixed Exchange Rate.

#### 6.1.4 Revival and/or survival after Default:

Notwithstanding the provisions of Condition 6.1.1, if (a) the Issuer shall default in making payment in full in respect of any Bond which shall have been called for redemption on the date fixed for redemption thereof, (b) any Bond has become due and payable prior to the Maturity Date by reason of the occurrence of any of the events referred to in Condition 10 or (c) any Bond is not redeemed on the Maturity Date in accordance with Condition 8.1, the Conversion Right attaching to such Bond will revive and/or will continue to be exercisable up to, and including, the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on the date upon which the full amount of the moneys payable in respect of such Bond has been duly received by the Principal Agent or the Trustee and notice of such receipt has been duly given to the Bondholders and, notwithstanding the provisions of Condition 6.1.1, any Bond in respect of which the Certificate and Conversion Notice are deposited for conversion prior to such date shall be converted on the relevant Conversion Date (as defined in Condition 6.2.1(ii)) notwithstanding that the full amount of the moneys payable in respect of such Bond shall have been received by the Principal Agent or the Trustee before such Conversion Date or that the Conversion Period may have expired before such Conversion Date.

#### 6.1.5 Meaning of “**Shares**”:

As used in these Conditions, the expression “**Shares**” means (1) shares of the class of share capital of the Issuer which, at the date of the Trust Deed, are designated as equity shares of the Issuer with full voting rights, together with shares of any class or classes resulting from any subdivision, consolidation or re- classification of those shares, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Issuer; and (2) fully-paid and non- assessable shares of any class or classes of the share capital of the Issuer authorised after the date of the Trust Deed which have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or winding-up of the Issuer; provided that, subject to the provisions of Condition 11, shares to be issued on conversion of the Bonds means only “**Shares**” as defined in sub-clause (1) above.

## 6.2 Conversion Procedure

### 6.2.1 Conversion Notice:

- (i) To exercise the Conversion Right attaching to any Bond, the holder thereof must complete, execute and deposit at his own expense between 9.00 a.m. and 3.00 p.m. (local time on any business day) at the specified office of any Conversion Agent a notice of conversion (a “**Conversion Notice**”) in duplicate in the form (for the time being current) obtainable from the specified office of each Agent, together with (a) the relevant Certificate; and (b) certification by the Bondholder, in the form obtainable from any Conversion Agent, as may be required under the laws of the Republic of India or the jurisdiction in which the specified office of such Conversion Agent shall be located. A Conversion Notice deposited outside the hours of 9.00 a.m. to 3.00 p.m. or on a day which is not a business day at the place of the specified office of the relevant Conversion Agent shall for all purposes be deemed to have been deposited with that Conversion Agent during the normal business hours on the next business day following such business day. Any Bondholder who deposits a Conversion Notice during a Closed Period will not be permitted to convert the Bonds into Shares (as specified in the Conversion Notice) until the next business day after the end of that

Closed Period, which (if all other conditions to conversion have been fulfilled) will be the Conversion Date for such Bonds notwithstanding that such date may fall outside of the Conversion Period. A Bondholder exercising its Conversion Right for Shares will be required to open a depository account with a depository participant under the Depositories Act, 1996 of India (the “**1996 Depositories Act**”), for the purposes of receiving the Shares.

- (ii) The conversion date in respect of a Bond (the “**Conversion Date**”) must fall at a time when the Conversion Right attaching to that Bond is expressed in these Conditions to be exercisable (subject to the provisions of Condition 6.1.4) and will be deemed to be the date of the surrender of the Certificate in respect of such Bond and delivery of such Conversion Notice and, if applicable, any payment to be made or indemnity given under these Conditions in connection with the exercise of such Conversion Right. A Conversion Notice once delivered shall be irrevocable and may not be withdrawn unless the Issuer consents to such withdrawal.

Conversion Rights may only be exercised in respect of the whole of the principal amount of a Bond.

#### 6.2.2 Stamp Duty etc.:

A Bondholder delivering a Certificate in respect of a Bond for conversion must pay directly to the relevant authorities any taxes and capital, stamp, issue and registration duties arising on conversion (other than any taxes or capital or stamp duties payable in India and, if relevant, in the place of the Alternative Stock Exchange (as defined below), by the Issuer in respect of the allotment and issue of Shares and listing of the Shares on the Indian Exchanges on conversion) (the “**Taxes**”) and such Bondholder must pay all, if any, taxes arising by reference to any disposal or deemed disposal of a Bond in connection with such conversion. The Issuer will pay all other expenses arising on the issue of Shares on conversion of the Bonds and all charges of the Agents and the share transfer agent for the Shares (“**Share Transfer Agent**”) in connection with conversion. The Trustee and the Agent are under no obligation to determine whether a Bondholder or the Issuer is liable to pay or has paid any taxes including stamp, issue, registration or similar taxes and duties or the amounts payable (if any) in connection with this Condition 6.2.2 and shall not be liable for any failure by any Bondholder or the Issuer to make such payment to the relevant authorities or determine the sufficiency or insufficiency of any amount so paid.

#### 6.2.3 Delivery of Shares:

- (i) Upon exercise by a Bondholder of its Conversion Right for Shares, the Issuer will, on or with effect from the relevant Conversion Date, as soon as practicable and in any event not later than 40 days after the Conversion Date, cause the relevant securities account of the Bondholder exercising his Conversion Right or of his/their nominee, to be credited with such number of relevant Shares to be issued upon conversion (notwithstanding any retroactive adjustment of the Conversion Price referred to below prior to the time it takes effect) and shall further cause the name of the concerned Bondholder or its nominee to be registered accordingly, in the record of the beneficial holders of shares, maintained by the depository registered under the 1996 Depositories Act with whom the Issuer has entered into a depository agreement and, subject to any applicable limitations then imposed by Indian laws and regulations, shall procure the Share Transfer Agent to, as soon as

practicable, and in any event within 14 business days in Mumbai of the Conversion Date, despatch or cause to be despatched to the order of the person named for that purpose in the relevant Conversion Notice at the place and in the manner specified in the relevant Conversion Notice (uninsured and the risk of delivery at any such place being that of the converting Bondholder), a U.S. dollar cheque drawn on a branch of a bank in New York City in respect of any cash payable pursuant to Condition 6.1.2 required to be delivered on conversion and such assignments and other documents (if any) as required by law to effect the transfer thereof.

The crediting of the Shares to the relevant securities account of the converting Bondholder will be deemed to satisfy the Issuer's obligation to pay the principal (including any Additional PIK Principal), premium (if any) and interest (including default interest (if any)) on the Bonds.

- (ii) If the Conversion Date in relation to any Bond shall be after the record date for any issue, distribution, grant, offer or other event as gives rise to the adjustment of the Conversion Price pursuant to Condition 6.3, but before the relevant adjustment becomes effective under the relevant Condition (a "**Retroactive Adjustment**"), upon the relevant adjustment becoming effective the Issuer shall procure the issue to the converting Bondholder (or in accordance with the instructions contained in the Conversion Notice (subject to applicable exchange control or other laws or other regulations)), such additional number of Shares ("**Additional Shares**") as, together with the Shares issued or to be issued on conversion of the relevant Bond, is equal to the number of Shares which would have been required to be issued on conversion of such Bond if the relevant adjustment to the Conversion Price had been made and become effective as at such Conversion Date immediately after the relevant record date and in such event and in respect of such Additional Shares references in Conditions 6.2.3(i) and (ii) to the Conversion Date shall be deemed to refer to the date upon which the Retroactive Adjustment becomes effective (notwithstanding that the date upon which it becomes effective falls after the end of the Conversion Period).
- (iii) The Shares issued upon conversion of the Bonds will in all respects rank *pari passu* with the Shares in issue on the relevant Conversion Date (except for any right excluded by mandatory provisions of applicable law) and such Shares shall be entitled to all rights the record date for which falls on or after such Conversion Date to the same extent as all other fully-paid and non-assessable Shares of the Issuer in issue as if such Shares had been in issue throughout the period to which such rights relate. A holder of Shares issued on conversion of Bonds shall not be entitled to any rights the record date for which precedes the relevant Conversion Date.
- (iv) Save as provided in Condition 6.2.2, no payment or adjustment shall be made on conversion for any interest which otherwise would have accrued on the relevant Bonds since the last Interest Payment Date preceding the Conversion Date relating to such Bonds (or, if such Conversion Date falls before the first Interest Payment Date, since the Issue Date).

#### 6.2.4 [Reserved]

### 6.3 Adjustments to Conversion Price

The Conversion Price will be subject to adjustment in the following events set out in Condition 6.3.1 to Condition 6.3.14, except, in each case, for an event that occurs pursuant to the implementation of the Share Issue or the Debt Resolution Plan (each as defined below) by the Issuer.

For the purposes of these Conditions:

**“Bonds Restructuring”** means the amendments to the terms and conditions and the trust deed in relation to the U.S.\$546,916,000 Step Up Convertible Bonds due 2019 as approved by the bondholders thereof through an extraordinary resolution.

**“Debt Resolution Plan”** means the resolution plan approved by the Group Lenders in terms of the RBI Stressed Assets Framework, and which includes, among other things, the Bonds Restructuring and the Share Issue.

**“Debt Resolution Documents”** means any agreement or other documents entered into by the Issuer with, or any letters received from, the Group Lenders in order to implement or give effect to the Debt Resolution Plan, and shall include any amendments thereto.

**“Group Lenders”** means the lenders to the Issuer and/or its Subsidiaries.

**“RBI Stressed Assets Framework”** means the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 issued by the Reserve Bank of India on 7 June 2019 through its circular with reference RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19, and shall include any circulars, notifications, directions or orders issued in this regard by the Reserve Bank of India.

**“Share Issue”** means the issuance by the Issuer of Shares or other instruments convertible into or exchangeable for Shares by way of preferential allotment or otherwise pursuant to the Debt Resolution Plan.

6.3.1 Free distribution, bonus issue, division, consolidation and re-classification of Shares:

*Adjustment:* If the Issuer shall (a) make a free distribution of Shares (other than by way of a dividend in Shares), (b) make a bonus issue of its Shares, (c) divide its outstanding Shares, (d) consolidate its outstanding Shares into a smaller number of Shares, or (e) re-classify any of its Shares into other securities of the Issuer, then the Conversion Price shall be appropriately adjusted so that the holder of any Bond, the Conversion Date in respect of which occurs after the coming into effect of the adjustment described in this Condition 6.3.1, shall be entitled to receive the number of Shares and/or other securities of the Issuer which such holder would have held or have been entitled to receive after the happening of any of the events described above had such Bond been converted immediately prior to the happening of such event (or, if the Issuer has fixed a prior record date for the determination of shareholders entitled to receive any such free distribution or bonus issue of Shares or other securities issued upon any such division, consolidation or re-classification, immediately prior to such record date), but without prejudice to the effect of any other adjustment to the Conversion Price made with effect from the date of the happening of such event (or such record date) or any time thereafter.

*Effective date of adjustment:* An adjustment made pursuant to this Condition 6.3.1 shall become effective immediately on the relevant event referred to above becoming effective or, if a record date is fixed therefor, immediately after such record date; provided that in the case of a free distribution or bonus issue of Shares which must,

under applicable laws of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before being legally paid or made, and which is so approved after the record date fixed for the determination of shareholders entitled to receive such distribution or issue, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date.

### 6.3.2 Declaration of dividend in Shares:

*Adjustment:* If the Issuer shall issue Shares as a dividend in Shares or make a distribution of Shares which is treated as a capitalisation issue for accounting purposes under Indian GAAP (including, but not limited to, capitalisation of capital reserves and employee stock bonus), then the Conversion Price in effect when such dividend and/or distribution is declared (or, if the Issuer has fixed a prior record date for the determination of shareholders entitled to receive such dividend and/or distribution, on such record date) shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N}{N+n} \right]$$

where:

NCP	=	the Conversion Price after such adjustment.
OCP	=	the Conversion Price before such adjustment.
N	=	the number of Shares outstanding, at the time of issuance of such dividend and/or distribution (or at the close of business in Mumbai on such record date as the case may be).
n	=	the number of Shares to be distributed to the shareholders as a dividend and/or distribution.

*Effective date of adjustment:* An adjustment made pursuant to this Condition 6.3.2 shall become effective immediately on the relevant event referred to in this Condition 6.3.2 becoming effective or, if a record date is fixed therefor, immediately after such record date; provided that in the case of a dividend in Shares which must, under applicable laws of India, be submitted for approval to a general meeting of shareholders of the Issuer or be approved at a meeting of the Board of Directors of the Issuer before being legally paid or made, and which is so approved after the record date fixed for the determination of shareholders entitled to receive such dividend, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date.

### 6.3.3 Concurrent adjustment events:

If the Issuer shall declare a dividend in, or make a free distribution or bonus issue of, Shares which dividend, issue or distribution is to be paid or made to shareholders as of a record date which is also:

- (a) the record date for the issue of any rights or warrants which requires an adjustment of the Conversion Price pursuant to Conditions 6.3.5, 6.3.6 or 6.3.7;

- (b) the day immediately before the date of issue of any securities convertible into or exchangeable for Shares which requires an adjustment of the Conversion Price pursuant to Condition 6.3.9;
- (c) the day immediately before the date of grant, offer or issue of any Shares which requires an adjustment of the Conversion Price pursuant to Condition 6.3.10 or, if applicable, the record date for determination of stock dividend entitlement as referred to in Condition 6.3.10;
- (d) the day immediately before the date of issue of any rights, options or warrants which requires an adjustment of the Conversion Price pursuant to Condition 6.3.11; or
- (e) determined by the Issuer and notified to the Trustee in writing to be the relevant date for an event or circumstance which requires an adjustment to the Conversion Price pursuant to Condition 6.3.13.

then (except where such dividend, bonus issue or free distribution gives rise to a retroactive adjustment of the Conversion Price under Conditions 6.3.1 and 6.3.2) no adjustment of the Conversion Price in respect of such dividend, bonus issue or free distribution shall be made under Conditions 6.3.1 and 6.3.2, but in lieu thereof an adjustment shall be made under Conditions 6.3.5, 6.3.6, 6.3.7, 6.3.9, 6.3.10, 6.3.11 or 6.3.13 (as the case may require) by including in the denominator of the fraction described therein the aggregate number of Shares to be issued pursuant to such dividend, bonus issue or free distribution.

#### 6.3.4 Capital Distribution:

##### *Adjustment:*

- (i) If the Issuer shall pay or make to its shareholders any Dividend (as defined below), then the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{CMP - fmv}{CMP} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

CMP = the Current Market Price (as defined in Condition 6.3.15 below) per Share on the date on which the relevant Dividend is first publicly announced.

fmv = the portion of the Fair Market Value (as defined below), with such portion being determined by dividing the Fair Market Value of the aggregate Dividend by the number of Shares entitled to receive the relevant Dividend (or, in the case of a purchase of Shares or any receipts or certificates representing shares by or on behalf of the Issuer, by the number of Shares in issue immediately prior to such purchase), of the Dividend distribution attributable to one Share.

*Effective date of adjustment:* Any adjustment pursuant to this Condition 6.3.4 shall become effective immediately after the record date for the determination of shareholders entitled to receive the relevant Dividend; provided that (a) in the case of such a Dividend which must, under applicable law of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before such Dividend may legally be made and is so approved after the record date fixed for the determination of shareholders entitled to receive such Dividend, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date and (b) if the Fair Market Value of the relevant Dividend cannot be determined until the record date fixed for the determination of shareholders entitled to receive the relevant Dividend, such adjustment shall, immediately upon such Fair Market Value being determined, become effective retroactively to immediately after such record date.

If such Dividend is not so paid, the Conversion Price shall again be adjusted to be the Conversion Price which would then be in effect if such Dividend had not been approved.

For the purposes of this Condition:

**“Dividend”** means any dividend or distribution of cash or other property or assets or evidences of the Issuer’s indebtedness, whenever paid or made and however described provided that:

- (a) where a cash Dividend is announced which is to be, or may at the election of a shareholder or shareholders be, satisfied by the issue or delivery of Shares or other property or assets, or where a capitalisation of profits or reserves is announced which is to be, or may at the election of a shareholder or shareholders be, satisfied by the payment of a Dividend, then for the purposes of this definition the Dividend in question shall be treated as a Dividend of (i) such cash Dividend or (ii) the Fair Market Value (on the date of announcement of such Dividend or date of capitalisation (as the case may be) or, if later, the date on which the number of Shares (or amount of property or assets, as the case may be) which may be issued or delivered is determined) of such Shares or other property or assets if such Fair Market Value is greater than the Fair Market Value of such cash Dividend;
- (b) any tender or exchange offer falling within Condition 6.3.12 and any issue or distribution of Shares falling within Condition 6.3.2 shall be disregarded; and
- (c) a purchase or redemption of ordinary share capital by or on behalf of the Issuer shall not constitute a Dividend unless, in the case of purchases of Shares by or on behalf of the Issuer, the Volume Weighted Average Price per Share (before expenses) on any one day in respect of such purchases exceeds the Current Market Price per Share by more than 5% either (1) on that day (or if such day is not a Trading Day, the immediately preceding Trading Day), or (2) where an announcement (excluding for the avoidance of doubt for these purposes, any general authority for such purchases or

redemptions approved by a general meeting of shareholders of the Issuer or any notice convening such a meeting of shareholders) has been made of the intention to purchase Shares at some future date at a specified price, on the Trading Day immediately preceding the date of such announcement, in which case such purchase shall be deemed to constitute a Dividend (but not a cash Dividend) to the extent that the aggregate price paid (before expenses) in respect of such Shares purchased by or on behalf of the Issuer exceeds the product of (i) the Current Market Price per Share determined as aforesaid and (ii) the number of Shares so purchased.

**“Fair Market Value”** means, with respect to any property on any date, the fair market value of that property as determined in good faith by an Independent Financial Institution provided, that (i) the Fair Market Value of a cash Dividend paid or to be paid shall be the amount of such cash Dividend; (ii) the Fair Market Value of any other cash amount shall be equal to such cash amount; (iii) where shares, options, warrants or other rights are publicly traded in a market of adequate liquidity (as determined by the Independent Financial Institution) the fair market value of such shares, options, warrants or other rights shall equal the arithmetic mean of the daily closing prices of such options, warrants or other rights during the period of five trading days on the relevant market commencing on the first such trading day such shares, options, warrants or other rights are publicly traded; and in the case of (i) translated into Rupees (if declared or paid in a currency other than Rupees) at the rate of exchange used to determine the amount payable to shareholders who were paid or are to be paid or are entitled to be paid the cash Dividend in Rupees; and in any other case, converted into Rupees (if expressed in a currency other than Rupees) at such rate of exchange as may be determined in good faith by an Independent Financial Institution to be the spot rate ruling at the close of business on that date (or if no such rate is available on that date the equivalent rate on the immediately preceding date on which such a rate is available).

**“Independent Financial Institution”** means an independent or commercial bank of international repute selected by the Issuer (at the expense of the Issuer) and notified to the Trustee in writing.

**“Volume Weighted Average Price”** or **“VWAP”** means, in respect of a Share on any Trading Day, or series of Trading Days, the order book volume-weighted average price appearing on or derived from Bloomberg (or any successor service) page SUEL IN or such other source as shall be determined to be appropriate by an Independent Financial Institution on such Trading Day, or series of Trading Days, provided that on any Trading Day where such price is not available or 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.

**“cash Dividend”** means (i) any Dividend which is to be paid in cash and (ii) any Dividend determined to be a cash Dividend pursuant to paragraph (a) of the definition **“Dividend”**, and for the avoidance of doubt, a Dividend falling

within paragraph (c) of the definition “**Dividend**” shall be treated as not being a cash Dividend.

#### 6.3.5 Rights Issues to Shareholders:

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares rights entitling them to subscribe for or purchase Shares, which expression shall include those Shares that are required to be offered to employees and persons other than shareholders in connection with such grant, issue or offer:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date mentioned below and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer which is fixed after the record date mentioned below and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration,

then the Conversion Price in effect (in a case within (a) above) on the record date for the determination of shareholders entitled to receive such rights or (in a case within (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within (a) above) on such record date or (in a case within (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares initially to be issued upon exercise of such rights at the said consideration being (aa) the number of Shares which underwriters have agreed to underwrite as referred to below or, as the case may be, (bb) the number of Shares for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in (a) or, as the case may be, (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective immediately after the latest date for the submission of applications

for such Shares by shareholders entitled to the same pursuant to such rights or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

*Rights not taken up by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of rights entitling them to subscribe for or purchase Shares, any Shares which are not subscribed for or purchased by the persons entitled thereto are underwritten by other persons prior to the latest date for the submission of applications for such Shares, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares of rights entitling them to subscribe for or purchase Shares, any such Shares which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred such rights) who have submitted applications for such Shares as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

#### 6.3.6 Warrants issued to Shareholders:

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares warrants entitling them to subscribe for or purchase Shares:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date for the determination of shareholders entitled to receive such warrants and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer which is fixed after the record date mentioned above and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration, then the Conversion Price in effect (in a case within (a) above) on the record date for the determination of shareholders entitled to receive such warrants or (in a case within (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within (a) above) on such record date or (in a case within (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares initially to be issued upon

exercise of such warrants at the said consideration which, where no applications by shareholders entitled to such warrants are required, shall be based on the number of warrants issued. Where applications by shareholders entitled to such warrants are required, the number of such Shares shall be calculated based upon (aa) the number of warrants which underwriters have agreed to underwrite as referred to below or, as the case may be, (bb) the number of warrants for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in (a) or, as the case may be, (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective (i) where no applications for such warrants are required from shareholders entitled to the same, upon their issue and (ii) where applications by shareholders entitled to the same are required as aforesaid, immediately after the latest date for the submission of such applications or (if later) immediately after the Issuer fixes the said consideration but in all cases retroactively to immediately after the record date mentioned above.

*Warrants not subscribed for by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of warrants entitling them to subscribe for or purchase Shares in the circumstances described in (a) and (b) of this Condition 6.3.6, any warrants which are not subscribed for or purchased by the shareholders entitled thereto are underwritten by others prior to the latest date for the submission of applications for such warrants, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares of warrants entitling them to subscribe for or purchase Shares, any warrants which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred the right to purchase such warrants) who have submitted applications for such warrants as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

#### 6.3.7 Issues of rights or warrants for equity-related securities to Shareholders:

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares rights or warrants entitling them to subscribe for or purchase any securities convertible into or exchangeable for Shares:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date mentioned below and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer (determined as aforesaid) which is fixed after the record date mentioned below and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration,

then the Conversion Price in effect (in a case within (a) above) on the record date for the determination of shareholders entitled to receive such rights or warrants or (in a case within (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within (a) above) on such record date or (in a case within (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares initially to be issued upon exercise of such rights or warrants and conversion or exchange of such convertible or exchangeable securities at the said consideration being, in the case of rights, (aa) the number of Shares initially to be issued upon conversion or exchange of the number of such convertible or exchangeable securities which the underwriters have agreed to underwrite as referred to below or, as the case may be, (bb) the number of Shares initially to be issued upon conversion or exchange of the number of such convertible or exchangeable securities for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa) and which, in the case of warrants, where no applications by shareholders entitled to such warrants are required, shall be based on the number of warrants issued. Where applications by shareholders entitled to such warrants are required, the number of such Shares shall be calculated based upon (x) the number of warrants which underwriters have agreed to underwrite as referred to below or, as the case may be, (y) the number of warrants for which applications are received from shareholders as referred to below save to the extent already adjusted for under (x).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in (a) or, as the case may be, (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective (a) where no applications for such warrants are required from shareholders entitled to the same, upon their issue and (b) where applications by shareholders entitled to the warrants are required as aforesaid and in the case of convertible or exchangeable securities by shareholders entitled to the same pursuant to such rights, immediately after the latest date for the submission of such applications or (if later) immediately after the Issuer fixes the said consideration; but in all cases retroactively to immediately after the record date mentioned above.

*Rights or warrants not taken up by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of rights or warrants entitling them to subscribe for or purchase securities convertible into or exchangeable for Shares in the circumstances described in this Condition 6.3.7, any convertible or exchangeable securities or warrants which are not subscribed for or purchased by the shareholders entitled thereto are underwritten by others prior to the latest date for the submission of applications for such convertible or exchangeable securities or warrants, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares or rights or warrants entitling them to subscribe for or purchase securities convertible into or exchangeable for Shares, any convertible or exchangeable securities or warrants which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred such rights or the right to purchase such warrants) who have submitted applications for such convertible or exchangeable securities or warrants as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

#### 6.3.8 Other distributions to Shareholders:

*Adjustment:* If the Issuer shall distribute to the holders of Shares of capital stock of the Issuer (other than Shares), assets (excluding any Dividends), evidences of its indebtedness or rights or warrants to subscribe for or purchase Shares or securities (excluding those rights and warrants referred to in Conditions 6.3.5, 6.3.6 and 6.3.7), then the Conversion Price in effect on the record date for the determination of shareholders entitled to receive such distribution shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{CMP - fmv}{CMP} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

CMP = the Current Market Price per Share on the record date for the determination of shareholders entitled to receive such distribution.

fmv = the fair market value (as determined by an Independent Financial Institution or, if pursuant to applicable law of India such determination is to be made by application to a court of competent jurisdiction, as determined by such court or by an appraiser appointed by such court) of the portion of the equity share capital shares of capital stock, assets, rights or warrants so distributed applicable to one Share less any consideration payable for the same by the relevant shareholder.

*Effective date of adjustment:* Such adjustment shall become effective immediately after the record date for the determination of shareholders entitled to receive such distribution. Provided that (a) in the case of such a distribution which must, under applicable law of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before such distribution may legally be made and is so approved after the record date fixed for the determination of shareholders entitled to receive such distribution, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date and (b) if the fair market value of the shares of capital stock, assets, rights or warrants so distributed cannot be determined until after the record date fixed for the determination of shareholders entitled to receive such distribution, such adjustment shall, immediately upon such fair market value being determined, become effective retroactively to immediately after such record date.

#### 6.3.9 Issue of convertible or exchangeable securities other than to Shareholders:

*Adjustment:* If the Issuer shall issue any securities convertible into or exchangeable for Shares (other than the Bonds, or in any of the circumstances described in Condition 6.3.7 and Condition 6.3.11) or grant such rights in respect of any existing securities and the consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) shall be less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the issue of such securities is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the date of issue of such convertible or exchangeable securities shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of such issue.

- n = the number of Shares to be issued upon conversion or exchange of such convertible or exchangeable securities at the initial conversion or exchange price or rate.
- v = the number of Shares which the aggregate consideration receivable by the Issuer would purchase at such Current Market Price per Share.

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India corresponding to the calendar day at the place of issue on which such convertible or exchangeable securities are issued.

#### 6.3.10 Other issues of Shares:

*Adjustment:* If the Issuer shall issue any Shares (other than Shares issued upon conversion or exchange of any convertible or exchangeable securities (including the Bonds) issued by the Issuer or upon exercise of any rights or warrants granted, offered or issued by the Issuer or in any of the circumstances described in any preceding provision of this Condition 6.3) for cash, for a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the issue of such Shares is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the issue of such additional Shares shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of issue of such additional Shares.
- n = the number of additional Shares issued as aforesaid.
- v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share.

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India of the issue of such additional Shares.

#### 6.3.11 Issue of equity-related securities:

*Adjustment:* If the Issuer shall grant, issue or offer options, warrants or rights (excluding those rights and warrants referred to in Conditions 6.3.5, 6.3.6, 6.3.7 and

6.3.8) to subscribe for or purchase Shares or securities convertible into or exchangeable for Shares and the consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) shall be less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the offer, grant or issue of such rights, options or warrants is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the date of the offer, grant or issue of such rights, options or warrants shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- |   |   |   |
|---|---|---|
| N | = | the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of such issue.                                |
| n |   | the number of Shares to be issued on exercise of such rights or warrants and (if applicable) conversion or exchange of such convertible or exchangeable securities at the said consideration. |
| v |   | the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share.           |

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India corresponding to the calendar day at the place of issue on which such rights or warrants are issued.

#### 6.3.12 Tender or exchange offer:

*Adjustment:* In case a tender or exchange offer made by the Issuer or any Subsidiary for all or any portion of the Shares shall expire and such tender or exchange offer shall involve the payment by the Issuer or such Subsidiary of consideration per Share having a Fair Market Value at the last time (the “**Expiration Date**”) tenders or exchanges could have been made pursuant to such tender or exchange offer (as it shall have been amended) that exceeds the Current Market Price per Share, as of the Expiration Date, the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N \times CMP}{f_{mv} + [(N-n) \times CMP]} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N	=	the number of Shares outstanding (including any tendered or exchanged Shares) on the Expiration Date.
CMP	=	Current Market Price per Share as of the Expiration Date.
fmv	=	the Fair Market Value of the aggregate consideration payable to the holders of Shares based on the acceptance (up to a maximum specified in the terms of the tender or exchange offer) of all Shares validly tendered or exchanged and not withdrawn as of the Expiration Date (the Shares deemed so accepted up to any such maximum, being referred to as the “ <b>Purchased Shares</b> ”).
n	=	the number of Purchased Shares.

*Effective date of adjustment:* Such adjustment shall become retroactively effective immediately prior to the opening of business on the day following the Expiration Date.

*Tender or exchange offer not completed:* If the Issuer is obligated to purchase Shares pursuant to any such tender or exchange offer, but the Issuer is permanently prevented by applicable law from effecting any such purchase or all such purchases are rescinded, the Conversion Price shall again be adjusted to be the Conversion Price which would then be in effect if such tender or exchange offer had not been made.

#### 6.3.13 Analogous events and modifications:

If (a) the rights of conversion or exchange, purchase or subscription attaching to any options, rights or warrants to subscribe for or purchase Shares or any securities convertible into or exchangeable for, or which carry rights to subscribe for or purchase Shares are modified (other than pursuant to and as provided in the terms and conditions of such options, rights, warrants or securities as originally issued) or (b) the Issuer determines that any other event or circumstance has occurred which has or would have an effect on the position of the Bondholders as a class compared with the position of the holders of all the securities (and options and rights relating thereto) of the Issuer, taken as a class which is analogous to any of the events referred to in Conditions 6.3.1 to 6.3.12, then, in any such case, the Issuer shall promptly notify the Trustee in writing thereof and the Issuer shall consult with an Independent Financial Institution as to what adjustment, if any, should be made to the Conversion Price to preserve the value of the Conversion Right of Bondholders and will make any such adjustment. All costs, charges, liabilities and expenses incurred in connection with the appointment, retention, consultation and remuneration of any Independent Financial Institution appointed under the Conditions shall be borne by the Issuer.

#### 6.3.14 Simultaneous issues of different classes of Shares:

In the event of simultaneous issues of two or more classes of share capital comprising Shares or rights or warrants in respect of, or securities convertible into or exchangeable for, two or more classes of share capital comprising Shares, then, for the purposes of this Condition, the formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

shall be restated as:

$$NCP = OCP \times \frac{N+v1+v2+v3}{N+n1+n2+n3}$$

where v1 and n1 shall have the same meanings as “v” and “n” but by reference to one class of Shares, v2 and n2 shall have the same meanings as “v” and “n” but by reference to a second class of Shares, v3 and n3 shall have the same meanings as “v” and “n” but by reference to a third class of Shares and so on.

#### 6.3.15 Certain Definitions:

For the purposes of these Conditions:

the “**Closing Price**” of the Shares for each Trading Day shall be the last reported transaction price of the Shares on the BSE for such day or, if no transaction takes place on such day, the average of the closing bid and offered prices of Shares for such day as furnished by a leading independent securities firm licensed to trade on the BSE selected from time to time by the Issuer and notified to the Trustee in writing for the purpose.

“**Current Market Price**” per Share on any date means the average of the daily Closing Prices of the relevant Shares for the five consecutive Trading Days (as defined below) ending on and including the Trading Day immediately preceding such date. If the Issuer has more than one class of share capital comprising Shares, then the relevant Current Market Price for Shares shall be the price for that class of Shares the issue of which (or of rights or warrants in respect of, or securities convertible into or exchangeable for, that class of Shares) gives rise to the adjustment in question.

If during the said five Trading Days or any period thereafter up to but excluding the date as of which the adjustment of the Conversion Price in question shall be effected, any event (other than the event which requires the adjustment in question) shall occur which gives rise to a separate adjustment to the Conversion Price under the provisions of these Conditions, then the Current Market Price as determined above shall be adjusted in such manner and to such extent as an Independent Financial Institution shall in its absolute discretion deem appropriate and fair to compensate for the effect thereof.

“**Trading Day**” means a day when the BSE is open for business, but does not include a day when (a) no such last transaction price or closing bid and offered prices is/are reported and (b) (if the Shares are not listed or admitted to trading on such exchange) no such closing bid and offered prices are furnished as aforesaid.

If the Shares are no longer listed on the BSE but are still listed on the NSE, references in the above definitions to the BSE shall be deemed to be the NSE, and if the Shares are no longer listed on the BSE or the NSE and have been listed on another stock exchange as required by Condition 6.4.1, references in the above definitions to the BSE will be taken as references to the Alternative Stock Exchange.

#### 6.3.16 Consideration receivable by the Issuer:

For the purposes of any calculation of the consideration receivable by the Issuer pursuant to Conditions 6.3.5, 6.3.6, 6.3.7, 6.3.9, 6.3.10 and 6.3.11 above, the following provisions shall be applicable:

- (a) in the case of the issue of Shares for cash, the consideration shall be the amount of such cash;
- (b) in the case of the issue of Shares for a consideration in whole or in part other than cash, the consideration other than cash shall be deemed to be the fair value thereof as determined by an Independent Financial Institution or, if pursuant to applicable law of India such determination is to be made by application to a court of competent jurisdiction, as determined by such court or an appraiser appointed by such court, irrespective of the accounting treatment thereof;
- (c) in the case of the issue (whether initially or upon the exercise of rights or warrants) of securities convertible into or exchangeable for Shares, the consideration received by the Issuer for such securities and (if applicable) rights or warrants plus the additional consideration (if any) to be received by the Issuer upon (and assuming) the conversion or exchange of such securities at the initial conversion or exchange price or rate and (if applicable) the exercise of such rights or warrants at the initial subscription or purchase price (the consideration in each case to be determined in the same manner as provided in this Condition 6.3.16) and the consideration per Share receivable by the Issuer shall be such aggregate consideration divided by the number of Shares to be issued upon (and assuming) such conversion or exchange at the initial conversion or exchange price or rate and (if applicable) the exercise of such rights or warrants at the initial subscription or purchase price;
- (d) in the case of the issue of rights or warrants to subscribe for or purchase Shares, the aggregate consideration receivable by the Issuer shall be deemed to be the consideration received by the Issuer for any such rights or warrants plus the additional consideration to be received by the Issuer upon (and assuming) the exercise of such rights or warrants at the initial subscription or purchase price (the consideration in each case to be determined in the same manner as provided in this Condition 6.3.16) and the consideration per Share receivable by the Issuer shall be such aggregate consideration divided by the number of Shares to be issued upon (and assuming) the exercise of such rights or warrants at the initial subscription or purchase price;
- (e) if any of the consideration referred to in any of the preceding paragraphs of this Condition 6.3.16 is receivable in a currency other than Rupees, such consideration shall (in any case where there is a fixed rate of exchange between the Rupees and the relevant currency for the purposes of the issue of the Shares, the conversion or exchange of such securities or the exercise of such rights or warrants) be translated into Rupees for the purposes of this Condition 6.3.16 at such fixed rate of exchange and shall (in all other cases) be translated into Rupees at the mean of the exchange rate quotations (being quotations for the cross rate through U.S. dollars if no direct rate is quoted) by a leading bank in India for buying and selling spot units of the relevant currency by telegraphic transfer against Rupees on the date as of which the said consideration is required to be calculated as aforesaid;
- (f) in the case of the issue of Shares (including, without limitation, to employees under any employee bonus or profit sharing arrangements) credited as fully paid out of retained earnings or capitalisation of reserves at their par value,

the aggregate consideration receivable by the Issuer shall be deemed to be zero (and accordingly the number of Shares which such aggregate consideration receivable by the Issuer could purchase at the relevant Current Market Price per Share shall also be deemed to be zero); and

- (g) in making any such determination, no deduction shall be made for any commissions or any expenses paid or incurred by the Issuer.

#### 6.3.17 Cumulative adjustments:

If, at the time of computing an adjustment (the “**later adjustment**”) of the Conversion Price pursuant to any of Conditions 6.3.2, 6.3.5, 6.3.6, 6.3.9, 6.3.10 and 6.3.11 above, the Conversion Price already incorporates an adjustment made (or taken or to be taken into account pursuant to the proviso to Condition 6.3.18) to reflect an issue of Shares or of securities convertible into or exchangeable for Shares or of rights or warrants to subscribe for or purchase Shares or securities, to the extent that the number of such Shares or securities taken into account for the purposes of calculating such adjustment exceeds the number of such Shares in issue at the time relevant for ascertaining the number of outstanding Shares for the purposes of computing the later adjustment, such excess Shares shall be deemed to be outstanding for the purposes of making such computation.

#### 6.3.18 Minor adjustments:

No adjustment of the Conversion Price shall be required if the adjustment would be less than 1% of the then current Conversion Price; provided that any adjustment which by reason of this Condition 6.3.18 is not required to be made shall be carried forward and taken into account (as if such adjustment had been made at the time when it would have been made but for the provisions of this Condition 6.3.18) in any subsequent adjustment. All calculations under this Condition 6.3 shall be made to the nearest ₹0.01 with ₹0.005 being rounded up to the next ₹0.01. Except as otherwise set out in Condition 6.3.19, the Issuer may reduce the Conversion Price (but is not obliged to do so) at any time in its absolute discretion, subject to compliance with all applicable Indian laws.

#### 6.3.19 Minimum Conversion Price:

Notwithstanding the provisions of this Condition, the Issuer covenants that:

- (a) the Conversion Price shall not be reduced below the par value of the Shares (₹2 at the date hereof) as a result of any adjustment made hereunder unless under applicable law then in effect Bonds may be converted at such reduced Conversion Price into legally issued, fully-paid and non-assessable Shares; and
- (b) it will not take any corporate or other action which might result in the Conversion Price being reduced pursuant to Conditions 6.3.1 to 6.3.14 above the level permitted by applicable Indian laws and regulations from time to time (if any) or (ii) applicable Indian regulatory authorities.

#### 6.3.20 Reference to “fixed”:

Any references herein to the date on which a consideration is “fixed” shall, where the consideration is originally expressed by reference to a formula which cannot be

expressed as an actual cash amount until a later date, be construed as a reference to the first day on which such actual cash amount can be ascertained.

6.3.21 Upward adjustment:

No adjustment involving an increase in the Conversion Price will be made, except in the case of a consolidation of the Shares, as referred to in Condition 6.3.1.

6.3.22 Trustee not obliged to monitor:

The Trustee shall not be under any duty to monitor whether any event or circumstance has happened or exists under this Condition 6.3 and will not be responsible to Bondholders for any loss arising from any failure by it to do so.

The Trustee and the Agents shall be under no obligation to calculate, determine or verify the number of Shares to be issued upon conversion of the Bonds or verify the Issuer's or the Independent Financial Institution's determination of such number of Shares or method used in such determination and neither the Trustee nor the Agents shall be responsible to Bondholders or any other person for any loss arising from any failure to do so or for any delay of the Issuer or the Independent Financial Institution in making such determination or any erroneous determination by the Issuer or the Independent Financial Institution.

6.3.23 Approval of Trustee:

The Issuer shall within 3 days of the adjustment event send the Trustee a certificate setting out particulars relating to adjustment of the Conversion Price. The Issuer shall also cause a notice containing the same information to be sent to Bondholders, such notice to be provided to the Trustee in writing before it is given to Bondholders.

6.3.24 Independent Financial Institution:

If the Issuer fails to select an Independent Financial Institution when required in this Condition 6.3, the Trustee may (at its absolute discretion) select such an Independent Financial Institution at the expense of the Issuer.

6.3.25 Depository Receipts:

If the Issuer shall have outstanding a depository receipt facility programme or facility in respect of its Shares (a "**DR Facility**") on the date of conversion of any Bonds, then, subject to the terms and conditions of the relevant facility or programme and to applicable laws and regulations and to such amendments to these Conditions as the Issuer and the Trustee shall consider to be appropriate, each Bondholder will have the right in respect of the exercise of Conversion Rights to elect (a "**DR Election**") that the Shares to be issued on conversion be represented by depository receipts ("**DRs**") and to receive DRs instead of such Shares. A DR Election shall be made in the relevant Conversion Notice in such form as the Issuer may require. The number of DRs to be issued on exercise of Conversion Rights in respect of which the relevant Bondholder shall have duly made a DR Election shall be determined by dividing the principal amount from time to time of the relevant Bond to be converted by the Conversion Price in effect on the relevant Conversion Date and dividing the resulting number by the number of Shares represented by each DR on such Conversion Date.

Fractions of a DR will not be issued and neither will a Share (where at the relevant time a DR represents more than one Share) or any fraction of a Share be issued and no cash payment or adjustment will be made in respect thereof. However, if the Conversion Right in respect of more than one Bond is exercised at any one time such that DRs are to be issued to the same person, the number of such DRs to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being so converted and rounded down to the nearest whole number of DRs.

Where DRs are to be issued, the Issuer will, as soon as practicable, and in any event not later than 30 days after the relevant Conversion Date (i) cause the name of the depository in respect of the relevant DR Facility (the “**DR Depository**”), or its custodian, to be registered in the record of the depositors maintained by the depository registered under the 1996 Depositories Act with whom the Issuer has entered into a depository agreement and (ii) cause the relevant number of DRs to be issued by the DR Depository pursuant to the relevant DR Facility to the relevant Bondholder or his/their nominee.

DRs will be issued in book-entry form or in certificated form as provided in the relevant DR Facility, and may bear such legends and be subject to such restrictions on transfer as the Issuer shall determine to be necessary to comply with applicable laws and regulations.

A Bondholder exercising Conversion Rights and making a DR Election must deliver at its expense to the specified office of any Conversion Agent all and any certificates and other documents as may be required pursuant to the relevant DR Facility in respect of the deposit of the relevant Shares pursuant to such DR Facility.

The Issuer will pay all expenses, charges and fees of the custodian for the DR Depository and of the DR Depository in connection with the deposit of the relevant Shares and issue of the DRs on conversion.

If a Retroactive Adjustment shall occur in relation to the exercise of Conversion Rights in relation to any Bond in respect of which a DR Election shall have been duly made, the Issuer shall, conditional upon the relevant adjustment becoming effective procure that there shall be issued to the relevant Bondholder (or in accordance with instructions contained in the Conversion Notice) such additional number DRs (if any) (the “**Additional DRs**”) as, together with the DRs issued or to be issued on conversion of the relevant Bond is equal to the number of DRs which would have been required to be issued on conversion of such Bond (together with any fraction of a DR not so issued) if the relevant adjustment to the Conversion Price had been made and become effective on and as of the relevant Conversion Date.

DRs issued upon conversion of the Bonds will in all respects rank *pari passu* with all other DRs under the relevant DR Facility then in issue on the relevant Conversion Date, except that the DRs or, as the case may be, the Additional DRs so issued will not rank for any right where the record date or other due date for the establishment of entitlement in respect of the Shares represented by such DRs or, as the case may be, Additional DRs falls prior to the relevant Conversion Date.

If the Issuer determines that it would be contrary to applicable laws or regulations or would be contrary to the terms of the relevant DR Facility (including any provisions thereof relating to the deposit of Shares) to issue Shares to be represented by DRs upon conversion of Bonds in respect of which a DR Election shall have been made,

such DR Election shall be ineffective and there shall be issued to such Bondholder (or as specified in the relevant Conversion Notice) Shares as if such DR Election had not been made.

The Issuer is under no obligation to establish and/or maintain any depository facility or programme in respect of the Shares or, if it does, to enable the Shares to be eligible for deposit pursuant thereto. The Issuer shall be entitled to impose such conditions and restrictions on the deposit of Shares pursuant to any such facility or programme as it may determine, and may agree with the Trustee such changes to these Conditions as may be appropriate in respect of or relating to the deposit of Shares pursuant to any such facility or programme.

#### 6.3.26 Employee Share Option Scheme:

No adjustment will be made to the Conversion Price where Shares or options to subscribe or acquire Shares are issued, offered, allotted, appropriated, modified or granted to or for the benefit of employees or former employees (including directors) of the Issuer or its Subsidiaries or any associated company of the Issuer (as set out in the relevant employee stock option plan), or persons related to such employees or former employees (including directors) or former employees, directly or indirectly, pursuant to any employee stock option scheme or plan approved by shareholders in general meeting and otherwise adopted in accordance with and complying with all applicable provisions of relevant Indian laws and regulations and official guidelines of any relevant governmental or official body except to the extent that such issues in any period of 12 months amount to, or entitle such persons to receive Shares in excess of 3% of the average number of Shares outstanding during such period of 12 months.

### 6.4 Undertakings

6.4.1 The Issuer has undertaken in the Trust Deed, *inter alia*, that so long as any Bond remains outstanding, save with the approval of an Extraordinary Resolution of the Bondholders or with the prior written consent of the Trustee where, in the opinion of the Trustee, it is not materially prejudicial to the interests of Bondholders to give such approval:

- (i) it will use its best endeavours (a) to obtain and maintain a listing of the Bonds on the Singapore Exchange Securities Trading Limited (the “**Singapore Stock Exchange**”), (b) to maintain a listing for all the issued Shares on the Indian Exchanges, (c) to obtain and maintain a listing for all the Shares issued on the exercise of the Conversion Rights attaching to the Bonds on the Indian Exchanges, and (d) if the Issuer is unable to obtain or maintain such listings, or maintenance of such listings is unduly onerous to obtain and maintain a listing for all the Bonds and the Shares issued on the exercise of the Conversion Rights, on an alternative stock exchange as the Issuer may from time to time (with the prior written consent of the Trustee) determine (the “**Alternative Stock Exchange**”) and will forthwith give notice to the Bondholders in accordance with Condition 17 below of the listing or delisting of the Shares or the Bonds (as a class) by any of such stock exchanges;
- (ii) it will reserve, free from any other pre-emptive or other similar rights, out of its authorised but unissued ordinary share capital the full number of Shares liable to be issued on conversion of the Bonds without breaching any foreign ownership restrictions in India applicable to the Shares and will ensure that all such Shares will be duly and validly issued as fully-paid;

- (iii) it will pay the expenses of the issue or delivery of, and all expenses of obtaining listing for, Shares arising on conversion of the Bonds;
- (iv) it will not make any reduction of its ordinary share capital or any uncalled liability in respect thereof or of any share premium account or capital redemption reserve fund (except, in each case, as permitted by law);
- (v) it will not make any offer, issue or distribute or take any action the effect of which would be to reduce the Conversion Price below the par value of the Shares of the Issuer, provided always that the Issuer shall not be prohibited from purchasing its Shares to the extent permitted by law;
- (vi) it will not take any corporate or other action pursuant to Conditions 6.3.1 to 6.3.14 that would cause the Conversion Price to be adjusted to a price which would render conversion of the Bonds into Shares at such adjusted Conversion Price to be in contravention of applicable law or subject to approval from the Reserve Bank of India, the Ministry of Finance of the Indian Government and/or any other governmental/regulatory authority in India. The Issuer also covenants that prior to taking any action which would cause an adjustment to the Conversion Price, the Issuer shall provide the Trustee with an opinion of a legal counsel in India of international repute, stating that the Conversion Price as proposed to be adjusted pursuant to such action, is in conformity with applicable law and that the conversion of the Bonds to the Shares at such adjusted Conversion Price would not require approval of the Reserve Bank of India, the Ministry of Finance of the Indian Government and/or any other governmental/regulatory authority in India (the “**Price Adjustment Opinion**”). To the extent that an event triggering an adjustment to the Conversion Price occurs and the Issuer is unable to provide the Trustee with a Price Adjustment Opinion, the Issuer shall give notice to Bondholders of their Non-Permitted Conversion Price Adjustment Event Repurchase Right, as defined in and pursuant to Condition 8.7;
- (vii) it will not acquire or retire for value any Shares;
- (viii) it will not retire for value prior to its repayment or maturity date any loans and/or securities *pari passu* with or subordinated to the Bonds (provided that, for the purpose of this Condition 6.4.1, the Bonds will be presumed to be in unsecured form throughout their term); and
- (ix) it will not declare or pay any dividends or make any payments or repayments of any kind to its shareholders, for so long as any Bonds are outstanding.

6.4.2 The Issuer undertakes that so long as any Bond remains outstanding it shall provide to the Trustee:

- (a) *[Reserved]*;
- (b) (i) its semi-annual financial information prepared in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended in respect of each semi-annual fiscal period within 3 months of the end of the relevant semi-annual fiscal period, and (ii) its annual report containing audited financial statements in respect of each fiscal year within 6 months from the end of the relevant fiscal year reported on by the auditors and prepared in accordance with

Indian GAAP and if so requested, certified by two directors of the Issuer (in each case in English language); and

- (c) a copy of all publicly available notices, statements and documents which are issued to its Shareholders or its creditors as soon as practicable (but not later than 30 days) after their date of issue.

6.4.3 The Issuer has also given certain other undertakings in the Trust Deed for the protection of the Conversion Rights.

## 6.5 Notice of Change in Conversion Price

The Issuer shall give notice to the Bondholders in accordance with Condition 17 and, for so long as the Bonds are listed on the Singapore Stock Exchange and the rules of the Singapore Stock Exchange so require, the Issuer shall also give notice to the Singapore Stock Exchange, of any change in the Conversion Price. Any such notice relating to a change in the Conversion Price shall set forth the event giving rise to the adjustment, the Conversion Price prior to such adjustment, the adjusted Conversion Price and the effective date of such adjustment.

## 6.6 *[Reserved]*

# 7 **Payments**

## 7.1 Principal and Interest

- (i) Payment of principal (including Additional PIK Principal), interest and premium (if any) will be made by transfer to the registered account of the Bondholder or by U.S. dollar cheque drawn on a bank in New York City mailed to the registered address of the Bondholder if it does not have a registered account, in each case, in accordance with provisions of the Agency Agreement. Such payment will only be made after surrender of the relevant Certificate at the specified office of any of the Agents. If an amount which is due on the Bonds is not paid in full, the Registrar will annotate the Register with a record of the amount (if any) paid.
- (ii) Interest on the Bonds due on an Interest Payment Date will be paid on the due date for the payment of interest to the holder shown on the Register at the close of business on the 15th day before the due date for the payment of interest (the “**Interest Record Date**”). Payments of interest on each Bond will be made by transfer to the registered account of the Bondholder or by U.S. dollar cheque drawn on a bank in New York City mailed to the registered address of the Bondholder if it does not have a registered account, in each case, in accordance with the terms of the Agency Agreement.

## 7.2 Registered Accounts

For the purposes of this Condition, a Bondholder’s “**registered account**” means the U.S. dollar account maintained by or on behalf of it with a bank in New York City, details of which appear on the Register at the close of business on the second business day (as defined below) before the due date for payment, and a Bondholder’s registered address means its address appearing on the Register at that time.

### 7.3 Applicable Laws

All payments are subject in all cases to any applicable laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9. No commissions or expenses shall be charged to the Bondholders in respect of such payments.

### 7.4 Payment Initiation

Where payment is to be made by transfer to a registered account, payment instructions (for value on the due date or, if that is not a business day (as defined below), for value on the first following day which is a business day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (at the risk and, if mailed at the request of the holder otherwise than by ordinary mail, expense of the holder) on the due date for payment (or, if it is not a business day, the immediately following business day) or, in the case of a payment of principal, if later, on the business day on which the relevant Certificate is surrendered at the specified office of an Agent.

### 7.5 Default Interest and Delay in Payment

- (i) If the Issuer fails to pay any sum in respect of the Bonds when the same becomes due and payable under these Conditions, interest shall accrue on the overdue sum at the rate of 1.25% per annum from the due date. Such default interest shall accrue on the basis of the actual number of days elapsed and a 360-day year.

*RBI regulations may require the Issuer to obtain the prior approval of the RBI before making any such default interest payments. Such approval may or may not be forthcoming.*

- (ii) Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a business day, if the Bondholder is late in surrendering its Certificate (if required to do so) or if a cheque mailed in accordance with this Condition arrives after the due date for payment.

### 7.6 Business Day

In this Condition, “**business day**” means a day other than a Saturday or Sunday on which commercial banks are open for business in Mumbai, New York City and London and, in the case of the surrender of a Certificate, in the place where the Certificate is surrendered.

## 8 Redemption, purchase and cancellation

### 8.1 Maturity

Unless previously redeemed, converted or purchased and cancelled as provided herein, the Issuer will redeem the Bonds at their principal amount from time to time on [●] 2032 (the “**Maturity Date**”) together with accrued but unpaid interest at the Cash Interest Rate, if any, calculated in accordance with Condition 5.1. The Issuer may not redeem the Bonds at its option prior to that date except as provided in Condition 8.3 and Condition 8.3A below (but without prejudice to Condition 10).

### 8.2 [Reserved]

### 8.3A Clean up option

If at any time the aggregate principal amount of the Bonds outstanding is less than 10% of the aggregate principal amount originally issued (including any Bonds issued pursuant to Condition 16), the Issuer shall have the option to redeem such outstanding Bonds in whole but not in part at their principal amount together with accrued but unpaid interest at the Cash Interest Rate to such date, on the date fixed for redemption. The Issuer will give at least 30 days' but not more than 60 days' prior notice to the holders for such redemption.

### 8.3 Redemption for Taxation Reasons

8.3.1 At any time the Issuer may, having given not less than 30 nor more than 60 days' notice to the Bondholders (which notice shall be irrevocable) redeem all, and not some only, of the Bonds at their principal amount together with accrued but unpaid interest at the Cash Interest Rate to such date, on the date fixed for redemption ("**Tax Redemption Date**"), if (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice that the Issuer has or will become obliged to pay additional amounts in respect of payments of interest on the Bonds pursuant to Condition 9 as a result of any change in, or amendment to, the laws or regulations of India or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee a certificate signed by two directors of the Issuer stating that the obligation referred to in (i) above cannot be avoided by the Issuer (taking reasonable measures available to it); and an opinion of independent legal or tax advisors of recognised international standing to the effect that such change or amendment has occurred (irrespective of whether such amendment or change is then effective) and the Trustee shall be entitled to accept such certificate and opinion as sufficient evidence thereof in which event it shall be conclusive and binding on the Bondholders.

8.3.2 Upon the expiry of any such notice, the Issuer will be bound to redeem the Bonds at their principal amount together with accrued but unpaid interest at the Cash Interest Rate to such date, on the Tax Redemption Date.

8.3.3 If the Issuer gives a notice of redemption pursuant to this Condition 8.3, each Bondholder will have the right to elect that his Bond(s) shall not be redeemed and that the provisions of Condition 9 shall not apply in respect of any payment of principal or interest to be made in respect of such Bond(s) which falls due after the relevant Tax Redemption Date whereupon no additional amounts shall be payable in respect thereof pursuant to Condition 9 and payment of all amounts shall be made subject to the deduction or withholding of the taxation required to be withheld or deducted by the Indian Government or any authority thereof or therein having power to tax. For the avoidance of doubt, any additional amounts which had been payable in respect of the Bonds as a result of the laws or regulations of the Indian Government or any authority thereof or therein having power to tax prior to the Issue Date will continue to be payable to such Bondholders. To exercise such right, the holder of the relevant Bond must complete, sign and deposit at the specified office of any Paying Agent a duly completed and signed notice of election (the "**Bondholder's Tax Election Notice**"), in the form for the time being current, obtainable from the specified

office of any Paying Agent together with the Certificate evidencing the Bonds on or before the day falling 10 days prior to the Tax Redemption Date.

8.4 *[Reserved]*

8.5 Delisting Put Right

8.5.1 In the event the Shares cease to be listed or admitted to trading on the BSE or NSE (a “**Delisting**”), each Bondholder shall have the right (the “**Delisting Put Right**”), at such Bondholder’s option, to require the Issuer to redeem all (but not less than all) of such Bondholder’s Bonds on the twentieth business day after notice has been given to Bondholders regarding the Delisting referred to under Condition 8.5.2 below or, if such notice is not given, the twentieth business day after the Delisting (the “**Delisting Put Date**”) at their principal amount together with accrued but unpaid interest at the Cash Interest Rate to such date (the “**Delisting Put Price**”).

8.5.2 Promptly after becoming aware of a Delisting, the Issuer shall procure that notice regarding the Delisting Put Right shall be given to Bondholders (in accordance with Condition 17) stating:

- (i) the Delisting Put Date;
- (ii) the date of such Delisting and, briefly, the events causing such Delisting;
- (iii) the date by which the Delisting Put Notice (as defined below) must be given;
- (iv) the Delisting Put Price and the method by which such amount will be paid;
- (v) the names and specified offices of all Paying Agents;
- (vi) the Conversion Right and the then current Conversion Price;
- (vii) the procedures that Bondholders must follow and the requirements that Bondholders must satisfy in order to exercise the Delisting Put Right or Conversion Right; and
- (viii) that a Delisting Put Notice, once validly given, may not be withdrawn.

8.5.3 To exercise its rights to require the Issuer to redeem its Bonds, the Bondholder must deliver a written irrevocable notice of the exercise of such right (a “**Delisting Put Notice**”), in the then current form obtainable from the specified office of any Paying Agent, to any Paying Agent on any business day prior to the close of business at the location of such Paying Agent on such day and which day is not less than 10 business days prior to the Delisting Put Date.

8.5.4 A Delisting Put Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Bonds which form the subject of the Delisting Put Notices delivered as aforesaid on the Delisting Put Date.

8.5.5 The Trustee shall not be required to take any steps to ascertain whether a Delisting or any event which could lead to the occurrence of a Delisting has occurred and shall not be responsible or liable to Bondholders for any loss arising from any failure by it to do so.

8.5.6 For the purposes of this Condition 8.5, “**business day**” shall mean a day on which commercial banks are open for business in New York City, London and Mumbai.

#### 8.6 Redemption Following Exercise of a Put Option

Upon the exercise of any put option specified in Condition 8.5, payment of the applicable redemption amount shall be conditional upon (i) the Issuer obtaining all approvals required by law and (ii) delivery of the Bondholder’s Certificate (together with any necessary endorsements) to any Paying Agent on any business day (in the location of the relevant Paying Agent) together with the delivery of any other document(s) required by these Conditions, and will be made promptly following the later of the date set for redemption and the time of delivery of such Certificate. If the Paying Agent holds on the Put Date (as defined below) money sufficient to pay the applicable redemption monies of Bonds for which notices have been delivered in accordance with the provisions hereof upon exercise of such right, then, whether or not such Certificate is delivered to the Paying Agent, on and after such Put Date, (a) such Bond will cease to be outstanding; (b) such Bond will be deemed paid; and (c) all other rights of the Bondholder shall terminate (other than the right to receive the applicable redemption monies). “**Put Date**” shall mean the Delisting Put Date.

#### 8.7 Non-Permitted Conversion Price Adjustment Event Repurchase Right

To the extent permitted by applicable law, unless the Bonds have been previously redeemed, converted or purchased and cancelled, if the Issuer is unable to provide the Trustee with a Price Adjustment Opinion as set forth in Condition 6.4.1 prior to the occurrence of an event triggering an adjustment to the Conversion Price (a “**Non-Permitted Conversion Price Adjustment Event**”), the Issuer shall, within 10 business days after the occurrence of the relevant event triggering such adjustment, notify the Bondholders and the Trustee of such Non-Permitted Conversion Price Adjustment Event, and each Bondholder shall have the right (the “**Non-Permitted Conversion Price Adjustment Event Repurchase Right**”), at such Bondholder’s option, to require the Issuer to repurchase all (or any portion of the principal amount thereof and any integral multiple thereof) of such Bondholder’s Bonds at a price equal to their principal amount (the “**Non-Permitted Conversion Price Adjustment Event Repurchase Price**”), on the date set by the Issuer for such repurchase (the “**Non-Permitted Conversion Price Adjustment Date**”), which shall be not less than 30 days nor more than 60 days following the date on which the Issuer notifies the Bondholders of the Non-Permitted Conversion Price Adjustment Event.

For the purposes of this Condition 8.7, “**business day**” shall mean a day on which commercial banks are open for business in New York City, London and Mumbai.

*The ECB Guidelines may require the Issuer to obtain the prior approval of the Reserve Bank of India or the designated authorized dealer bank, as the case may be, in accordance with the ECB Guidelines before effecting a redemption of the Bonds prior to the Maturity Date pursuant to Conditions 8.3A, 8.3, 8.5, 8.6 and 8.7 and such approval may not be forthcoming.*

*Also, any time periods specified in any notice delivered pursuant to these Conditions may be delayed until such time as such approval is received, or such redemption may not occur and such notice may be rescinded if the relevant approval has not been received by the redemption date, or by the redemption date so delayed.*

8.8 [Reserved]

8.9 Purchases

The Issuer or any of its Subsidiaries may, if permitted under the laws of India, at any time and from time to time purchase Bonds at any price in the open market or otherwise. The Issuer or the relevant Subsidiary is required to submit to the Registrar for cancellation any Bonds so purchased. If purchases are made by tender, the tender must be available to all Bondholders alike.

#### 8.10 Cancellation

All Bonds which are redeemed or converted or purchased by the Issuer or any of its Subsidiaries will forthwith be cancelled. Certificates in respect of all Bonds cancelled will be forwarded to or to the order of the Registrar and such Bonds may not be reissued or resold.

#### 8.11 Redemption Notices

All notices to Bondholders given by or on behalf of the Issuer pursuant to this Condition will be given in accordance with Condition 17, and specify the Conversion Price as at the date of the relevant notice, the closing price of the Shares (as quoted on the BSE) as at the latest practicable date prior to the publication of the notice, the date for redemption, the manner in which redemption will be effected and the aggregate principal amount from time to time of the Bonds outstanding as at the latest practicable date prior to the publication of the notice.

No notice of redemption given under Condition 8.3 shall be effective if it specifies a date for redemption which falls during a Closed Period or within 15 days following the last day of a Closed Period.

#### 8.12 Multiple Notices

If more than one notice of redemption (which shall include any notice given by the Issuer pursuant to Condition 8.3, any Delisting Put Notice given by a Bondholder pursuant to Condition 8.5 and any relevant notice given by a Bondholder pursuant to Condition 8.7) is given pursuant to this Condition 8, the first of such notices to be given shall prevail.

### **9 Taxation**

9.1 All payments of principal (including Additional PIK Principal), premium (if any) and interest (including default interest (if any)) made in respect of the Bonds by the Issuer will be made free from any restriction or Condition and without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of India or any authority thereof or therein having power to tax, unless deduction or withholding of such taxes, duties, assessments or governmental charges is compelled by law.

9.2 Where such withholding or deduction is in respect of Indian withholding tax on premium or interest payments at the rate of up to 10.00% (plus applicable surcharge on such tax payable and cess on such tax and surcharge) the Issuer will increase the amount of interest paid by it to the extent required so that the amount of interest received by Bondholders (without prejudice to Condition 7.3) amounts to the relevant amount of the interest payable pursuant to Condition 5 or 8.

9.3 In the event that any such withholding or deduction in respect of principal or any such additional withholding or deduction in excess of 10.00% (plus applicable surcharge on such tax payable and cess on such tax and surcharge) in respect of interest is required, the Issuer will pay such additional amounts by way of principal, premium or interest as will result in the receipt by the Bondholders of the amounts which would otherwise have been receivable in

the absence of such withholding or deduction, except that no such additional amount shall be payable in respect of any Bond:

- 9.3.1 to a holder (or to a third party on behalf of a holder) who is subject to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with India otherwise than merely by holding the Bond or by the receipt of amounts in respect of the Bond; or
- 9.3.2 (in the case of a payment of principal or premium) if the Certificate in respect of such Bond is surrendered more than 30 days after the Relevant Date except to the extent that the holder would have been entitled to such additional amount on surrendering the relevant Certificate for payment on the last day of such period of 30 days; or
- 9.4 For the purposes hereof, "**Relevant Date**" means the date on which such payment first becomes due except that if the full amount payable has not been received by the Trustee or the Principal Agent on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Bondholders and cheques despatched or payment made.
- 9.5 References in these Conditions to principal, Additional PIK Principal, premium and interest shall be deemed also to refer to any additional amounts which may be payable under this Condition or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed.

The provisions of this Condition 9 shall not apply in respect of any payments of interest which fall due after the relevant Tax Redemption Date in respect of any Bonds which are the subject of a Bondholder election pursuant to Condition 8.3.

*Any payments made by the Issuer are required to be within the all-in-cost ceilings prescribed under the ECB Guidelines and in accordance with any specific approvals from the Reserve Bank of India or the designated authorized dealer bank, as the case may be, obtained by the Issuer in this regard.*

## **10 Events of Default**

- 10.1 The Trustee at its discretion may, and if so requested in writing by the holders of not less than 25% in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution shall (subject to being indemnified and/or secured and/or pre-funded by the Bondholders to its satisfaction), give notice to the Issuer that the Bonds are, and they shall accordingly thereby become, immediately due and repayable at their principal amount together with accrued but unpaid interest at the Cash Interest Rate (if any) to the date of payment (subject as provided below and without prejudice to the right of Bondholders to exercise the Conversion Right in respect of their Bonds in accordance with Condition 6) if any of the following events (each an "**Event of Default**") has occurred:
  - 10.1.1 a default is made in the payment of any amounts due in respect of the Bonds and is subsisting for a period of more than seven days;
  - 10.1.2 failure by the Issuer to deliver the Shares as and when such Shares are required to be delivered following conversion of a Bond;
  - 10.1.3 failure by the Issuer to perform or comply with one or more of its other obligations in the Bonds or the Trust Deed which default is incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not in the opinion of the Trustee remedied within

15 days after written notice of such default shall have been given to the Issuer by the Trustee.

10.1.4 *[reserved]*

10.1.5 *[reserved]*

10.1.6 occurrence of an event of default in respect of making required payments when due or, as the case may be, within any applicable grace period in respect of any present or future indebtedness for or in respect of monies borrowed or raised by the Issuer or any of its Material Subsidiaries, and if such default is subsisting for a period of more than 30 days, or acceleration on obligations, in an aggregate amount greater than U.S.\$25,000,000;

10.1.7 other than pursuant to the Debt Resolution Plan or any resolution plans (the "**Additional Resolution Plans**") entered into by each of SWECO, Seventus and SEFL, the Issuer or any Material Subsidiary is (or is, or could be, declared by a court to be) insolvent or bankrupt or proposes or makes an agreement for the deferral, rescheduling or other readjustment of all of (or a particular type of) its debts (or of any part which it will or might otherwise be unable to pay), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer or any of its Material Subsidiaries;

10.1.8 legal process is levied and an adverse order is passed and enforced against a material part of the property, assets or revenues of the Issuer or any Material Subsidiary and such process has not been stayed within a period of 45 days;

10.1.9 (i) an order for winding up, dissolution, judicial management or administration has been passed in respect of the Issuer or any Material Subsidiary and no appeal against such order has been filed by the Issuer or the Material Subsidiary, as the case may be, within a period of 60 days from the date of the order; or (ii) insolvency proceedings against the Issuer or any Material Subsidiary have commenced and an official liquidator or resolution professional is appointed as a result thereof by the appropriate regulatory or judicial authority;

10.1.10 an encumbrancer takes possession or an administrative or other receiver or an administrator is appointed of the whole or a material part of the property, assets or revenues of the Issuer or any of its Material Subsidiaries (as the case may be) and is not discharged within 90 days;

10.1.11 it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Bonds or the Trust Deed;

10.1.12 any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer or any of its Material Subsidiaries; or

10.1.13 any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs,

provided that, none of the Share Issue, the Debt Resolution Plan, the Additional Resolution Plans or the Bonds Restructuring shall cause, and no events or circumstances resulting

directly or indirectly from the approval or implementation of the Share Issue, the Debt Resolution Plan, the Additional Resolution Plans or the Bonds Restructuring shall constitute, an Event of Default under these Conditions.

For the purposes of these Conditions:

**“Material Subsidiary”** means:

- (a) any Subsidiary of the Issuer that meets the following two tests, each determined under Indian GAAP:
  - (i) whose gross revenues, as shown by the then latest accounts (consolidated where applicable) of such Subsidiary, constitute at least 5% of the consolidated gross revenues of the Issuer, as shown by the then latest consolidated accounts of the Issuer; and
  - (ii) whose gross assets, as shown by the then latest accounts (consolidated where applicable) of such Subsidiary, constitute at least 5% of the total consolidated gross assets of the Issuer, as shown by the then latest consolidated accounts of the Issuer;

provided that:

in the case of a Subsidiary acquired, or a company becoming a Subsidiary, (A) after the end of the financial period to which the latest consolidated accounts of the Issuer relates, the reference to the then latest consolidated accounts of the Issuer for the purposes of the calculation above shall, until consolidated accounts of the issuer for the financial period in which the acquisition is made or, as the case may be, in which the relevant company becomes a Subsidiary are published, be deemed to be a reference to the then latest consolidated accounts of the Issuer adjusted (on a pro forma basis if required) to consolidate the latest accounts of all such subsequently acquired Subsidiaries in such accounts; or (B) prior to the end of the financial period to which the latest consolidated accounts of the Issuer relates, the reference to the then latest consolidated accounts of the Issuer for the purposes of the calculation above shall be deemed to be a reference to the then latest consolidated accounts of the Issuer adjusted (on a pro forma basis if required) to consolidate the latest accounts of all such acquired Subsidiaries in such accounts as if such companies had been Subsidiaries for the whole of the financial period to which the latest consolidated accounts of the Issuer relates; or

- (b) any Subsidiary of the Issuer to which is transferred all or substantially all of the assets of a Subsidiary which immediately prior to such transfer was a Material Subsidiary, provided that the Material Subsidiary which so transfers its assets shall forthwith upon such transfer cease to be a Material Subsidiary.

A certificate from the Auditors (as defined in the Trust Deed) of the Issuer that, in their opinion, a Subsidiary of the Issuer is or is not or was or was not at any particular time a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Trustee and the Bondholders.

**SWECO** means Suzlon Wind Energy Corporation.

**Seventus** means Seventus LLC.

**SEFL** means SE Forge Limited.

- 10.2 Notwithstanding receipt of any payment after the acceleration of the Bonds, a Bondholder may exercise its Conversion Right by depositing a Conversion Notice with a Conversion Agent or Paying Agent during the period from and including the date of a default notice with respect to an event specified in Condition 10.1.2 (at which time the Issuer will notify the Bondholders of the number of Shares per Bond to be delivered upon conversion, assuming all the then outstanding Bonds are converted) to and including the 30th business day after such payment.

If any converting Bondholder deposits a Conversion Notice pursuant to this Condition 10 in the business day prior to, or during, a Closed Period, the Bondholder's Conversion Right shall continue until the business day following the last day of the Closed Period, which shall be deemed the Conversion Date, for the purposes of such Bondholder's exercise of its Conversion Right pursuant to this Condition 10.

If the Conversion Right attached to any Bond is exercised pursuant to this Condition 10, the Issuer will deliver Shares (which number will be disclosed to such Bondholder as soon as practicable after the Conversion Notice is given) in accordance with the Conditions, except that the Issuer shall have 10 business days (as defined in Condition 7.6) before it is required to register the converting Bondholder (or its designee) in its register of members as the owner of the number of Shares to be delivered pursuant to this Condition and an additional five business days (as defined in Condition 7.6) from such registration date to make payment in accordance with the following paragraph.

If the Conversion Right attached to any Bond is exercised pursuant to this Condition 10, the Issuer shall, at the request of the converting Bondholder subject to regulatory approval, pay to such Bondholder an amount in United States dollars (converted from Rupees at the Prevailing Rate) (the "**Default Cure Amount**"), equal to the product of (x) (i) the number of Shares that are required to be delivered by the Issuer to satisfy the Conversion Right in relation to such converting Bondholder minus (ii) the number of Shares that are actually delivered by the Issuer pursuant to such Bondholders' Conversion Notice and (y) the Closing Price of the Shares on the Conversion Date; provided that if such Bondholder has received any payment under the Bonds pursuant to this Condition 10, the amount of such payment shall be deducted from the Default Cure Amount.

The "**Prevailing Rate**" shall be the arithmetic average of the spot rates for the purchase of U.S. dollars with Rupees quoted by the State Bank of India on each of the relevant Trading Days or if such rate is not available on such Trading Day, such rate prevailing on the immediately preceding day on which such rate is so available.

The "**Share Price**" means the Closing Price of the Shares on the Conversion Date.

## **11 Consolidation, amalgamation or merger**

The Issuer will not consolidate with, merge or amalgamate into or transfer its assets substantially as an entirety to any corporation or convey or transfer its properties and assets substantially as an entirety to any person (the consummation of any such event, a "**Merger**"), unless:

- (i) the corporation formed by such Merger or the person that acquired such properties and assets shall expressly assume, by a supplemental trust deed, all obligations of the Issuer under the Trust Deed, the Agency Agreement and the Bonds and the performance of every covenant and agreement applicable to it contained therein and

to ensure that the holder of each Bond then outstanding will have the right (during the period when such Bond shall be convertible) to convert such Bond into the class and amount of shares, cash and other securities and property receivable upon such consolidation, amalgamation, merger, sale or transfer by a holder of the number of Shares which would have become liable to be issued upon conversion of such Bond immediately prior to such consolidation, amalgamation, merger, sale or transfer;

- (ii) immediately after giving effect to any such Merger, no Event of Default shall have occurred or be continuing or would result therefrom; and
- (iii) the corporation formed by such Merger, or the person that acquired such properties and assets, shall expressly agree, among other things, to indemnify each holder of a Bond against any tax, assessment or governmental charge payable by withholding or deduction thereafter imposed on such holder solely as a consequence of such Merger with respect to the payment of principal and interest on the Bonds,

Provided that, neither (a) the Share Issue or any events or circumstances resulting therefrom, nor (b) any merger or amalgamation or a transfer of assets or properties of the Issuer to any corporation or any other person upon a direction of the Issuer's lenders as a result of the Debt Resolution Plan or the Debt Resolution Documents, shall constitute a "Merger" under this Condition 11.

## **12 Prescription**

Claims in respect of amounts due in respect of the Bonds will become prescribed unless made within 10 years (in the case of principal and premium (if any)) and five years (in the case of interest) from the relevant date for payment. Neither the Trustee nor the Agents will be responsible or liable for any amounts so prescribed.

## **13 Enforcement**

At any time after the Bonds have become due and repayable, the Trustee may, at its discretion and without further notice, take such proceedings against the Issuer as it may think fit to enforce repayment of the Bonds and to enforce the provisions of the Trust Deed, but it will not be bound to take any such proceedings unless (i) it shall have been so requested in writing by the holders of not less than 25% in principal amount of the Bonds then outstanding or shall have been so directed by an Extraordinary Resolution of the Bondholders and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Bondholder will be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing.

## **14 Meetings of Bondholders, modification, waiver and substitution**

### **14.1 Meetings**

The Trust Deed contains provisions for convening meetings of Bondholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Bonds or the provisions of the Trust Deed. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing in the aggregate over 50% in principal amount of the Bonds for the time being outstanding or, at any adjourned such meeting, two or more persons being or representing Bondholders whatever the principal amount of the Bonds so held or represented unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the due

date for any payment in respect of the Bonds, (ii) to reduce or cancel the amount of principal, premium or interest (including default interest) payable in respect of the Bonds, (iii) to change the currency of payment of the Bonds, (iv) to modify or cancel the Conversion Rights or the put options specified in Condition 8, or (v) to modify the provisions concerning the quorum required at any meeting of the Bondholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 75%, or at any adjourned such meeting not less than 25%, in principal amount of the Bonds for the time being outstanding. An Extraordinary Resolution passed at any meeting of Bondholders will be binding on all Bondholders, whether or not they are present at the meeting. The Trust Deed provides that a written resolution signed by or on behalf of the holders of not less than 90% of the aggregate principal amount of Bonds outstanding shall be as valid and effective as a duly passed Extraordinary Resolution.

#### 14.2 Modification and Waiver

The Trustee may agree, without the consent of the Bondholders, to (i) any modification (except as mentioned in Condition 14.1 above) to, or the waiver or authorisation of any breach or proposed breach of, the Bonds, the Agency Agreement or the Trust Deed which is not, in the opinion of the Trustee, materially prejudicial to the interests of the Bondholders or (ii) any modification to the Bonds or the Trust Deed which, in the Trustee's opinion, is of a formal, minor or technical nature or to correct a manifest error or to comply with mandatory provisions of law. Any such modification, waiver or authorisation will be binding on the Bondholders and, unless the Trustee agrees otherwise, any such modifications will be notified by the Issuer to the Bondholders as soon as practicable thereafter.

#### 14.3 Substitution

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Bondholders, to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Bonds.

#### 14.4 Interests of Bondholders

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification, authorisation, waiver or substitution) the Trustee shall have regard to the interests of the Bondholders as a class and shall not have regard to the consequences of such exercise for individual Bondholders and the Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer or the Trustee, any indemnification or payment in respect of any tax consequences of any such exercise upon individual Bondholders except to the extent provided for in Condition 9 and/or any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.

#### 14.5 Certificates/Reports

Any certificate or report of any expert or other person called for by or provided to the Trustee (whether or not addressed to the Trustee) in accordance with or for the purposes of these Conditions or the Trust Deed may be relied upon by the Trustee as sufficient evidence of the facts therein (and shall, in absence of manifest error, in the Trustee's opinion, be conclusive and binding on all parties) notwithstanding that such certificate or report and/or engagement letter or other document entered into by the Trustee and/or the Issuer in connection therewith contains a monetary or other limit on the liability of the relevant expert or person in respect

thereof. The Trustee shall not be responsible for any loss occasioned by acting on or refraining from acting in reliance on such certificate or report.

## **15 Replacement of Certificates**

If any Certificate is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the specified office of the Registrar or any Agent upon payment by the claimant of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer and such Agent may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

## **16 Further issues**

The Issuer may from time to time without the consent of the Bondholders create and issue further securities either having the same terms and conditions as the Bonds in all respects except for the first payment of interest on them and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Bonds) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Bonds include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Bonds. Any further securities forming a single series with the outstanding securities of any series (including the Bonds) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the written consent of the Trustee), be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Bondholders and the holders of securities of other series where the Trustee so decides.

## **17 Notices**

All notices to Bondholders shall be validly given if mailed to them at the Issuer's expense at their respective addresses in the register of Bondholders maintained by the Registrar or published at the Issuer's expense in a leading newspaper having general circulation in Asia (which is expected to be the Asian Wall Street Journal). Such notices shall be deemed to have been given on the later of the date of such publications. Any such notice shall be deemed to have been given on the later of the date of such publication and the seventh day after being so mailed, as the case may be.

*So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream, Luxembourg or the Alternative Clearing System (as defined in the form of the Global Certificate), notices to Bondholders shall be given by delivery of the relevant notice to Euroclear or Clearstream, Luxembourg or the Alternative Clearing System, for communication by it to entitled accountholders in substitution for notification as required by the Conditions. Any such notice shall be deemed to have been given to the holders of the Bonds on the second day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.*

## **18 Agents**

The names of the initial Agents and the Registrar and their specified offices are set out below. The Issuer reserves the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of any Agent or the Registrar and to appoint additional or other Agents or a replacement Registrar. The Issuer will at all times maintain (i) a Principal Agent, (ii) a Registrar outside the United Kingdom and (iii) an Agent having a specified office in Singapore where the Bonds may be presented or surrendered for payment or redemption,

so long as the Bonds are listed on the Singapore Stock Exchange and the rules of that exchange so require (and such agent in Singapore shall be a Paying, Transfer and Conversion Agent and shall be referred to in these Conditions as the “**Singapore Agent**”). Notice of any such termination or appointment, of any changes in the specified offices of any Agent or the Registrar and of any change in the identity of the Registrar or the Principal Agent will be given promptly by the Issuer to the Bondholders in accordance with Condition 17 and in any event not less than 45 days’ notice will be given.

## **19 Indemnification**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment unless indemnified and/or secured and/or pre-funded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer without accounting for any profit.

*Repatriation of proceeds outside India by the Issuer under an indemnity clause requires the prior approval of the Reserve Bank of India, in accordance with the extant applicable laws and regulations of India, including the rules and regulations framed under the Foreign Exchange Management Act, 1999.*

## **20 Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of this Bond under the Contracts (Rights of Third Parties) Act 1999.

## **21 Governing law**

The Bonds, the Trust Deed and the Agency Agreement and any non-contractual obligations arising out of or in connection with them, are governed by, and shall be construed in accordance with, the laws of England. In relation to any legal action or proceedings arising out of or in connection with the Trust Deed or the Bonds, the Issuer has in the Trust Deed irrevocably submitted to the courts of England and in relation thereto has appointed Law Debenture Corporate Services Limited at Fifth Floor, 100 Wood Street, London EC2V 7EX as its agent for service of process in England. Nothing shall affect the right to serve process in any other manner permitted by law.

**ANNEXURE IV**  
**COPY OF THE NOTICE OF MEETING**

THIS NOTICE IS IMPORTANT AND REQUIRES THE IMMEDIATE ATTENTION OF BONDHOLDERS (AS DEFINED BELOW). IF BONDHOLDERS ARE IN ANY DOUBT AS TO THE ACTION THEY SHOULD TAKE, THEY SHOULD SEEK THEIR OWN LEGAL AND FINANCIAL ADVICE, INCLUDING AS TO ANY ACCOUNTING, REGULATORY, TAX OR OTHER CONSEQUENCES, IMMEDIATELY FROM THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL ADVISER.

THIS NOTICE DOES NOT CONSTITUTE AN OFFER FOR SALE OF SECURITIES AND IS ONLY BEING FORWARDED IN THE UNITED STATES AND TO U.S. PERSONS WHO ARE QUALIFIED INSTITUTIONAL BUYERS (AS DEFINED UNDER RULE 144A UNDER THE U.S. SECURITIES ACT OF 1933) SOLELY IN THEIR CAPACITY AS BONDHOLDERS IN CONNECTION WITH THE MEETING (AS DEFINED BELOW). THIS DOES NOT AFFECT THE RIGHT OF BONDHOLDERS TO ATTEND OR APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING IN ACCORDANCE WITH THE PROVISIONS OF THE TRUST DEED (AS DEFINED BELOW).

THIS NOTICE IS MADE TO HOLDERS OF SECURITIES OF A NON-U.S. COMPANY. THE NOTICE IS SUBJECT TO DISCLOSURE REQUIREMENTS OF A NON-U.S. COUNTRY THAT ARE DIFFERENT FROM THOSE OF THE UNITED STATES. IT MAY BE DIFFICULT FOR YOU TO ENFORCE YOUR RIGHTS AND ANY CLAIM YOU MAY HAVE ARISING UNDER THE UNITED STATES FEDERAL SECURITIES LAWS, SINCE THE ISSUER (AS DEFINED BELOW) AND SOME OR ALL OF ITS OFFICERS AND DIRECTORS ARE RESIDENTS OF A NON-U.S. COUNTRY. YOU MAY NOT BE ABLE TO SUE A NON-U.S. COMPANY OR ITS OFFICERS OR DIRECTORS, IN A NON-U.S. COURT FOR VIOLATIONS OF THE UNITED STATES SECURITIES LAWS. IT MAY BE DIFFICULT TO COMPEL A NON-U.S. COMPANY AND ITS AFFILIATES, OR A FOREIGN SOVEREIGN STATE, TO SUBJECT THEMSELVES TO A U.S. COURT'S JUDGMENT. YOU SHOULD BE AWARE THAT THE ISSUER MAY PURCHASE THE BONDS, INCLUDING IN THE OPEN MARKET OR PRIVATELY NEGOTIATED TRANSACTIONS.

## SUZLON ENERGY LIMITED

### NOTICE OF A MEETING

to the holders of the

U.S.\$546,916,000 Step-up Convertible Bonds due 2019 issued on 15 July 2014  
(ISIN: XS1081332527 and XS1081332873)

(the "**Bonds**")

issued by  
Suzlon Energy Limited  
(the "**Issuer**")

Notice is hereby given that a meeting of the holders of the Bonds (the "**Bondholders**") convened by the Issuer will be held at the offices of Allen & Overy LLP at #09-01, OUE Bayfront, 50 Collyer Quay, Singapore 049321 on April 6, 2020 at 12.00 p.m. (Singapore time) (the "**Meeting**") for the purpose of considering and, if thought fit, passing the resolution set out below (which will be proposed as an Extraordinary Resolution), pursuant to the provisions set out in Schedule 3 (the "**Meeting Provisions**") of the trust deed dated 15 July 2014, as amended and supplemented by a first supplemental trust deed dated 11 December 2014 (the "**Trust Deed**"), each made between the Issuer and The Bank of New York Mellon, London Branch, as trustee (the "**Trustee**") for the Bondholders.

The total principal amount of the Bonds outstanding (as defined in Clause 1.1 of the Trust Deed) as at the date hereof is U.S.\$172,002,000.

Unless the context otherwise requires, capitalised terms used in this notice of Meeting (the "**Notice**") shall bear the meanings given to them in the Trust Deed.

## BACKGROUND

The Issuer is a public company incorporated with limited liability under the laws of the Republic of India, having the corporate identification number L40100GJ1995PLC025447. The equity shares of the Issuer (the “**Shares**”) are listed on the BSE Limited (the “**BSE**”) and The National Stock Exchange of India Limited (the “**NSE**”). The Issuer manufactures wind turbine generators (“**WTGs**”), fabricated structural products of iron and steel, generators, transformers, panels and other parts of wind turbine generators. Besides manufacturing WTGs, the Issuer and its Subsidiaries (together, the “**Group**”) are also involved in wind resource mapping, identification of suitable sites, technical planning of wind energy projects, engineering procurement and construction and after-sales operation and maintenance services. In India, the Group has positioned itself as an integrated solution provider of services related to wind energy.

The Issuer was unable to make the last payment of interest on the Bonds and redeem the outstanding principal amount under the Bonds on their maturity date, i.e., 16 July 2019. As a consequence of the failure to redeem the Bonds at maturity, the Issuer defaulted in respect of these obligations, in addition to a default under the terms of certain other financial facilities obtained by the Issuer and/or its Subsidiaries from their respective lenders (together, the “**Group Lenders**”).

### Proposed Debt Restructuring

The Issuer is now proposing a restructuring of the respective debt claims of the Group Lenders and the Bondholders, pursuant to the Debt Resolution Plan (as defined herein) and the Proposal (as defined herein).

The Issuer’s operations have been at a standstill since January 2019 as the Issuer has been unable to execute its existing order book and the Issuer also does not have access to new credit lines in order to continue operating as a going concern. In view of the Issuer’s over-leveraged balance sheet and constrained liquidity position, near-term debt maturities, the Issuer believes that the implementation of the Debt Resolution Plan and the Proposal is in the best interest of all stakeholders, including the Group Lenders and the Bondholders.

The Group Lenders have approved in-principle, a debt resolution plan prepared in terms of the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 issued on 7 June 2019 through a circular of the Reserve Bank of India (the “**RBI**”) with reference RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 (the “**Debt Resolution Plan**”, and any agreement or other documents entered into by the Issuer with, or any letters received from, the Group Lenders in order to implement and give effect to the Debt Resolution Plan, including any amendments thereto, the “**Debt Resolution Documents**”) in order to settle their outstanding claims against the Group.

Following the circulation of this Notice, the Issuer proposes to make available a consent solicitation and information memorandum (the “**Consent Solicitation and Information Memorandum**”) setting out further details of the proposed restructuring and the Debt Resolution Plan, on or prior to 26 March 2020. Bondholders will be notified through the Clearing Systems (as defined below) when such Consent Solicitation and Information Memorandum is available.

Bondholders may only participate in the Consent Solicitation after the Consent Solicitation and Information Memorandum has been so made available.

**The voting period will therefore only commence after the Consent Solicitation and Information Memorandum is made available to Bondholders and Bondholders should not provide any Electronic Instruction (as defined hereinafter) prior to receiving the Consent Solicitation and Information Memorandum. For the avoidance of doubt, any Electronic Instructions (as defined hereinafter) provided prior to receipt of the Consent Solicitation and Information Memorandum will be rejected by the Issuer. Notification will be given to the Bondholders when voting is to commence and when Electronic Instructions can be provided.**

## MEETING DATE

The Meeting to consider the Extraordinary Resolution will be convened on 6 April 2020.

### The Proposed Consent Solicitation and the Proposal

The Issuer is now inviting the Bondholders to participate in the consent solicitation process (the “**Consent Solicitation**”) to consider and, if thought fit, vote in favour of an Extraordinary Resolution to, among other things:

- (i) approve and give effect to certain amendments (such amendments, the “**Amendments**”) to the Trust Deed and the terms and conditions of the Bonds set out in Part 3 of Schedule 2 to the Trust Deed (the “**Conditions**” and after incorporating the Amendments, the “**Amended Conditions**”);
- (ii) at the option of the relevant Bondholders, elect to either (A) substitute their Bonds with new U.S.\$ denominated Convertible Bonds due 2032 to be issued by the Issuer (the “**New Bonds**”) or (B) substitute their Bonds for Shares; and
- (iii) waive all Existing Defaults (as defined hereinafter) that have occurred, or that may occur, under the Trust Deed and the Conditions arising from, or as a result of, (a) the Issuer’s failure to make payments in respect of the Bonds, and (b) the approval or implementation of the Debt Resolution Plan or the Bond Restructuring (each as defined below) (the proposals set out above, taken together, the “**Proposal**”).

The Proposal includes options for the Bondholders to elect that the Issuer redeem in whole, but not in part, Bonds held by such Bondholders in exchange for either (a) the Shares of the Issuer (“**Option A**”); or (b) the New Bonds (“**Option B**”), each in accordance with the terms of the Consent Solicitation and Information Memorandum and the Amended Conditions. Provided that (a) if, and to the extent, any Bondholder fails to make the aforesaid election, it shall be deemed to have elected in favour of Option A subject to, and in accordance with, the Amended Conditions; and (b) if the Bondholders that have elected for Option B hold (in aggregate) less than, or equal to, 10% of aggregate principal amount outstanding as at the date of this Notice, then each such Bondholder shall nonetheless be deemed to have elected in favour of Option A subject to, and in accordance with, the Conditions.

### **Example**

Set out below is a brief explanation, by way of examples, that illustrates in value terms what Bondholders should expect to receive when choosing Option A or Option B.

#### Option A

The maximum Shares of the Issuer available for allocation is 1,400,000,000. Accordingly, a Bondholder electing Option A will receive 8,139 Shares for each U.S.\$1,000 in principal amount of the Bonds.

For example, a Bondholder holding a principal aggregate amount of U.S.\$20,000 in principal amount of the Bonds will receive 162,780 Shares under Option A.

#### Option B

The maximum aggregate principal amount of the New Bonds available for allocation is U.S.\$55,000,000. Accordingly, a Bondholder electing Option B will receive a New Bond in the denomination of U.S.\$320 for each principal amount of U.S.\$1,000 of the Bonds.

For example, a Bondholder holding an aggregate principal amount of U.S.\$20,000 of the Bonds will receive New Bonds with a principal amount of U.S.\$6,380 under Option B.

### **Second Supplemental Trust Deed and Amended Conditions**

The Amendments approved in the Extraordinary Resolution of the Bondholders will take effect (conditional upon all Conditions Precedent being satisfied or waived) once the Issuer has entered into a deed supplemental to the Trust Deed with the Trustee (the “**Second Supplemental Trust Deed**”). The amended Conditions (the “**Amended Conditions**”) are set out in **Schedule 1** to this Notice. The conditions in relation to the New Bonds (the “**New Bonds Conditions**”) are set out in **Schedule 2** to this Notice. It is intended that the New Bonds will be listed on the Singapore Exchange Securities Trading Limited and the Shares issued pursuant to Option B will be listed on the BSE Limited and the National Stock Exchange of India Limited.

## EXTRAORDINARY RESOLUTION

*Bondholders should note that they can only participate in the Consent Solicitation after the Consent Solicitation and Information Memorandum is made available to them on or about 26 March 2020. The voting period will therefore only commence after the Consent Solicitation and Information Memorandum is made available to Bondholders and Bondholders should not provide any Electronic Instruction prior to receiving the Consent Solicitation and Information Memorandum. Notification will be given to the Bondholders when voting is to commence and when Electronic Instructions can be provided.*

**“THAT THIS MEETING** (the **“Meeting”**) of the holders of the U.S.\$ 546,916,000 step-up convertible bonds due 2019 (ISIN: XS1081332527 and XS1081332873) (the **“Bonds”**) of Suzlon Energy Limited (the **“Issuer”**) constituted by the trust deed dated 15 July 2014, as amended and supplemented by a first supplemental trust deed dated 11 December 2014 (the **“Trust Deed”**) made between the Issuer and The Bank of New York Mellon, London Branch as trustee (the **“Trustee”**) for the Bondholders, **HEREBY RESOLVES TO:**

- (i) assent and agree to (a) amend certain provisions of the terms and conditions as set out in Part 3 of Schedule 2 to the Trust Deed (the **“Conditions”**), substantially in the manner set out in **Schedule 1** to the notice of meeting dated 13 March 2020 (the **“Notice”** and such amended Conditions, the **“Amended Conditions”**), and (b) to provide such instructions as may be required by the Amended Conditions; provided that the Issuer may, in its sole discretion, choose to further amend the Amended Conditions as it sees fit, provided that (x) such further amendments are not, in the opinion of the Issuer, materially prejudicial to the Bondholders, (y) such amendments will not affect the roles and responsibilities of the Trustee or any of its protective provisions, and (z) the Issuer gives notice to the Bondholders of such amendments, such notice to be delivered to the clearing systems no later than 26 March 2020;
- (ii) authorise, request, empower and direct the Trustee to: (a) concur with the Issuer in the amendments to the Trust Deed and the Conditions set out in paragraph (i) above (such amendments, the **“Amendments”**) and, in order to give effect to them, enter into and execute a supplemental trust deed supplemental to the Trust Deed (the **“Second Supplemental Trust Deed”**), and (b) concur, enter into and do all such other deeds, agreements, instruments, acts and things, and to take all steps as may be necessary, desirable or expedient to carry out and give effect to this Extraordinary Resolution;
- (iii) acknowledge and agree, for the avoidance of doubt, that the Second Supplemental Trust Deed will become effective in accordance with its terms only upon execution thereof and approval of this Extraordinary Resolution, which is expected to be on or about 6 April 2020 (such date, the **“Bonds Amendment Date”**);
- (iv) assent and agree that if this Extraordinary Resolution is approved by Bondholders, the date by which all Conditions Precedent must be fulfilled may occur at any time on or prior to a long stop date of 30 September 2020 (the **“Long Stop Date”**), and as notified in writing by the Issuer to the Trustee and the Principal Agent and further assent and agree that the Trustee and Principal Agent be entitled to accept and rely (without investigation) upon such notice and shall not be liable to any person for doing so;
- (v) as at the later of the Share Completion Date or the Bond Exchange Date, sanction and approve the waiver of any and all Existing Defaults (as defined herein) that may have occurred under the Trust Deed or the Conditions on or prior to such date and all rights and remedies in relation thereto;
- (vi) on the Bonds Amendment Date, sanction every modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Bondholders against the Issuer (whether or not such rights arise under the Trust Deed) involved in or resulting from the Amendments or the Proposal or which are necessary to give effect to this Extraordinary Resolution;
- (vii) conditional upon all Conditions Precedent (as defined herein) being satisfied or waived, as the case may be, assent and agree to the issuance of new bonds by the Issuer (the **“New Bonds”**) on the terms and conditions of the New Bonds (**“New Bonds Conditions”**), substantially in the manner set out in **Schedule 2** to the Notice, provided that the Issuer may, in its sole discretion, choose to amend the New Bonds Conditions as it sees fit, provided (a) that such amendments are not, in the

opinion of the Issuer, materially prejudicial to the Bondholders, (b) such amendments will not affect the roles and responsibilities of the Trustee or any of its protective provisions, and (c) the Issuer gives notice to the Bondholders of such amendments, such notice to be delivered to the clearing systems no later than 26 March 2020;

- (viii) conditional upon all Conditions Precedent (as defined herein) being satisfied or waived, as the case may be, assent and agree that, if this Extraordinary Resolution is approved by Bondholders, the New Bonds may be issued at any time on or prior to the Long Stop Date, and as notified in writing by the Issuer to the Trustee and the Principal Agent, and further assent and agree that the Trustee and Principal Agent be entitled to accept and rely (without investigation) upon such notice and shall not be liable to any person for doing so;
- (ix) assent and agree, for the avoidance of doubt, that the implementation of the Proposal (as defined herein) and this Extraordinary Resolution and the Amendments to be effected pursuant to this Extraordinary Resolution, do not constitute, and shall not be construed by the Bondholders or the Trustee as, an Event of Default or a Potential Event of Default;
- (x) declare that the Trustee shall have no liability to Bondholders for its acts or omissions in furtherance of this Extraordinary Resolution and the Proposal even if it is found subsequently that there is a defect in the passing of this Extraordinary Resolution or for any reason this Extraordinary Resolution or the Proposal is not binding on the Bondholders or their heirs or assignees; and
- (xi) acknowledge, confirm and agree that the Trustee shall be entitled to rely on the information set out in the Notice and the Consent Solicitation and Information Memorandum without any obligation to inquire or investigate the validity, accuracy or content thereof and shall have no liability to any person for doing so.

In this Extraordinary Resolution,

“**Bond Exchange Date**” means the date on which the Issuer will issue the New Bonds, on or after the date on which all the Conditions Precedent have been satisfied.

“**Conditions Precedent**” refers to the conditions the satisfaction of which is required on or prior to the Long Stop Date, and which include the below:

- (a) the receipt by the Issuer and delivery by the Issuer to the Trustee (on behalf of the Bondholders) and the Principal Agent of a certificate issued by an authorised signatory of the Issuer representing and warranting to the Trustee for the benefit of the Bondholders that the Issuer has received, as of that date (along with certified copies of):
  - (1) approval from the Reserve Bank of India to allow the Issuer to implement the Proposal (including the Mandatory Conversion and the issue of New Bonds);
  - (2) approvals from all other applicable legal and regulatory authorities in India including, but not limited to, BSE Limited and The National Stock Exchange of India Limited;
  - (3) approvals from the Issuer’s board of directors and the Issuer’s shareholders to allow the Issuer to enter into the Second Supplemental Trust Deed and the New Trust Deed;
- (b) the delivery by the Issuer to the Trustee (on behalf of the Bondholders) and the Principal Agent of a certificate appending **any one of the following**, in each case confirming that the Group Lenders have granted their formal sanction to the Debt Resolution Plan in terms of the inter-creditor agreement entered into among the Group Lenders (the “ICA”) and such Debt Resolution Plan shall be legally binding upon, the Issuer and the Group Lenders:
  - (i) one or more letters duly issued by the Group Lenders collectively representing at least 75 per cent. by value (including fund and non-fund based facilities outstanding) as at 30 September

2019 or such other date as is mutually agreed between the Group Lenders and the Issuer and 60 per cent. of the Group Lenders; or

- (ii) a letter from the lead bank of the Group Lenders under the terms of the ICA (the “**Lead Bank**”); or
  - (iii) minutes of one or more meetings of the Group Lenders issued by the Lead Bank (and copied to all the Group Lenders);
- (c) the Issuer having paid such fee amounts as have been mutually agreed between it and Houlihan Lokey (Singapore) Private Limited (“**Houlihan Lokey**”) in relation to the engagement of Houlihan Lokey pursuant to an engagement letter dated 15 February 2019.

For the avoidance of doubt, the Trustee and Principal Agent shall be entitled to accept and rely (without investigation) upon any such certificate delivered by the Issuer to the Trustee referred to above, and shall not be liable to any person for doing so.

“**Debt Resolution Plan**” means the resolution plan approved by the Group Lenders in terms of the RBI Stressed Assets Framework, and which includes, among other things, the Proposal and the Share Issue.

“**Existing Defaults**” means (a) the Events of Default arising due to the Issuer’s failure to make the payments in respect of the Bonds under the Conditions, and any other Event of Default or Potential Event of Default resulting from the failure to make those payments; (b) any Events of Default or Potential Events of Default which have arisen on or prior to the later of the Share Completion Date or the Bond Exchange Date, including but not limited to any events or circumstances resulting directly or indirectly from the approval or implementation of either the Proposal or approval or implementation of the Debt Resolution Plan; and (c) any Events of Default or Potential Events of Default arising from the execution of the Second Supplemental Trust Deed, or taking any steps to undertake or give effect to the Proposal.

“**Group Lenders**” means the lenders to the Issuer and/or its Subsidiaries.

“**RBI Stressed Assets Framework**” means the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 issued by the Reserve Bank of India on 7 June 2019 through its circular with reference RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19, and shall include any circulars, notifications, directions or orders issued in this regard by the Reserve Bank of India.

“**Share Issue**” means the issuance by the Issuer of Shares or other instruments convertible into or exchangeable for Shares by way or preferential allotment or otherwise pursuant to the Debt Resolution Plan.

“**Share Completion Date**” means the date on which all obligations of the Issuer in respect of the mandatory conversion exchanging the Bonds for the Shares have been fulfilled.

Unless otherwise defined, the capitalised terms defined in the Notice, the Trust Deed and the Conditions shall have the same meanings in this Extraordinary Resolution.”

#### **GENERAL**

- (1) The Issuer considers that the Extraordinary Resolution is fair and reasonable in the circumstances and, accordingly, the Issuer strongly urges all the Bondholders to vote in favour of the Extraordinary Resolution.
- (2) The quorum required to approve the Extraordinary Resolution will be two or more persons present in person holding the Bonds or being proxies or representatives and holding or representing in the aggregate over 75 per cent. in principal amount of the Bonds for the time being outstanding (as defined in the Trust Deed). To be passed, the Extraordinary Resolution requires a majority in favour consisting of not less than 75 per cent. of the votes cast.
- (3) The attention of Bondholders is particularly drawn to the quorum required for the Meeting and for an adjourned Meeting which is set out under “*Voting and Quorum*” below.

- (4) For the avoidance of doubt, and without prejudice to Bondholders' rights under the Trust Deed to attend the Meeting in person as described under "*Voting and Quorum*" below, the Bondholders that vote in favour of or against the Extraordinary Resolution by an Electronic Instruction with respect to all or a portion of their Bonds will also be deemed to agree to have authorised a tabulation agent appointed by the Issuer (the "**Tabulation Agent**") to attend the Meeting as proxy for the relevant Bondholder and vote in favour of or against the Extraordinary Resolution (as may be modified or supplemented by the Consent Solicitation and Information Memorandum), as the case may be.
- (5) Bondholders wishing to attend the Meeting in person have the right to attend in accordance with the provisions set out in this Notice and the Meeting Provisions. Bondholders who have applied to either Clearing System for, and obtained, valid voting certificates may attend and vote at the Meeting in person in place of the Tabulation Agent in respect of that holder's Bonds.
- (6) **If passed, the Extraordinary Resolution will be binding on all Bondholders, whether or not present at the Meeting and whether or not those Bondholders attended or were otherwise represented at the Meeting and, if they attended or were represented at the Meeting, whether they voted in favour of or against, or abstained in respect of, the Extraordinary Resolution.**
- (7) Bondholders may only participate in the Consent Solicitation after the Consent Solicitation and Information Memorandum is made available to them. **The voting period will therefore only commence after the Consent Solicitation and Information Memorandum is made available to Bondholders and Bondholders should not provide any electronic instruction (an "Electronic Instruction") prior to receiving the Consent Solicitation and Information Memorandum. Notification will be given to the Bondholders when voting is to commence and when Electronic Instructions can be provided.**
- (8) Bondholders may vote either in favour of, or against, the Extraordinary Resolution *inter alia* by delivering, or arranging to have delivered on their behalf, a valid electronic voting and blocking instruction (an "**Electronic Instruction**") through Euroclear Bank SA/NV ("**Euroclear**") or Clearstream Banking S.A. ("**Clearstream, Luxembourg**", and together with Euroclear, the "**Clearing Systems**"). Each Electronic Instruction must also specify such options as the Bondholders are required to specify pursuant to the Amended Conditions. Electronic Instructions that indicate that the relevant Bondholder wishes to abstain, will be counted towards quorum but not as a vote in favour of, or against, the Extraordinary Resolution. Each Electronic Instruction must specify, among other things, the aggregate principal amount of the Bonds to which such Electronic Instruction relates and the securities account number at the relevant Clearing System in which the Bonds are held. The receipt of such Electronic Instruction by the relevant Clearing System will be acknowledged in accordance with the standard practices of such Clearing System.
- (9) At any time prior to the Meeting, the Issuer may, in its sole discretion, amend, terminate or withdraw the Proposal and the Consent Solicitation, including with respect to Electronic Instructions (if any) submitted before the time of such termination, by giving notice of such termination to Bondholders by way of a notice delivered to the Clearing Systems for communication to Bondholders. Subject to applicable law, the Trust Deed and as provided in this Notice, the Issuer may, in its sole discretion, extend, re-open, amend or waive any condition of the Consent Solicitation at any time. Details of any such extension, re-opening, amendment or waiver will be announced as soon as reasonably practicable after the relevant decision is taken.

#### **DOCUMENTS AVAILABLE FOR DISPLAY AND/OR COLLECTION**

Holders of the Bonds may, at any time during normal business hours on any weekday (Saturdays, Sundays and bank and other public holidays excepted) from the date of this Notice up to and including the date of the Meeting (or any adjourned Meeting) (and, in each case, for 1 business day prior thereto), inspect copies of the documents set out below at the office of The Bank of New York Mellon, London Branch (in its capacity as the Principal Agent) and at the registered office of the Issuer:

- (a) the Trust Deed; and
- (b) the Agency Agreement;

And following the issue of the Consent Solicitation and Information Memorandum, the following will be available for inspection by Bondholders on request to the Tabulation Agent:

- (a) the Supplemental Trust Deed (in draft form, and subject to modification); and
- (b) the Consent Solicitation and Information Memorandum.

**None of the Trustee, the Principal Agent, the Tabulation Agent or the Registrar expresses any view as to the merits of the Proposal, the Consent Solicitation or the Extraordinary Resolution. None of the Trustee, the Principal Agent, the Tabulation Agent or the Registrar has been involved in negotiating the Proposal, the Consent Solicitation or the Extraordinary Resolution and none of them makes any representation that all relevant information has been or will be disclosed to the Bondholders in or pursuant to the Consent Solicitation and Information Memorandum or this Notice. In accordance with normal practice, the Trustee expresses no opinion on the merits of the proposed Extraordinary Resolution, but has authorised it to be stated that it has no objection to the Extraordinary Resolution being submitted to the Bondholders for their consideration. As at the date of this notice, the Trustee has not been provided with a copy of the Consent Solicitation Information Memorandum. Accordingly, each of the Trustee, the Principal Agent, the Tabulation Agent and the Registrar recommends that the Bondholders who are unsure about the impact of the Extraordinary Resolution should seek their own independent financial, legal and taxation advice. The Trustee shall not be responsible or liable in any way to anyone for the execution, legality, effectiveness, adequacy, validity, enforceability or admissibility in evidence of the Extraordinary Resolution or any other document relating to, or executed or expressed to be executed pursuant to the Extraordinary Resolution.**

Bondholders who need assistance with respect to the procedures for participating in the Consent Solicitation should contact the bank, securities broker or other intermediary through which they hold the Bonds.

#### VOTING AND QUORUM

The relevant provisions governing the convening and holding of the Meeting are set out in Schedule 3 to the Trust Deed, copies of which are available for inspection as referred to above.

**IMPORTANT: The Bonds are currently in the form of two Global Certificates. The Global Certificates are registered in the name of a nominee for a common depository for the Clearing Systems. Each person (each a “Beneficial Owner”) who is the owner of a particular nominal amount of the Bonds through Euroclear, Clearstream, Luxembourg or their respective accountholders (“Accountholders”) should note that such person will not be a Bondholder for the purposes of this Notice and will only be entitled to attend and vote at the Meeting or appoint a proxy to do so in accordance with the procedures set out below. The registered holder of the Global Certificates is The Bank of New York Depository (Nominees) Limited, as nominee for the Clearing Systems (the “Registered Holder”). The Registered Holder shall be treated as being two persons for the purposes of the quorum requirements of the Meeting and as having one vote in respect of each U.S.\$1,000 in principal amount of Bonds. However, Accountholders (or the representatives of such persons) can attend and vote in accordance with the procedures set out below.**

- (1) The Registered Holder may by executing an instrument in writing in the English language (a “**form of proxy**”) in the form available from the specified office of any Agent specified below signed by the Registered Holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or duly authorised officer of the corporation and delivering such form of proxy to the specified office of any Agent or the Tabulation Agent not later than 24 hours before the time fixed for the Meeting, appoint any person (a “**proxy**”) to act on his or its behalf in connection with the Meeting (or any adjourned such Meeting). A Registered Holder which is a corporation may by delivering to any Agent or the Tabulation Agent not later than 24 hours before the time fixed for any meeting, a resolution of its directors or other governing body, in English, authorise any person to act as its representative (a “**representative**”) in connection with the Meeting.
- (2) A proxy so appointed shall, so long as such appointment remains in force be deemed, for all purposes in connection with the Meeting, to be the holder of the Bonds to which such appointment relates and the Registered Holder of the Bonds shall be deemed for such purposes not to be the holder of the Bonds.

- (3) The Beneficial Owner can request through his Accountholder for the Registered Holder to appoint the Principal Agent or any one of its employees (as the Registered Holder shall determine) as proxy to cast the votes relating to the Bonds in which it has an interest at the Meeting (or any adjourned such Meeting).
- (4) **Alternatively, Beneficial Owners and Accountholders who wish a different person to be appointed as their proxy to attend and vote at the Meeting (or any adjourned such Meeting) should contact the relevant Clearing System to make arrangements for such person to be appointed as a proxy (by the Registered Holder) in respect of the Bonds in which they have an interest for the purposes of attending and voting at the Meeting (or any adjourned such Meeting).**
- (5) In either case, Beneficial Owners must have made arrangements to vote with the relevant Clearing System by not later than 48 hours before the time fixed for the Meeting and within the relevant time limit specified by the relevant Clearing System and request or make arrangements for the relevant Clearing System to block the Bonds in the relevant Accountholder's account and to hold the same to the order or under the control of the Principal Agent.
- (6) An Accountholder whose Bonds have been blocked (in the manner specified below) will thus be able to procure that an Electronic Instruction is given in accordance with the procedures of the relevant Clearing System to the Tabulation Agent.

The Electronic Instruction must be received by the Tabulation Agent by the Consent Deadline. All questions as to the validity, form and eligibility (including time of receipt) of any Electronic Instruction or as to the revocation of any Electronic Instruction will be determined by the Issuer, in its sole discretion, and such determination will be final and binding on the Accountholders in the absence of manifest error.

Accountholders are solely responsible for complying with all of the procedures for submitting Electronic Instructions. None of the Issuer, the Trustee, any Agent or the Tabulation Agent assumes any responsibility for informing Accountholders of irregularities with respect to Electronic Instructions.

- (7) By submitting or delivering an Electronic Instruction to the relevant Clearing System, the Bonds which are the subject of such Electronic Instruction will be blocked in the relevant Clearing System to the order of the Tabulation Agent from the time of the submission of: (a) in the case of a Bondholder attending the Meeting in person, an application through the relevant Clearing System for a voting certificate, and (b) in the case of all other Bondholders, an Electronic Instruction to the relevant Clearing System, until the earlier of: (i) 90 business days from the Bonds Amendment Date, (ii) the date of termination of the Consent Solicitation or (iii) the date upon which such Bond(s) cease, in accordance with the procedures of the relevant Clearing System and with the agreement of the Principal Agent, to be held to its order or under its control; provided, however, in the case of (iii) above, that, if the Beneficial Owner or Accountholder has caused a proxy to be appointed in respect of such Bond(s), such Bond(s) will not be released to the relevant Accountholder unless and until the Issuer, the Principal Agent or the Registrar has received notice of the necessary revocation of or amendment to such proxy. **During the blocked period, the Bonds which are the subject of such Electronic Instruction or in respect of which a voting certificate has been applied for through the relevant Clearing System cannot be transferred.**
- (8) The quorum required at the Meeting in respect of the Extraordinary Resolution is two or more persons present in person holding Bonds or being proxies or representatives and holding or representing in the aggregate over 75 per cent. in principal amount of the Bonds for the time being outstanding (as defined in the Trust Deed).
- (9) If within 15 minutes from the time fixed for the Meeting a quorum is not present, the Meeting shall, if the Issuer and the Trustee agree, be dissolved. In any other case, it shall stand adjourned for such period, not being less than 14 days nor more than 42 days, and to such time and place, as may be appointed by the chairman of the Meeting. At such adjourned Meeting, the quorum in respect of the Extraordinary Resolution shall be two or more persons present in person holding Bonds or being

proxies or representatives and holding or representing in the aggregate over 25 per cent. in principal amount of the Bonds for the time being outstanding.

- (10) The chairman may with the consent of (and shall if directed by) the Meeting, adjourn the Meeting from time to time and from place to place but no business shall be transacted at an adjourned Meeting which might not lawfully have been transacted at the Meeting from which the adjournment took place.
- (11) At least 10 days' notice of a Meeting adjourned through want of a quorum shall be given in the same manner as for the original Meeting and such notice shall state the quorum required at the adjourned Meeting. No notice need, however, otherwise be given of the adjourned Meeting.
- (12) Each question submitted to a meeting shall be decided in the first instance by a show of hands and in case of equality of votes the chairman shall both on a show of hands and on a poll have a casting vote in addition to the vote or votes (if any) which he may have as a Bondholder or as a holder of a voting certificate or as a proxy or representative.
- (13) Unless a poll is (before or on the declaration of the result of the show of hands) demanded at the Meeting by the chairman of the Meeting, the Issuer, the Trustee or by one or more persons holding one or more Bonds or being proxies or representatives and holding or representing in the aggregate not less than two per cent. in principal amount of the Bonds for the time being outstanding, a declaration by the chairman of the Meeting that the Extraordinary Resolution of the Meeting has been carried or carried by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such Extraordinary Resolution.
- (14) If a poll is demanded, it shall be taken in such manner and (subject as provided below) either at once or after such an adjournment as the chairman of the Meeting directs and the result of such poll shall be deemed to be the Extraordinary Resolution of the Meeting at which the poll was demanded as at the date of the taking of the poll. The demand for a poll shall not prevent the continuation of the Meeting for the transaction of any business other than the question on which the poll has been demanded.
- (15) A poll demanded on the election of the chairman of the Meeting or on any question of adjournment shall be taken at the Meeting without adjournment.
- (16) The Issuer and the Trustee (through their respective representatives) and their respective financial and legal advisers may attend and speak at the Meeting. No one else may attend or speak at the Meeting unless he is the holder of a Bond or is a proxy or a representative.
- (17) On a show of hands, every person holding Bonds who is present in person or any person who is present and is a proxy or a representative shall have one vote and on a poll every person who is so present shall have one vote in respect of each U.S.\$1,000 principal amount of Bonds held or in respect of which he is a proxy or a representative. Without prejudice to the obligations of proxies, a person entitled to more than one vote need not use them all or cast them all in the same way.
- (18) To be passed, the Extraordinary Resolution requires a majority in favour consisting of not less than 75 per cent. of the votes cast at the Meeting. If passed, the Extraordinary Resolution will be binding on all the Bondholders, whether or not present at the Meeting and whether or not voting, and each of them shall be bound to give effect to it accordingly. The passing of the Extraordinary Resolution shall be conclusive evidence that the circumstances of such Extraordinary Resolution justify the passing of it.
- (19) Minutes shall be made of all resolutions and proceedings at the Meeting and, if purporting to be signed by the chairman of the Meeting or of the next succeeding meeting of Bondholders, shall be conclusive evidence of the matters in them. Until the contrary is proved, minutes of the Meeting so made and signed shall be deemed to have been duly convened and held and the Extraordinary Resolution passed or proceedings transacted at it shall be deemed have been duly passed and transacted.

Bondholders are requested to and strongly encouraged to contact the Issuer's financial adviser, Houlihan Lokey (Singapore) Private Limited ("**Houlihan Lokey**") at [HL\\_ProjectStark@hl.com](mailto:HL_ProjectStark@hl.com) in relation to the Consent Solicitation for the Bonds. Further, Bondholders located or residing in the United States or who are U.S. persons (within the meaning of Regulation S under the United States Securities Act of 1933, as amended) are required to

follow certain other procedures. Such Bondholders should also contact Houlihan Lokey before taking any action pursuant to or in connection with this Notice.

**This Notice and any non-contractual obligations arising out of or in connection with it shall be governed by, and shall be construed in accordance with, English law. By submitting an Electronic Instruction, a Bondholder irrevocably and unconditionally agrees for the benefit of the Issuer, each Agent, the Tabulation Agent and the Trustee that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the proposed Consent Solicitation or any of the documents referred to above and that, accordingly, any suit, action or proceedings arising out of or in connection with the foregoing may be brought in such courts.**

**Financial Adviser to the Issuer**

**HOULIHAN LOKEY (SINGAPORE) PRIVATE LIMITED**

10 Collyer Quay  
#40-11, Ocean Financial Centre  
Singapore 049315

**Trustee**

**THE BANK OF NEW YORK MELLON, LONDON BRANCH**

One Canada Square  
London E14 5AL  
United Kingdom

**Principal Agent**

**THE BANK OF NEW YORK MELLON, LONDON BRANCH**

One Canada Square  
London E14 5AL  
United Kingdom

**Registrar**

**THE BANK OF NEW YORK MELLON SA/NV, LUXEMBOURG BRANCH  
(FORMERLY KNOWN AS THE BANK OF NEW YORK MELLON (LUXEMBOURG) S.A.)**

Vertigo Building, Polaris  
2-4 rue Eugène Ruppert  
L-2453 Luxembourg

This Notice is given by:

**SUZLON ENERGY LIMITED**

“Suzlon”, 5 Shrimali Society  
Near Shri Krishna Complex  
Navrangpura  
Ahmedabad 380 009  
India

**in its capacity as the Issuer**

*Nothing in this Notice constitutes an offer of, an offer to buy, or a solicitation of an offer to sell, any securities in the United States, the Republic of India or any other jurisdiction in which such offer or solicitation would be unlawful. The Bonds or the New Bonds which are the subject of the Consent Solicitation have not been registered under the United States Securities Act of 1933, as amended (the “Securities Act”) or the securities laws of any state of the United States or any other jurisdiction. The Bonds or the New Bonds which are the subject of the Consent Solicitation may not be offered or sold in the United States except pursuant to any exemption from the registration requirements of the Securities Act. This Notice is not intended to be distributed in the United States except to holders of the Bonds in the United States that are “qualified institutional buyers” (within the meaning of Rule 144A under the Securities Act) and solely in their capacity as holders of such Bonds. This Notice is not an offering circular. No offer or sale of securities has been or will be registered under the Securities Act or under the applicable securities laws of the Republic of India or any other jurisdiction. There will be no public offer of the Bonds or the New Bonds in the United States, the Republic of India or any other jurisdiction.*

*The information contained herein is subject to change without notice. For the avoidance of doubt, neither the Issuer, nor the Principal Agent nor any of their respective affiliates accepts responsibility for or makes any representation or gives any warranty or undertaking, express or implied, as to the accuracy, reliability or completeness of the information contained herein and neither the Issuer, the Trustee nor the Principal Agent nor any of their respective affiliates shall have any liability in respect of the use of, or reliance upon, the information contained herein by any person.*

*This Notice is not intended as investment advice and under no circumstances is it to be used or considered as a recommendation to buy or sell any security or in exchange for the exercise of independent judgment. Neither this Notice nor anything contained herein should be relied upon in connection with, any contract or investment decision. Each person receiving this Notice should consult his/her professional advisers to ascertain the suitability of the proposals set out herein. Any discussions, negotiations or other communication that may be entered into, whether in connection with the terms set out herein or otherwise, shall be conducted subject to contract.*

*This Notice is confidential and is being furnished to you solely for your information. This Notice may not be reproduced, redistributed or made available, in whole or in part, to any other person for any purpose without express written consent.*

Dated: 13 March 2020

## SCHEDULE 1

### Amended Terms and Conditions

**Bondholders should note that these terms and conditions remain subject to further changes (provided that (a) such further amendments are not, in the opinion of the Issuer, materially prejudicial to the Bondholders, (b) such amendments will not affect the roles and responsibilities of the Trustee or any of its protective provisions, and (c) the Issuer gives notice to the Bondholders of such amendments, such notice to be delivered to the clearing systems no later than 26 March 2020).**

**Voting shall not commence prior to the notification of such further amendments to the Bondholders.**

*The Terms and Conditions of the Bonds shall be amended by amending and restating the Terms and Conditions with the Terms and Conditions set out below (deletions are shown as a ~~strikethrough~~; additions are shown in underline). A full legend explaining changes is set out at the end of these Terms and Conditions.*

*The following, other than the words in italics, is the text of such amended Terms and Conditions of the Bonds which will appear on the reverse of each of the definitive certificates evidencing the Bonds.*

The issue of U.S.\$546,916,000 Step Up Convertible Bonds due 2019 (the “**Bonds**”, which term shall include, unless the context requires otherwise, any further Bonds issued in accordance with Condition 16 and consolidated and forming a single series with the Bonds) of Suzlon Energy Limited (the “**Issuer**”), was authorised by resolutions of the Board of Directors of the Issuer on 3 May 2014 and by the shareholders of the Issuer on 20 September 2013. The Bonds are constituted by a trust deed (~~as dated 15 July 2014, as amended and supplemented by the first supplemental trust deed dated 11 December 2014 (and as further~~ amended or supplemented from time to time) (the “**Trust Deed**”) ~~dated on or about 15 July 2014 and, each~~ made between the Issuer and The Bank of New York Mellon, London Branch as trustee for the holders of the Bonds (the “**Trustee**”, which term shall, where the context so permits, include all other persons for the time being acting as trustee or trustees under the Trust Deed). The Issuer has entered into a paying, conversion and transfer agency agreement (as amended or supplemented from time to time, (the “**Agency Agreement**”) dated ~~on or about~~ 15 July 2014 with The Bank of New York Mellon, London Branch as principal paying and conversion agent (the “**Principal Agent**”), The Bank of New York Mellon SA/NV, Luxembourg Branch (formerly known as The Bank of New York Mellon (Luxembourg) S.A.) as registrar (the “**Registrar**”) and transfer agent and the other paying, conversion and transfer agents appointed under it (each a “**Paying Agent**”, “**Conversion Agent**”, “**Transfer Agent**” (references to which shall include the Registrar) and together with the Registrar and the Principal Agent, the “**Agents**” ~~(which shall, where applicable, include the Singapore Agent (as defined in Condition 18))~~ relating to the Bonds. References to the “**Principal Agent**”, “**Registrar**” and “**Agents**” below are references to the principal agent, registrar and agents for the time being for the Bonds.

The statements in these terms and conditions (these “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed. Unless otherwise defined, terms used in these Conditions have the meaning specified in the Trust Deed.

Copies of the Trust Deed and of the Agency Agreement are available for inspection during normal business hours at the registered office of the Trustee being at the date hereof at One Canada Square, ~~40th Floor,~~ London, E14 5AL, United Kingdom and at the specified offices of each of the Agents. The Bondholders are entitled to the benefit of the Trust Deed and are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement applicable to them.

The Issuer entered into a Second Supplemental Trust Deed (as defined below) with the Trustee and, on the date upon which the Bondholders' Resolution (as defined below) (approving certain amendments to these Conditions and the Trust Deed as set out in a notice of meeting issued on 13 March 2020 by the Issuer) was passed, the Second Supplemental Trust Deed became effective in accordance with its terms in order to give effect to such Bondholders' Resolution.

For the avoidance of doubt, the Bondholder Options (defined below) as set out in these Conditions shall at all times remain subject to the fulfillment of the Conditions Precedent (defined below).

## **1 Status**

The Bonds constitute direct, unsubordinated, unconditional and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to Condition 4, at all times rank at least equally with all of its other present and future direct, unsubordinated, unconditional and unsecured obligations.

## **2 Form, Denomination and Title**

### **2.1 Form and Denomination**

The Bonds are issued in registered form in the denomination of U.S.\$1,000 each and integral multiples thereof. A bond certificate (each a "**Certificate**") will be issued to each Bondholder in respect of its registered holding of Bonds. Each Bond and each Certificate will be numbered serially with an identifying number, which will be recorded on the relevant Certificate and in the Register (as defined in Condition 3.1) of Bondholders which the Issuer will procure to be kept by the Registrar.

### **2.2 Title**

Title to the Bonds passes only by transfer and registration in the register of Bondholders as described in Condition 3. The holder of any Bond will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder. In these Conditions "**Bondholder**" and (in relation to a Bond) "**holder**" means the person in whose name a Bond is registered.

## **3 Transfers of Bonds; Issue of Certificates**

### **3.1 Register**

The Issuer will cause to be kept at the specified office of the Registrar and in accordance with the terms of the Agency Agreement a register on which shall be entered the names and addresses of the holders of the Bonds and the particulars of the Bonds held by them and of all transfers of the Bonds (the "**Register**").

Each Bondholder shall be entitled to receive only one Certificate in respect of its entire holding of Bonds.

### **3.2 Transfers**

Subject to Conditions 3.5 and 3.6 and the terms of the Agency Agreement, a Bond may be transferred or exchanged by delivery of the Certificate issued in respect of that Bond, with the form of transfer on the back duly completed and signed by the holder or his attorney duly authorised in writing, to the specified office of the Registrar or any of the Transfer Agents. No transfer of title to a Bond will be valid unless and until entered on the Register.

### 3.3 Delivery of New Certificates

**3.3.1** Each new Certificate to be issued upon a transfer or exchange of Bonds will, within seven business days (at the place of the relevant specified office) of receipt by the Registrar or, as the case may be, any other relevant Transfer Agent of the original Certificate and the form of transfer duly completed and signed, be made available for collection at the specified office of the Registrar or such other relevant Transfer Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder entitled to the Bonds (but free of charge to the holder) to the address specified in the form of transfer. The form of transfer is available at the specified office of the Principal Agent.

**3.3.2** Where only part of a principal amount of the Bonds (being that of one or more Bonds) in respect of which a Certificate is issued is to be transferred, exchanged, converted or redeemed, a new Certificate in respect of the Bonds not so transferred, exchanged, converted or redeemed will, within seven business days of delivery of the original Certificate to the Registrar or other relevant Agent, be made available for collection at the specified office of the Registrar or such other relevant Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder of the Bonds not so transferred, exchanged, converted or redeemed (but free of charge to the holder) to the address of such holder appearing on the Register.

**3.3.3** For the purposes of these Conditions (except for Condition ~~4.3, Condition~~ 7, [Condition 8.2](#), Condition 8.5 and Condition 8.7), “**business day**” shall mean a day other than a Saturday or Sunday on which banks are open for business in the city in which the specified office of the Registrar (if a Certificate is deposited with it in connection with a transfer or conversion) or the Agent with whom a Certificate is deposited in connection with a transfer or conversion, is located.

### 3.4 Formalities Free of Charge

Registration of a transfer of Bonds and issuance of new Certificates will be effected without charge by or on behalf of the Issuer or any of the Agents, but upon (i) payment (or the giving of such indemnity as the Issuer or any of the Agents may require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer; and (ii) the Issuer or the relevant Transfer Agent being satisfied that the regulations concerning transfer of Bonds have been complied with.

### 3.5 Restricted Transfer Periods

No Bondholder may require the transfer of a Bond to be registered (i) during the period of seven days ending on (and including) the due date for any principal on the Bonds; (ii) after a Conversion Notice (as defined in Condition 6.2) has been delivered with respect to a Bond; (iii) after [an Account Holder Instruction \(as defined in Condition 8.2\) has been delivered with respect to a Bond by such Bondholder;](#) (iv) [after an election or deemed election of Option A \(as defined in Condition 8.2\) or an election of Option B \(as defined in Condition 8.2\) has been made with respect to a Bond by such Bondholder;](#) (v) [after](#) a Relevant Event Put Exercise Notice (as defined in Condition 8.4) has been deposited in respect of such a Bond; ~~(iv)~~ (vi) after

a Delisting Put Notice (as defined in Condition 8.5) has been deposited in respect of such a Bond; ~~(vii)~~ after the Non-Permitted Conversion Price Adjustment Event Purchase Right (as defined in Condition 8.7) has been exercised in respect of such Bonds; or ~~(viii)~~ during the period of seven days ending on (and including) any record date in respect of any payment of interest on the Bonds, each such period being a “**Restricted Transfer Period**”.

### 3.6 Regulations

All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer of Bonds scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Trustee and the Registrar. A copy of the current regulations will be mailed (free of charge to the holder and at the Issuer’s expense) by the Registrar to any Bondholder upon request.

## 4 **Negative Pledge and Security**

### 4.1 So long as any Bond remains outstanding (as defined in the Trust Deed):

- (i) the Issuer will not create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest (“**Security**”) upon the whole or any part of its undertaking, assets or revenues, present or future, to secure any International Investment Securities (as defined below), or to secure any guarantee or indemnity in respect of any International Investment Securities;
- (ii) the Issuer will procure that no Subsidiary (as defined below) or other person creates or permits to subsist any Security upon the whole or any part of the undertaking, assets or revenues, present or future, of that Subsidiary or other person to secure any of the Issuer’s or any Subsidiary’s International Investment Securities, or to secure any guarantee of or indemnity in respect of any of the Issuer’s or any Subsidiary’s International Investment Securities; and
- (iii) the Issuer will procure that no other person gives any guarantee of, or indemnity in respect of, any of the Issuer’s or any Subsidiary’s International Investment Securities,

unless, at the same time or prior thereto, the Issuer’s obligations under the Bonds and the Trust Deed (a) are secured equally and rateably therewith to the satisfaction of the Trustee, or (b) have the benefit of such other security, guarantee, indemnity or other arrangement as the Trustee in its absolute discretion shall deem to be not materially less beneficial to the Bondholders or as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders.

~~Provided however that, the following Security shall be excluded from the terms of this Condition 4.1:~~

- ~~(i) the Second Lien (as defined below);~~
- ~~(ii) Provided however that, the Issuer or any Subsidiary may create or permit to subsist Security upon the whole or any part of its undertaking, assets or revenues, present or future to secure a guarantee or indemnity or credit enhancement provided by a non-Group (as defined in the Trust Deed) third party in respect of International Investment Securities issued by the Issuer or any Subsidiary for the purpose of using the proceeds from any such issuance in ~~the following order:~~~~

~~or towards the repayment or prepayment of the Bonds or (a) first, in or towards the repayment or prepayment of any of its existing senior debt or debt with an original maturity prior to the Maturity Date (as defined in Condition 8.1) with a new maturity beyond the Maturity Date provided that such repayment or prepayment is to the CDR (as defined in Condition 6.3) lenders under the CDR Scheme (as defined below) (such debt, the “CDR Debt”) in order to meet the Security Conditions (as defined below) or the refinancing of such CDR Debt (provided that such refinancing does not impair the Bondholders’ rights to a springing Second Lien as set out in Condition 4.2 below); and~~

~~(b) secondly, in or towards the repayment or prepayment of any of its existing senior debt or debt with an original maturity prior to the Maturity Date with a new maturity beyond the Maturity Date (such debt, the “Other Senior Debt”) or the refinancing of such Other Senior Debt (provided that such refinancing does not impair the Bondholders’ rights to a springing Second Lien as set out in Condition 4.2 below).~~

~~4.2 [Reserved]~~

~~4.3 [Reserved]~~

~~4.4 [Reserved]~~

~~(iii) any funds made available to the Issuer or any of its Subsidiaries by any member of the Servion Group (as defined below), from the proceeds of an issuance of International Investment Securities by a member of the Servion Group, raised by creating or permitting to subsist Security upon the whole or any part of the undertaking, assets or revenues, present or future of such member of the Servion Group to secure a guarantee or indemnity or credit enhancement provided by a non-Group third party in respect of such International Investment Securities, for the purpose of the Issuer or its Subsidiaries using the proceeds from any such issuance in the following order:~~

~~(a) first, in or towards the repayment or prepayment of any of its CDR Debt in order to meet the Security Conditions or the refinancing of such CDR Debt (provided that such refinancing does not impair the Bondholders’ rights to a springing Second Lien as set out in Condition 4.2 below); and~~

~~(b) secondly, in or towards the repayment or prepayment of any of its Other Senior Debt or the refinancing of such Other Senior Debt (provided that such refinancing does not impair the Bondholders’ rights to a springing Second Lien as set out in Condition 4.2 below).~~

~~4.2 Subject to receipt of regulatory approvals, the Issuer shall execute a springing second lien (the “Second Lien”) in favour of a suitably qualified security trustee of national or international repute appointed by the Issuer (in prior consultation with the Trustee) (the “Security Trustee”) acting on behalf of the Bondholders over all the domestic assets of the Issuer and its Indian Subsidiaries (as defined below) that are secured for the benefit of the Issuer’s Secured Lenders (as defined below) in accordance with the requirements of the master restructuring agreement dated 28 March 2013 in respect of the CDR Scheme and any other financing documents signed by non-CDR lenders in accordance with Condition 4.3 and, subject to (a) the written consent of the Secured Lenders, and (b) the Issuer:~~

~~(i) prepaying of an amount of approximately U.S\$1.158 billion to the CDR lenders under the CDR Scheme; and~~

~~(ii) achieving a minimum Asset Coverage Ratio (as defined below) in excess of 1.33:1.~~

~~((i) and (ii) together, the “Security Conditions”).~~

~~4.3 Subject to the Conditions set out in Condition 4.2 being fulfilled (without prejudice to Condition 4.1.4), the springing Second Lien will be implemented as follows:~~

~~(i) the Issuer shall notify the Monitoring Institution and the Trustee in writing within 5 business days of the Security Conditions having been complied with;~~

~~(ii) the Issuer shall also inform the Trustee of the receipt of the written approval of the Secured Lenders within 5 business days of receipt of the same; and~~

~~(iii) the Issuer shall create the Second Lien within 90 days from the date on which all the Conditions set out in Condition 4.2 have been satisfied (the “Springing Second Lien Implementation Date”).~~

~~4.4 On or prior to the Springing Second Lien Implementation Date, the Security Trustee and the Secured Lenders or any duly authorised agent of the Secured Lenders will enter into an intercreditor agreement in form and substance satisfactory to all the parties thereto (the “Intercreditor Agreement”).~~

~~The Intercreditor Agreement, which will be governed by Indian law, will establish the subordination of the security held pursuant to the Second Lien only to the first-ranking security held by the Secured Lenders and which may be amended from time to time to add other Secured Lenders or parties representing such Secured Lenders. The Intercreditor Agreement will not include (i) any financial covenants in relation to the Issuer for the benefit of the Bondholders; (ii) any covenants in relation to security except as set out in these Conditions; or (iii) any voting rights for Bondholders in relation to any determination, consent or waiver to be made by the Secured Lenders with respect to the secured assets.~~

For the purposes of these Conditions:

[“Indian GAAP” means generally accepted accounting principles in India, including the Indian Accounting Standards prescribed under Section 133 of the \(Indian\) Companies Act, 2013 \(as amended\) read with the \(Indian\) Companies \(Indian Accounting Standards\) Rules, 2015 \(as amended\).](#)

~~“Asset Coverage Ratio” means the result, expressed as a fraction, obtained by dividing the aggregate of tangible fixed assets (excluding revaluation reserves) and capital work-in-progress and current assets, which have been secured on first *pari passu* charge basis, by the aggregate loans (both fund based and non-fund based) (which are secured on first *pari passu* charge basis against such tangible fixed assets and capital work-in-progress and current assets), of the Issuer and its Indian Subsidiaries. The book value of the assets shall be calculated on the basis of the latest annual audited financial statements submitted by the Issuer and its Indian Subsidiaries to the Monitoring Institution in accordance with generally accepted accounting principles in India (“Indian GAAP”) and the Asset Coverage Ratio shall accordingly be tested annually.~~

~~“business day” shall mean a day on which commercial banks are open for business in New York City, London and Mumbai.~~

~~“Indian Subsidiaries” means, collectively, Suzlon Structures Limited, Suzlon Power Infrastructure Limited, Suzlon Generators Limited, Suzlon Gujarat Wind Park Limited, SE~~

~~Electricals Limited, Suzlon Wind International Limited and SE Blades Limited or any other entity, each of which, together with the Issuer, are, or become, borrowers under the master restructuring agreement dated 28 March 2013 entered into with the CDR lenders (the “CDR Scheme”).~~

“**International Investment Securities**” means any present or future indebtedness in the form of, or represented by, bonds, debentures, notes or other investment securities which (i) are denominated in a currency other than Rupees or are by their terms payable, or confer a right to receive payment, in any currency other than Rupees, or are denominated or payable in Rupees and more than 50% of the aggregate principal amount thereof is initially distributed outside India, and (ii) are for the time being, or are intended to be or capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over the counter or other securities market.

~~“**Monitoring Institution**” means the bank appointed as the monitoring institution under the CDR Scheme.~~

~~“**Secured Lenders**” means the CDR lenders and any senior lenders that have the benefit of the security over the assets of the Issuer and its Indian Subsidiaries.~~

~~“**Senvion Group**” means Senvion SE and its subsidiaries.~~

“**Subsidiary**” means any company or other business entity of which the Issuer owns or controls (either directly or through one or more other subsidiaries) more than 50% of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or other business entity or any company or other business entity which the Issuer recognises in its consolidated accounts as a subsidiary, jointly controlled entity or associated company under Indian law, regulations or generally accepted accounting principles from time to time, or which should have its accounts consolidated with those of the Issuer.

~~Provided that, for the purpose of this Condition 4, no member of the Senvion Group will be considered a Subsidiary.~~

## 5 Interest

### 5.1 Interest Rate

The Bonds bear interest (i) at the rate of 3.25% per annum, from (and including) 15 July 2014 (the “**Closing Date**”) up to (but excluding) 16 January 2016, calculated by reference to the principal amount thereof and payable semi-annually in arrear on 16 July and 16 January in each year (each an “**Interest Payment Date**”), commencing with the Interest Payment Date falling on 16 January 2015 (the “**First Interest Payment Date**”) and the last payment of interest at such rate will be made on 16 January 2016, in respect of the period from (and including) the Closing Date to (but excluding) 16 January 2016; and (ii) at the rate of 5.75% per annum, from (and including) 16 January 2016 to the Maturity Date, calculated by reference to the principal amount and payable semi-annually in arrear on each Interest Payment Date, commencing with the Interest Payment Date falling on 16 July 2016 except that the last payment of interest will be made on the Maturity Date in respect of the period from (and including) 16 January 2019 to (but excluding) the Maturity Date, and such final payment of interest will amount to U.S.\$~~1,004.29~~28.75 per U.S.\$1,000 principal amount of Bonds.

The amount of interest payable in respect of any period which is shorter than an Interest Period shall be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

“**Interest Period**” means the payment period beginning on (and including) the Closing Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

## 5.2 Accrual of Interest

Each Bond will cease to bear interest (i) where the Conversion Right shall have been exercised by a Bondholder, from the Interest Payment Date immediately preceding the relevant Conversion Date or, if none, the Closing Date (subject in any such case as provided in Condition 6.2.4) or (ii) where [the Mandatory Conversion has occurred with respect to such Bond in accordance with Condition 8.2A and the requirements of Condition 8.2A have been fulfilled; or \(iii\) where the Bond Exchange has occurred with respect to such Bond in accordance with Condition 8.2B and the requirements of Condition 8.2B have been fulfilled or \(iv\) where](#) such Bond is redeemed or repaid pursuant to Condition 8 or Condition 10, from the due date for redemption or repayment thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused, in which event interest will continue to accrue as provided in these Conditions.

## 6 Conversion

### 6.1 Conversion Right

#### 6.1.1 Conversion Period

- (i) Subject as hereinafter provided, Bondholders have the right to convert their Bonds into Shares at any time during the Conversion Period referred to below. The right of a Bondholder to convert any Bond into Shares is called the “**Conversion Right**”.

Subject to and upon compliance with the provisions of this Condition, the Conversion Right attaching to any Bond may be exercised, at the option of the holder thereof, at any time (subject to Condition 6.1.1(ii)) on and after 25 August 2014 up to the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on 9 July 2019 (but, except as provided in Conditions 6.1.4 and 10, in no event thereafter) or if such Bond shall have been called for redemption before the Maturity Date, then up to the close of business (at the place aforesaid) on a date no later than seven business days (at the place aforesaid) prior to the date fixed for redemption thereof (the “**Conversion Period**”).

- (ii) Conversion Rights may not be exercised in relation to any Bond (a) during the period ~~(each, a “Closed Period”)~~ commencing on: ~~(a)~~ the date falling 21 days prior to the date of the Issuer’s annual general shareholders’ meeting and ending on the date of that meeting, (b) [during the period commencing on](#) the date falling 30 days prior to an extraordinary shareholders’ meeting and ending on the date of that meeting, (c) [during the period commencing on the](#) date that the Issuer notifies BSE Limited (the “**BSE**”) or National Stock Exchange of India Limited (the “**NSE**” and together with the BSE, the “**Indian Exchanges**”) of the record date for determination of the shareholders entitled

to receipt of dividends, subscription of shares due to capital increase or other benefits, and ending on the record date for the distribution or allocation of the relevant dividends, rights and benefits; (d) ~~on such date and for~~ during such period as determined by Indian law applicable from time to time that the Issuer is required to close its stock transfer books; ~~or~~ (e) in circumstances where the exercise of the Conversion Right would fall during the period commencing on a record date in respect of any payment of interest on the Bonds and ending on the relevant Interest Payment Date (both days inclusive); (f) prior to the date which is the earlier to occur of the Cut-off Date (as defined in Condition 8.2), or, in the event that the Mandatory Conversion Record Date (as defined in Condition 8.2) has occurred prior to the Cut-off Date, the Long Stop Date (as defined in Condition 8.2) or (g) prior to the date which is the earlier to occur of the Cut-off Date (as defined in Condition 8.2), or, in the event that the Bond Exchange Date (as defined in Condition 8.2) has occurred prior to the Cut-off Date, the Bond Exchange Date, each such period referred to in (a) to (g) above, a "Closed Period". The Issuer will give notice of any such period to the Trustee, the Bondholders and the Conversion Agent at the beginning of each such period.

The Issuer shall provide to the Trustee, the Bondholders and the Conversion Agent notice of any meeting of the Issuer's board of directors which is convened to consider the declaration of any dividends, subscription of shares due to capital increase or other benefits, at the same time notice of such meeting is announced in India.

Conversion Rights may not be exercised (a) in respect of a Bond where the Bondholder shall have exercised its right to require the Issuer to redeem such Bond pursuant to Condition 8.4 or 8.5; ~~or~~ (b) in respect of a Bond where the Mandatory Conversion has occurred in accordance with Condition 8.2A and the requirements of Condition 8.2A have been fulfilled; (c) in respect of a Bond where the Bond Exchange has occurred in accordance with Condition 8.2B and the requirements of Condition 8.2B have been fulfilled, or (d) except as provided in Condition 6.1.4 and Condition 10, in each case following the giving of notice by the Trustee pursuant to Condition 10.

The number of Shares to be issued on conversion of a Bond will be determined by dividing the principal amount of the Bond to be converted (translated into Rupees at the fixed rate of ₹60.225 = U.S.\$1.00 (the "**Fixed Exchange Rate**") by the Conversion Price in effect at the Conversion Date (both as hereinafter defined).

A Conversion Right may only be exercised in respect of one or more Bonds. If more than one Bond held by the same holder is converted at any one time by the same holder, the number of Shares to be issued upon such conversion will be calculated on the basis of the aggregate principal amount of the Bonds to be converted.

Upon exercise of Conversion Rights in relation to any Bond and the fulfilment by the Issuer of all its obligations in respect thereof, the relevant Bondholder shall have no further rights in respect of such Bond and the obligations of the Issuer in respect thereof shall be extinguished.

#### 6.1.2 Fractions of Shares:

Fractions of Shares will not be issued on conversion and no cash adjustments will be made in respect thereof. Notwithstanding the foregoing, in the event of a consolidation or reclassification of Shares by operation of law or otherwise occurring after the Closing Date which reduces the number of Shares outstanding, the Issuer will upon conversion of Bonds pay in cash (in U.S. dollars by means of a U.S. dollar cheque drawn on a bank in New York City) a sum equal to such portion of the principal amount of the Bond or Bonds evidenced by the Certificate deposited in connection with the exercise of Conversion Rights, aggregated as provided in Condition 6.1.1, as corresponds to any fraction of a Share not issued if such sum exceeds U.S.\$10.00 (which sum shall be translated into U.S. dollars at the **Fixed** Exchange Rate). Any such sum shall be paid not later than 14 business days in Mumbai after the relevant Conversion Date by transfer to a U.S. dollar account with a bank in New York City specified in the relevant Conversion Notice.

However, if upon mandatory conversion pursuant to Condition 8.2 or if the Conversion Right in respect of more than one Bond is exercised at any one time such that shares to be issued on conversion are to be registered in the same name, the number of such shares to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being converted and rounded down to the nearest whole number of Shares.

#### 6.1.3 Conversion Price and Conversion Ratio:

~~The~~(i) Subject to (ii) below, the price at which Shares will be issued upon conversion, as adjusted from time to time, (the “**Initial Conversion Price**”) will initially be ₹15.46 per Share but will be subject to adjustment in the manner provided in Condition 6.3. The “**Initial Conversion Ratio**” is equal to the principal amount of the Bonds divided by the Initial Conversion Price translated into U.S. dollars at the Exchange Rate.

~~The~~“(ii) With effect from the Bonds Amendment Date, and subject to the fulfilment of the Conditions Precedent, the price at which Shares will be issued upon conversion, as adjusted from time to time, (the “**Amended Conversion Price**”) will initially be ₹7.40 per Share but will be subject to adjustment in the manner provided in Condition 6.3. The “**Amended Conversion Ratio**” is equal to the principal amount of the Bonds divided by the ~~then~~**Amended** Conversion Price translated into U.S. dollars at the **Fixed** Exchange Rate.

As used in these Conditions, the “**Conversion Price**” means the Initial Conversion Price or the Amended Conversion Price, as is applicable on the Conversion Date (as defined in Condition 6.2.1) in respect of the exercise of a Conversion Right attaching to any Bond in accordance with Condition 6.1. If the Conditions Precedent have not been fulfilled on the Conversion Date applicable to the exercise of a Conversion Right attaching to any Bond then the Initial Conversion Price will apply to the exercise of the Conversion Right in respect of that Bond.

#### 6.1.4 Revival and/or survival after Default:

Notwithstanding the provisions of Condition 6.1.1, if (a) the Issuer shall default in making payment in full in respect of any Bond which shall have been called for redemption on the date fixed for redemption thereof, (b) any Bond has become due and payable prior to the Maturity Date by reason of the occurrence of any of the events referred to in Condition 10 or (c) any Bond is not redeemed on the Maturity Date in accordance with Condition 8.1, the Conversion Right attaching to such Bond

will revive and/or will continue to be exercisable up to, and including, the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on the date upon which the full amount of the moneys payable in respect of such Bond has been duly received by the Principal Agent or the Trustee and notice of such receipt has been duly given to the Bondholders and, notwithstanding the provisions of Condition 6.1.1, any Bond in respect of which the Certificate and Conversion Notice are deposited for conversion prior to such date shall be converted on the relevant Conversion Date (as defined in Condition 6.2.1(iii)) notwithstanding that the full amount of the moneys payable in respect of such Bond shall have been received by the Principal Agent or the Trustee before such Conversion Date or that the Conversion Period may have expired before such Conversion Date.

#### 6.1.5 Meaning of “Shares”:

As used in these Conditions, the expression “**Shares**” means (1) shares of the class of share capital of the Issuer which, at the date of the Trust Deed, are designated as equity shares of the Issuer with full voting rights, together with shares of any class or classes resulting from any subdivision, consolidation or re- classification of those shares, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Issuer; and (2) fully-paid and non- assessable shares of any class or classes of the share capital of the Issuer authorised after the date of the Trust Deed which have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or winding-up of the Issuer; provided that, subject to the provisions of Condition 11, shares to be issued on conversion of the Bonds means only “**Shares**” as defined in sub-clause (1) above.

## 6.2 Conversion Procedure

### 6.2.1 Conversion Notice:

- (i) To exercise the Conversion Right attaching to any Bond, the holder thereof must complete, execute and deposit at his own expense between 9.00 a.m. and 3.00 p.m. (local time on any business day) at the specified office of any Conversion Agent a notice of conversion (a “**Conversion Notice**”) in duplicate in the form (for the time being current) obtainable from the specified office of each Agent, together with (a) the relevant Certificate; and (b) certification by the Bondholder, in the form obtainable from any Conversion Agent, as may be required under the laws of the Republic of India or the jurisdiction in which the specified office of such Conversion Agent shall be located. A Conversion Notice deposited outside the hours of 9.00 a.m. to 3.00 p.m. or on a day which is not a business day at the place of the specified office of the relevant Conversion Agent shall for all purposes be deemed to have been deposited with that Conversion Agent during the normal business hours on the next business day following such business day. Any Bondholder who deposits a Conversion Notice during a Closed Period will not be permitted to convert the Bonds into Shares (as specified in the Conversion Notice) until the next business day after the end of that Closed Period, which (if all other conditions to conversion have been fulfilled) will be the Conversion Date for such Bonds notwithstanding that such date may fall outside of the Conversion Period. A Bondholder exercising its Conversion Right for Shares will be required to open a depository account with a depository participant under the Depositories Act, 1996 of India (the “**1996 Depositories Act**”), for the purposes of receiving the Shares.

~~(ii) The holder of any Bond which is to be mandatorily converted pursuant to Condition 8.2 shall deliver a Conversion Notice relating to its holding of Bonds and deposit it, together with the relevant Certificate and in the manner aforesaid, no later than the business day before the end of the Mandatory Conversion Notice Period (as defined in Condition 8.2) for the Bonds.~~

(iii) The conversion date in respect of a Bond (the “**Conversion Date**”) must fall at a time when the Conversion Right attaching to that Bond is expressed in these Conditions to be exercisable (subject to the provisions of Condition 6.1.4) and will be deemed to be the date of the surrender of the Certificate in respect of such Bond and delivery of such Conversion Notice and, if applicable, any payment to be made or indemnity given under these Conditions in connection with the exercise of such Conversion Right. A Conversion Notice once delivered shall be irrevocable and may not be withdrawn unless the Issuer consents to such withdrawal.

Conversion Rights may only be exercised in respect of the whole of the principal amount of a Bond.

#### 6.2.2 Stamp Duty etc.:

A Bondholder delivering a Certificate in respect of a Bond for conversion must pay directly to the relevant authorities any taxes and capital, stamp, issue and registration duties arising on conversion (other than any taxes or capital or stamp duties payable in India and, if relevant, in the place of the Alternative Stock Exchange (as defined below), by the Issuer in respect of the allotment and issue of Shares and listing of the Shares on the Indian Exchanges on conversion) (the “**Taxes**”) and such Bondholder must pay all, if any, taxes arising by reference to any disposal or deemed disposal of a Bond in connection with such conversion. The Issuer will pay all other expenses arising on the issue of Shares on conversion of the Bonds and all charges of the Agents and the share transfer agent for the Shares (“**Share Transfer Agent**”) in connection with conversion. The Trustee and the Agent are under no obligation to determine whether a Bondholder or the Issuer is liable to pay or has paid any taxes including stamp, issue, registration or similar taxes and duties or the amounts payable (if any) in connection with this Condition 6.2.2 and shall not be liable for any failure by any Bondholder or the Issuer to make such payment to the relevant authorities or determine the sufficiency or insufficiency of any amount so paid.

#### 6.2.3 Delivery of Shares:

(i) Upon exercise by a Bondholder of its Conversion Right for Shares, the Issuer will, on or with effect from the relevant Conversion Date, ~~enter the name of the relevant Bondholder or his/their nominee in the register of members of the Issuer in respect of such number of Shares to be issued upon conversion (notwithstanding any retroactive adjustment of the Conversion Price referred to below prior to the time it takes effect) and will,~~ as soon as practicable, and in any event not later than 40 days after the Conversion Date, cause the relevant securities account of the Bondholder exercising his Conversion Right or of his/their nominee, to be credited with such number of relevant Shares to be issued upon conversion (notwithstanding any retroactive adjustment of the Conversion Price referred to below prior to the time it takes effect) and shall further cause the name of the concerned Bondholder or its nominee to be registered accordingly, in the record of the beneficial holders of shares, maintained by the depository registered under the 1996 Depositories Act with

whom the Issuer has entered into a depository agreement and, subject to any applicable limitations then imposed by Indian laws and regulations, shall procure the Share Transfer Agent to, as soon as practicable, and in any event within 14 business days in Mumbai of the Conversion Date, despatch or cause to be despatched to the order of the person named for that purpose in the relevant Conversion Notice at the place and in the manner specified in the relevant Conversion Notice (uninsured and the risk of delivery at any such place being that of the converting Bondholder), a U.S. dollar cheque drawn on a branch of a bank in New York City in respect of any cash payable pursuant to Condition 6.1.2 required to be delivered on conversion and such assignments and other documents (if any) as required by law to effect the transfer thereof.

The crediting of the Shares to the relevant securities account of the converting Bondholder will be deemed to satisfy the Issuer's obligation to pay the principal, premium (if any) and interest (including default interest (if any)) on the Bonds.

~~(ii) In the case of Bonds mandatorily converted in accordance with Condition 8.2 in respect of which Conversion Notices have not been received by a Conversion Agent or the Principal Agent on the business day immediately following the Mandatory Conversion Notice Period, the Issuer will, as soon as reasonably practicable thereafter, register, or procure the registration of, an agent of the Issuer, located in Mumbai in accordance with Condition 8.2, as holder of the relevant number of Shares in the Issuer's share register and will make a certificate or certificates for the relevant Shares available for collection at the office of the Issuer's share registrar (as specified herein), together (in either case) with any other securities, property or cash required to be delivered upon conversion and such assignments and other documents (if any) as may be required by law to effect the transfer thereof.~~

(iii) If the Conversion Date in relation to any Bond shall be after the record date for any issue, distribution, grant, offer or other event as gives rise to the adjustment of the Conversion Price pursuant to Condition 6.3, but before the relevant adjustment becomes effective under the relevant Condition (a "**Retroactive Adjustment**"), upon the relevant adjustment becoming effective the Issuer shall procure the issue to the converting Bondholder (or in accordance with the instructions contained in the Conversion Notice (subject to applicable exchange control or other laws or other regulations)), such additional number of Shares ("**Additional Shares**") as, together with the Shares issued or to be issued on conversion of the relevant Bond, is equal to the number of Shares which would have been required to be issued on conversion of such Bond if the relevant adjustment to the Conversion Price had been made and become effective as at such Conversion Date immediately after the relevant record date and in such event and in respect of such Additional Shares references in Conditions 6.2.3(i) and (iii) to the Conversion Date shall be deemed to refer to the date upon which the Retroactive Adjustment becomes effective (notwithstanding that the date upon which it becomes effective falls after the end of the Conversion Period).

(iv) The Shares issued upon conversion of the Bonds will in all respects rank *pari passu* with the Shares in issue on the relevant Conversion Date (except for

any right excluded by mandatory provisions of applicable law) and such Shares shall be entitled to all rights the record date for which falls on or after such Conversion Date to the same extent as all other fully-paid and non-assessable Shares of the Issuer in issue as if such Shares had been in issue throughout the period to which such rights relate. A holder of Shares issued on conversion of Bonds shall not be entitled to any rights the record date for which precedes the relevant Conversion Date.

- (v) Save as provided in Condition 6.2.2, no payment or adjustment shall be made on conversion for any interest which otherwise would have accrued on the relevant Bonds since the last Interest Payment Date preceding the Conversion Date relating to such Bonds (or, if such Conversion Date falls before the first Interest Payment Date, since the Closing Date).

#### 6.2.4 Interest on Conversion:

If any notice requiring the redemption of any of the Bonds is given pursuant to Condition 8.2 on or after the fifteenth business day prior to a record date (a “**Share Distribution Record Date**”) which has occurred since the last Interest Payment Date (or in the case of the first Interest Period, since the Closing Date) in respect of any distribution payable in respect of the Shares where such notice specifies a date for redemption falling on or prior to the date which is 14 days after the Interest Payment Date next following such Share Distribution Record Date, interest shall accrue at the rate provided in Condition 5.1 on Bonds in respect of which Conversion Rights shall have been exercised and in respect of which the Conversion Date falls after such Share Distribution Record Date and on or prior to the Interest Payment Date next following such Share Distribution Record Date, in each case from and including the preceding Interest Payment Date (or, if such Conversion Date falls before the first Interest Payment Date, from the Closing Date) to but excluding such Conversion Date. The Issuer shall pay any such interest by not later than 14 days after the relevant Conversion Date by transfer to a U.S. dollar account maintained by the payee with a bank in New York City in accordance with instructions given by the relevant Bondholder in the relevant Conversion Notice.

#### 6.3 Adjustments to Conversion Price

The Conversion Price will be subject to adjustment in the following events set out in Condition 6.3.1 to Condition 6.3.14, except, in each case, for an event that occurs pursuant to the implementation of the Share Issue or the Debt Resolution Plan (each as defined in Condition 10) by the Issuer.

~~Provided however, that no adjustment will be made to the Conversion Price for a CDR Preferential Issue:~~

~~“CDR” means corporate debt restructuring.~~

~~“CDR Preferential Issue” means issuances of Shares or compulsorily convertible debentures (“CCDs”) to the CDR lenders undertaken pursuant to the terms of the master restructuring agreement dated 28 March 2013 between the CDR lenders, the Issuer, the Indian Subsidiaries, the Issuer (as the borrowers’ agent) and the State Bank of India (as the monitoring institution), which amount and/or number of Shares or CCDs shall not exceed the amount and/or the number of Shares or CCDs set out below and shall not have an issue price of less than ₹18.51:~~

Details	Amount (₹ in million)	No. of Shares or CCDs (approximately) (in million)
GDR lenders .....	4,500	243.2

### 6.3.1 Free distribution, bonus issue, division, consolidation and re-classification of Shares:

*Adjustment:* If the Issuer shall (a) make a free distribution of Shares (other than by way of a dividend in Shares), (b) make a bonus issue of its Shares, (c) divide its outstanding Shares, (d) consolidate its outstanding Shares into a smaller number of Shares, or (e) re-classify any of its Shares into other securities of the Issuer, then the Conversion Price shall be appropriately adjusted so that the holder of any Bond, the Conversion Date in respect of which occurs after the coming into effect of the adjustment described in this Condition 6.3.1, shall be entitled to receive the number of Shares and/or other securities of the Issuer which such holder would have held or have been entitled to receive after the happening of any of the events described above had such Bond been converted immediately prior to the happening of such event (or, if the Issuer has fixed a prior record date for the determination of shareholders entitled to receive any such free distribution or bonus issue of Shares or other securities issued upon any such division, consolidation or re-classification, immediately prior to such record date), but without prejudice to the effect of any other adjustment to the Conversion Price made with effect from the date of the happening of such event (or such record date) or any time thereafter.

*Effective date of adjustment:* An adjustment made pursuant to this Condition 6.3.1 shall become effective immediately on the relevant event referred to above becoming effective or, if a record date is fixed therefor, immediately after such record date; provided that in the case of a free distribution or bonus issue of Shares which must, under applicable laws of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before being legally paid or made, and which is so approved after the record date fixed for the determination of shareholders entitled to receive such distribution or issue, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date.

### 6.3.2 Declaration of dividend in Shares:

*Adjustment:* If the Issuer shall issue Shares as a dividend in Shares or make a distribution of Shares which is treated as a capitalisation issue for accounting purposes under Indian GAAP (including, but not limited to, capitalisation of capital reserves and employee stock bonus), then the Conversion Price in effect when such dividend and/or distribution is declared (or, if the Issuer has fixed a prior record date for the determination of shareholders entitled to receive such dividend and/or distribution, on such record date) shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N}{N+n} \right]$$

where:

NCP	=	the Conversion Price after such adjustment.
OCP	=	the Conversion Price before such adjustment.
N	=	the number of Shares outstanding, at the time of issuance of such dividend and/or distribution (or at the close of business in Mumbai on such record date as the case may be).
n	=	the number of Shares to be distributed to the shareholders as a dividend and/or distribution.

*Effective date of adjustment:* An adjustment made pursuant to this Condition 6.3.2 shall become effective immediately on the relevant event referred to in this Condition 6.3.2 becoming effective or, if a record date is fixed therefor, immediately after such record date; provided that in the case of a dividend in Shares which must, under applicable laws of India, be submitted for approval to a general meeting of shareholders of the Issuer or be approved at a meeting of the Board of Directors of the Issuer before being legally paid or made, and which is so approved after the record date fixed for the determination of shareholders entitled to receive such dividend, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date.

### **6.3.3** Concurrent adjustment events:

If the Issuer shall declare a dividend in, or make a free distribution or bonus issue of, Shares which dividend, issue or distribution is to be paid or made to shareholders as of a record date which is also:

- (a) the record date for the issue of any rights or warrants which requires an adjustment of the Conversion Price pursuant to Conditions 6.3.5, 6.3.6 or 6.3.7;
- (b) the day immediately before the date of issue of any securities convertible into or exchangeable for Shares which requires an adjustment of the Conversion Price pursuant to Condition 6.3.9;
- (c) the day immediately before the date of grant, offer or issue of any Shares which requires an adjustment of the Conversion Price pursuant to Condition 6.3.10 or, if applicable, the record date for determination of stock dividend entitlement as referred to in Condition 6.3.10;
- (d) the day immediately before the date of issue of any rights, options or warrants which requires an adjustment of the Conversion Price pursuant to Condition 6.3.11; or
- (e) determined by the Issuer and notified to the Trustee in writing to be the relevant date for an event or circumstance which requires an adjustment to the Conversion Price pursuant to Condition 6.3.13.

then (except where such dividend, bonus issue or free distribution gives rise to a retroactive adjustment of the Conversion Price under Conditions 6.3.1 and 6.3.2) no adjustment of the Conversion Price in respect of such dividend, bonus issue or free distribution shall be made under Conditions 6.3.1 and 6.3.2, but in lieu thereof an

adjustment shall be made under Conditions 6.3.5, 6.3.6, 6.3.7, 6.3.9, 6.3.10, 6.3.11 or 6.3.13 (as the case may require) by including in the denominator of the fraction described therein the aggregate number of Shares to be issued pursuant to such dividend, bonus issue or free distribution.

#### 6.3.4 Capital Distribution:

*Adjustment:*

- (i) If the Issuer shall pay or make to its shareholders any Dividend (as defined below), then the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{CMP - fmv}{CMP} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

CMP = the Current Market Price (as defined in Condition 6.3.15 below) per Share on the date on which the relevant Dividend is first publicly announced.

fmv = the portion of the Fair Market Value (as defined below), with such portion being determined by dividing the Fair Market Value of the aggregate Dividend by the number of Shares entitled to receive the relevant Dividend (or, in the case of a purchase of Shares or any receipts or certificates representing shares by or on behalf of the Issuer, by the number of Shares in issue immediately prior to such purchase), of the Dividend distribution attributable to one Share.

*Effective date of adjustment:* Any adjustment pursuant to this Condition 6.3.4 shall become effective immediately after the record date for the determination of shareholders entitled to receive the relevant Dividend; provided that (a) in the case of such a Dividend which must, under applicable law of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before such Dividend may legally be made and is so approved after the record date fixed for the determination of shareholders entitled to receive such Dividend, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date and (b) if the Fair Market Value of the relevant Dividend cannot be determined until the record date fixed for the determination of shareholders entitled to receive the relevant Dividend, such adjustment shall, immediately upon such Fair Market Value being determined, become effective retroactively to immediately after such record date.

If such Dividend is not so paid, the Conversion Price shall again be adjusted to be the Conversion Price which would then be in effect if such Dividend had not been approved.

For the purposes of this Condition:

**“Dividend”** means any dividend or distribution of cash or other property or assets or evidences of the Issuer’s indebtedness, whenever paid or made and however described provided that:

- (a) where a cash Dividend is announced which is to be, or may at the election of a shareholder or shareholders be, satisfied by the issue or delivery of Shares or other property or assets, or where a capitalisation of profits or reserves is announced which is to be, or may at the election of a shareholder or shareholders be, satisfied by the payment of a Dividend, then for the purposes of this definition the Dividend in question shall be treated as a Dividend of (i) such cash Dividend or (ii) the Fair Market Value (on the date of announcement of such Dividend or date of capitalisation (as the case may be) or, if later, the date on which the number of Shares (or amount of property or assets, as the case may be) which may be issued or delivered is determined) of such Shares or other property or assets if such Fair Market Value is greater than the Fair Market Value of such cash Dividend;
- (b) any tender or exchange offer falling within Condition 6.3.12 and any issue or distribution of Shares falling within Condition 6.3.2 shall be disregarded; and
- (c) a purchase or redemption of ordinary share capital by or on behalf of the Issuer shall not constitute a Dividend unless, in the case of purchases of Shares by or on behalf of the Issuer, the Volume Weighted Average Price per Share (before expenses) on any one day in respect of such purchases exceeds the Current Market Price per Share by more than 5% either (1) on that day (or if such day is not a Trading Day, the immediately preceding Trading Day), or (2) where an announcement (excluding for the avoidance of doubt for these purposes, any general authority for such purchases or redemptions approved by a general meeting of shareholders of the Issuer or any notice convening such a meeting of shareholders) has been made of the intention to purchase Shares at some future date at a specified price, on the Trading Day immediately preceding the date of such announcement, in which case such purchase shall be deemed to constitute a Dividend (but not a cash Dividend) to the extent that the aggregate price paid (before expenses) in respect of such Shares purchased by or on behalf of the Issuer exceeds the product of (i) the Current Market Price per Share determined as aforesaid and (ii) the number of Shares so purchased.

**“Fair Market Value”** means, with respect to any property on any date, the fair market value of that property as determined in good faith by an Independent Financial Institution provided, that (i) the Fair Market Value of a cash Dividend paid or to be paid shall be the amount of such cash Dividend; (ii) the Fair Market Value of any other cash amount shall be equal to such cash amount; (iii) where shares, options, warrants or other rights are publicly traded in a market of adequate liquidity (as determined by the Independent Financial Institution) the fair market value of such shares, options, warrants or other rights shall equal the arithmetic mean of the daily closing prices of

such options, warrants or other rights during the period of five trading days on the relevant market commencing on the first such trading day such shares, options, warrants or other rights are publicly traded; and in the case of (i) translated into Rupees (if declared or paid in a currency other than Rupees) at the rate of exchange used to determine the amount payable to shareholders who were paid or are to be paid or are entitled to be paid the cash Dividend in Rupees; and in any other case, converted into Rupees (if expressed in a currency other than Rupees) at such rate of exchange as may be determined in good faith by an Independent Financial Institution to be the spot rate ruling at the close of business on that date (or if no such rate is available on that date the equivalent rate on the immediately preceding date on which such a rate is available).

**“Independent Financial Institution”** means an independent or commercial bank of international repute selected by the Issuer (at the expense of the Issuer) and notified to the Trustee in writing.

**“Volume Weighted Average Price”** or **“VWAP”** means, in respect of a Share on any Trading Day, or series of Trading Days, the order book volume-weighted average price appearing on or derived from Bloomberg (or any successor service) page SUEL IN or such other source as shall be determined to be appropriate by an Independent Financial Institution on such Trading Day, or series of Trading Days, provided that on any Trading Day where such price is not available or 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.

**“cash Dividend”** means (i) any Dividend which is to be paid in cash and (ii) any Dividend determined to be a cash Dividend pursuant to paragraph (a) of the definition **“Dividend”**, and for the avoidance of doubt, a Dividend falling within paragraph (c) of the definition **“Dividend”** shall be treated as not being a cash Dividend.

#### **6.3.5** Rights Issues to Shareholders:

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares rights entitling them to subscribe for or purchase Shares, which expression shall include those Shares that are required to be offered to employees and persons other than shareholders in connection with such grant, issue or offer:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date mentioned below and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer which is fixed after the record date mentioned below and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration,

then the Conversion Price in effect (in a case within (a) above) on the record date for the determination of shareholders entitled to receive such rights or (in a case within

(b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$\text{NCP} = \text{OCP} \times \left[ \frac{N + v}{N + n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within (a) above) on such record date or (in a case within (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares initially to be issued upon exercise of such rights at the said consideration being (aa) the number of Shares which underwriters have agreed to underwrite as referred to below or, as the case may be, (bb) the number of Shares for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in (a) or, as the case may be, (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective immediately after the latest date for the submission of applications for such Shares by shareholders entitled to the same pursuant to such rights or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

*Rights not taken up by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of rights entitling them to subscribe for or purchase Shares, any Shares which are not subscribed for or purchased by the persons entitled thereto are underwritten by other persons prior to the latest date for the submission of applications for such Shares, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares of rights entitling them to subscribe for or purchase Shares, any such Shares which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred such rights) who have submitted applications for such Shares as referred

to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

**6.3.6** Warrants issued to Shareholders:

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares warrants entitling them to subscribe for or purchase Shares:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date for the determination of shareholders entitled to receive such warrants and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer which is fixed after the record date mentioned above and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration, then the Conversion Price in effect (in a case within (a) above) on the record date for the determination of shareholders entitled to receive such warrants or (in a case within (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within (a) above) on such record date or (in a case within (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares initially to be issued upon exercise of such warrants at the said consideration which, where no applications by shareholders entitled to such warrants are required, shall be based on the number of warrants issued. Where applications by shareholders entitled to such warrants are required, the number of such Shares shall be calculated based upon (aa) the number of warrants which underwriters have agreed to underwrite as referred to below or, as the case may be, (bb) the number of warrants for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in (a) or, as the case may be, (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective (i) where no applications for such warrants are required from shareholders entitled to the same, upon their issue and (ii) where applications by shareholders entitled to the same are required as aforesaid, immediately after the latest date for the submission of such applications or (if later) immediately after the Issuer fixes the said consideration but in all cases retroactively to immediately after the record date mentioned above.

*Warrants not subscribed for by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of warrants entitling them to subscribe for or purchase Shares in the circumstances described in (a) and (b) of this Condition 6.3.6, any warrants which are not subscribed for or purchased by the shareholders entitled thereto are underwritten by others prior to the latest date for the submission of applications for such warrants, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares of warrants entitling them to subscribe for or purchase Shares, any warrants which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred the right to purchase such warrants) who have submitted applications for such warrants as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

**6.3.7** Issues of rights or warrants for equity-related securities to Shareholders:

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares rights or warrants entitling them to subscribe for or purchase any securities convertible into or exchangeable for Shares:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date mentioned below and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer (determined as aforesaid) which is fixed after the record date mentioned below and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration,

then the Conversion Price in effect (in a case within (a) above) on the record date for the determination of shareholders entitled to receive such rights or warrants or (in a case within (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N + v}{N + n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within (a) above) on such record date or (in a case within (b) above) on the date the Issuer fixes the said consideration.
- n = the number of Shares initially to be issued upon exercise of such rights or warrants and conversion or exchange of such convertible or exchangeable securities at the said consideration being, in the case of rights, (aa) the number of Shares initially to be issued upon conversion or exchange of the number of such convertible or exchangeable securities which the underwriters have agreed to underwrite as referred to below or, as the case may be, (bb) the number of Shares initially to be issued upon conversion or exchange of the number of such convertible or exchangeable securities for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa) and which, in the case of warrants, where no applications by shareholders entitled to such warrants are required, shall be based on the number of warrants issued. Where applications by shareholders entitled to such warrants are required, the number of such Shares shall be calculated based upon (x) the number of warrants which underwriters have agreed to underwrite as referred to below or, as the case may be, (y) the number of warrants for which applications are received from shareholders as referred to below save to the extent already adjusted for under (x).
- v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in (a) or, as the case may be, (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective (a) where no applications for such warrants are required from shareholders entitled to the same, upon their issue and (b) where applications by shareholders entitled to the warrants are required as aforesaid and in the case of convertible or exchangeable securities by shareholders entitled to the same pursuant to such rights, immediately after the latest date for the submission of such applications or (if later) immediately after the Issuer fixes the said consideration; but in all cases retroactively to immediately after the record date mentioned above.

*Rights or warrants not taken up by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of rights or warrants entitling them to subscribe for or purchase securities convertible into or exchangeable for Shares in the circumstances described in this Condition 6.3.7, any convertible or exchangeable securities or

warrants which are not subscribed for or purchased by the shareholders entitled thereto are underwritten by others prior to the latest date for the submission of applications for such convertible or exchangeable securities or warrants, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares or rights or warrants entitling them to subscribe for or purchase securities convertible into or exchangeable for Shares, any convertible or exchangeable securities or warrants which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred such rights or the right to purchase such warrants) who have submitted applications for such convertible or exchangeable securities or warrants as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

#### **6.3.8 Other distributions to Shareholders:**

*Adjustment:* If the Issuer shall distribute to the holders of Shares of capital stock of the Issuer (other than Shares), assets (excluding any Dividends), evidences of its indebtedness or rights or warrants to subscribe for or purchase Shares or securities (excluding those rights and warrants referred to in Conditions 6.3.5, 6.3.6 and 6.3.7), then the Conversion Price in effect on the record date for the determination of shareholders entitled to receive such distribution shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{CMP - fmv}{CMP} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

CMP = the Current Market Price per Share on the record date for the determination of shareholders entitled to receive such distribution.

fmv = the fair market value (as determined by an Independent Financial Institution or, if pursuant to applicable law of India such determination is to be made by application to a court of competent jurisdiction, as determined by such court or by an appraiser appointed by such court) of the portion of the equity share capital shares of capital stock, assets, rights or warrants so distributed applicable to one Share less any consideration payable for the same by the relevant shareholder.

*Effective date of adjustment:* Such adjustment shall become effective immediately after the record date for the determination of shareholders entitled to receive such distribution. Provided that (a) in the case of such a distribution which must, under applicable law of India, be submitted for approval to a general meeting of

shareholders or be approved by a meeting of the Board of Directors of the Issuer before such distribution may legally be made and is so approved after the record date fixed for the determination of shareholders entitled to receive such distribution, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date and (b) if the fair market value of the shares of capital stock, assets, rights or warrants so distributed cannot be determined until after the record date fixed for the determination of shareholders entitled to receive such distribution, such adjustment shall, immediately upon such fair market value being determined, become effective retroactively to immediately after such record date.

**6.3.9** Issue of convertible or exchangeable securities other than to Shareholders:

*Adjustment:* If the Issuer shall issue any securities convertible into or exchangeable for Shares (other than the Bonds, or in any of the circumstances described in Condition 6.3.7 and Condition 6.3.11) or grant such rights in respect of any existing securities and the consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) shall be less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the issue of such securities is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the date of issue of such convertible or exchangeable securities shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- |   |   |   |
|---|---|---|
| N | = | the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of such issue.    |
| n | = | the number of Shares to be issued upon conversion or exchange of such convertible or exchangeable securities at the initial conversion or exchange price or rate. |
| v | = | the number of Shares which the aggregate consideration receivable by the Issuer would purchase at such Current Market Price per Share.                            |

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India corresponding to the calendar day at the place of issue on which such convertible or exchangeable securities are issued.

**6.3.10** Other issues of Shares:

*Adjustment:* If the Issuer shall issue any Shares (other than Shares issued upon conversion or exchange of any convertible or exchangeable securities (including the Bonds) issued by the Issuer or upon exercise of any rights or warrants granted, offered or issued by the Issuer or in any of the circumstances described in any

preceding provision of this Condition 6.3) for cash, for a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the issue of such Shares is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the issue of such additional Shares shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N + v}{N + n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of issue of such additional Shares.
- n = the number of additional Shares issued as aforesaid.
- v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share.

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India of the issue of such additional Shares.

#### **6.3.11** Issue of equity-related securities:

*Adjustment:* If the Issuer shall grant, issue or offer options, warrants or rights (excluding those rights and warrants referred to in Conditions 6.3.5, 6.3.6, 6.3.7 and 6.3.8) to subscribe for or purchase Shares or securities convertible into or exchangeable for Shares and the consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) shall be less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the offer, grant or issue of such rights, options or warrants is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the date of the offer, grant or issue of such rights, options or warrants shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N + v}{N + n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of such issue.
- n the number of Shares to be issued on exercise of such rights or warrants and (if applicable) conversion or exchange of such convertible or exchangeable securities at the said consideration.
- v the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share.

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India corresponding to the calendar day at the place of issue on which such rights or warrants are issued.

#### 6.3.12 Tender or exchange offer:

*Adjustment:* In case a tender or exchange offer made by the Issuer or any Subsidiary for all or any portion of the Shares shall expire and such tender or exchange offer shall involve the payment by the Issuer or such Subsidiary of consideration per Share having a Fair Market Value at the last time (the “**Expiration Date**”) tenders or exchanges could have been made pursuant to such tender or exchange offer (as it shall have been amended) that exceeds the Current Market Price per Share, as of the Expiration Date, the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N \times CMP}{fmv + [(N - n) \times CMP]} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- N = the number of Shares outstanding (including any tendered or exchanged Shares) on the Expiration Date.
- CMP = Current Market Price per Share as of the Expiration Date.
- fmv = the Fair Market Value of the aggregate consideration payable to the holders of Shares based on the acceptance (up to a maximum specified in the terms of the tender or exchange offer) of all Shares validly tendered or exchanged and not withdrawn as of the Expiration Date (the Shares deemed so accepted up to any such maximum, being referred to as the “**Purchased Shares**”).
- n = the number of Purchased Shares.

*Effective date of adjustment:* Such adjustment shall become retroactively effective immediately prior to the opening of business on the day following the Expiration Date.

*Tender or exchange offer not completed:* If the Issuer is obligated to purchase Shares pursuant to any such tender or exchange offer, but the Issuer is permanently prevented by applicable law from effecting any such purchase or all such purchases are rescinded, the Conversion Price shall again be adjusted to be the Conversion Price which would then be in effect if such tender or exchange offer had not been made.

**6.3.13** Analogous events and modifications:

If (a) the rights of conversion or exchange, purchase or subscription attaching to any options, rights or warrants to subscribe for or purchase Shares or any securities convertible into or exchangeable for, or which carry rights to subscribe for or purchase Shares are modified (other than pursuant to and as provided in the terms and conditions of such options, rights, warrants or securities as originally issued) or (b) the Issuer determines that any other event or circumstance has occurred which has or would have an effect on the position of the Bondholders as a class compared with the position of the holders of all the securities (and options and rights relating thereto) of the Issuer, taken as a class which is analogous to any of the events referred to in Conditions 6.3.1 to 6.3.12, then, in any such case, the Issuer shall promptly notify the Trustee in writing thereof and the Issuer shall consult with an Independent Financial Institution as to what adjustment, if any, should be made to the Conversion Price to preserve the value of the Conversion Right of Bondholders and will make any such adjustment. All costs, charges, liabilities and expenses incurred in connection with the appointment, retention, consultation and remuneration of any Independent Financial Institution appointed under the Conditions shall be borne by the Issuer.

**6.3.14** Simultaneous issues of different classes of Shares:

In the event of simultaneous issues of two or more classes of share capital comprising Shares or rights or warrants in respect of, or securities convertible into or exchangeable for, two or more classes of share capital comprising Shares, then, for the purposes of this Condition, the formula:

$$NCP = OCP \times \left[ \frac{N + v}{N + n_1} \right]$$

shall be restated as:

$$NCP = OCP \times \left[ \frac{N + v_1 + v_2 + v_3}{N + n_1 + n_2 + n_3} \right]$$

where v1 and n1 shall have the same meanings as “v” and “n” but by reference to one class of Shares, v2 and n2 shall have the same meanings as “v” and “n” but by reference to a second class of Shares, v3 and n3 shall have the same meanings as “v” and “n” but by reference to a third class of Shares and so on.

**6.3.15** Certain Definitions:

For the purposes of these Conditions:

the “**Closing Price**” of the Shares for each Trading Day shall be the last reported transaction price of the Shares on the BSE for such day or, if no transaction takes place on such day, the average of the closing bid and offered prices of Shares for such day as furnished by a leading independent securities firm licensed to trade on

the BSE selected from time to time by the Issuer and notified to the Trustee in writing for the purpose.

**“Current Market Price”** per Share on any date means the average of the daily Closing Prices of the relevant Shares for the five consecutive Trading Days (as defined below) ending on and including the Trading Day immediately preceding such date. If the Issuer has more than one class of share capital comprising Shares, then the relevant Current Market Price for Shares shall be the price for that class of Shares the issue of which (or of rights or warrants in respect of, or securities convertible into or exchangeable for, that class of Shares) gives rise to the adjustment in question.

If during the said five Trading Days or any period thereafter up to but excluding the date as of which the adjustment of the Conversion Price in question shall be effected, any event (other than the event which requires the adjustment in question) shall occur which gives rise to a separate adjustment to the Conversion Price under the provisions of these Conditions, then the Current Market Price as determined above shall be adjusted in such manner and to such extent as an Independent Financial Institution shall in its absolute discretion deem appropriate and fair to compensate for the effect thereof.

**“Trading Day”** means a day when the BSE is open for business, but does not include a day when (a) no such last transaction price or closing bid and offered prices is/are reported and (b) (if the Shares are not listed or admitted to trading on such exchange) no such closing bid and offered prices are furnished as aforesaid.

If the Shares are no longer listed on the BSE but are still listed on the NSE, references in the above definitions to the BSE shall be deemed to be the NSE, and if the Shares are no longer listed on the BSE or the NSE and have been listed on another stock exchange as required by Condition 6.4.1, references in the above definitions to the BSE will be taken as references to the Alternative Stock Exchange.

#### **6.3.16** Consideration receivable by the Issuer:

For the purposes of any calculation of the consideration receivable by the Issuer pursuant to Conditions 6.3.5, 6.3.6, 6.3.7, 6.3.9, 6.3.10 and 6.3.11 above, the following provisions shall be applicable:

- (a) in the case of the issue of Shares for cash, the consideration shall be the amount of such cash;
- (b) in the case of the issue of Shares for a consideration in whole or in part other than cash, the consideration other than cash shall be deemed to be the fair value thereof as determined by an Independent Financial Institution or, if pursuant to applicable law of India such determination is to be made by application to a court of competent jurisdiction, as determined by such court or an appraiser appointed by such court, irrespective of the accounting treatment thereof;
- (c) in the case of the issue (whether initially or upon the exercise of rights or warrants) of securities convertible into or exchangeable for Shares, the consideration received by the Issuer for such securities and (if applicable) rights or warrants plus the additional consideration (if any) to be received by the Issuer upon (and assuming) the conversion or exchange of such

securities at the initial conversion or exchange price or rate and (if applicable) the exercise of such rights or warrants at the initial subscription or purchase price (the consideration in each case to be determined in the same manner as provided in this Condition 6.3.16) and the consideration per Share receivable by the Issuer shall be such aggregate consideration divided by the number of Shares to be issued upon (and assuming) such conversion or exchange at the initial conversion or exchange price or rate and (if applicable) the exercise of such rights or warrants at the initial subscription or purchase price;

- (d) in the case of the issue of rights or warrants to subscribe for or purchase Shares, the aggregate consideration receivable by the Issuer shall be deemed to be the consideration received by the Issuer for any such rights or warrants plus the additional consideration to be received by the Issuer upon (and assuming) the exercise of such rights or warrants at the initial subscription or purchase price (the consideration in each case to be determined in the same manner as provided in this Condition 6.3.16) and the consideration per Share receivable by the Issuer shall be such aggregate consideration divided by the number of Shares to be issued upon (and assuming) the exercise of such rights or warrants at the initial subscription or purchase price;
- (e) if any of the consideration referred to in any of the preceding paragraphs of this Condition 6.3.16 is receivable in a currency other than Rupees, such consideration shall (in any case where there is a fixed rate of exchange between the Rupees and the relevant currency for the purposes of the issue of the Shares, the conversion or exchange of such securities or the exercise of such rights or warrants) be translated into Rupees for the purposes of this Condition 6.3.16 at such fixed rate of exchange and shall (in all other cases) be translated into Rupees at the mean of the exchange rate quotations (being quotations for the cross rate through U.S. dollars if no direct rate is quoted) by a leading bank in India for buying and selling spot units of the relevant currency by telegraphic transfer against Rupees on the date as of which the said consideration is required to be calculated as aforesaid;
- (f) in the case of the issue of Shares (including, without limitation, to employees under any employee bonus or profit sharing arrangements) credited as fully paid out of retained earnings or capitalisation of reserves at their par value, the aggregate consideration receivable by the Issuer shall be deemed to be zero (and accordingly the number of Shares which such aggregate consideration receivable by the Issuer could purchase at the relevant Current Market Price per Share shall also be deemed to be zero); and
- (g) in making any such determination, no deduction shall be made for any commissions or any expenses paid or incurred by the Issuer.

#### **6.3.17** Cumulative adjustments:

If, at the time of computing an adjustment (the "**later adjustment**") of the Conversion Price pursuant to any of Conditions 6.3.2, 6.3.5, 6.3.6, 6.3.9, 6.3.10 and 6.3.11 above, the Conversion Price already incorporates an adjustment made (or taken or to be taken into account pursuant to the proviso to Condition 6.3.18) to reflect an issue of Shares or of securities convertible into or exchangeable for Shares or of rights or warrants to subscribe for or purchase Shares or securities, to the extent that the

number of such Shares or securities taken into account for the purposes of calculating such adjustment exceeds the number of such Shares in issue at the time relevant for ascertaining the number of outstanding Shares for the purposes of computing the later adjustment, such excess Shares shall be deemed to be outstanding for the purposes of making such computation.

**6.3.18** Minor adjustments:

No adjustment of the Conversion Price shall be required if the adjustment would be less than 1% of the then current Conversion Price; provided that any adjustment which by reason of this Condition 6.3.18 is not required to be made shall be carried forward and taken into account (as if such adjustment had been made at the time when it would have been made but for the provisions of this Condition 6.3.18) in any subsequent adjustment. All calculations under this Condition 6.3 shall be made to the nearest ₹0.01 with ₹0.005 being rounded up to the next ₹0.01. Except as otherwise set out in Condition 6.3.19, the Issuer may reduce the Conversion Price (but is not obliged to do so) at any time in its absolute discretion, subject to compliance with all applicable Indian laws.

**6.3.19** Minimum Conversion Price:

Notwithstanding the provisions of this Condition, the Issuer covenants that:

- (a) the Conversion Price shall not be reduced below the par value of the Shares (₹2 at the date hereof) as a result of any adjustment made hereunder unless under applicable law then in effect Bonds may be converted at such reduced Conversion Price into legally issued, fully-paid and non-assessable Shares; and
- (b) it will not take any corporate or other action which might result in the Conversion Price being reduced pursuant to Conditions 6.3.1 to 6.3.14 above the level permitted by applicable Indian laws and regulations from time to time (if any) or (ii) applicable Indian regulatory authorities.

**6.3.20** Reference to “fixed”:

Any references herein to the date on which a consideration is “fixed” shall, where the consideration is originally expressed by reference to a formula which cannot be expressed as an actual cash amount until a later date, be construed as a reference to the first day on which such actual cash amount can be ascertained.

**6.3.21** Upward adjustment:

No adjustment involving an increase in the Conversion Price will be made, except in the case of a consolidation of the Shares, as referred to in Condition 6.3.1.

**6.3.22** Trustee not obliged to monitor:

The Trustee shall not be under any duty to monitor whether any event or circumstance has happened or exists under this Condition 6.3 and will not be responsible to Bondholders for any loss arising from any failure by it to do so.

The Trustee and the Agents shall be under no obligation to calculate, determine or verify the number of Shares to be issued upon conversion of the Bonds or verify the

Issuer's or the Independent Financial Institution's determination of such number of Shares or method used in such determination and neither the Trustee nor the Agents shall be responsible to Bondholders or any other person for any loss arising from any failure to do so or for any delay of the Issuer or the Independent Financial Institution in making such determination or any erroneous determination by the Issuer or the Independent Financial Institution.

**6.3.23** Approval of Trustee:

The Issuer shall within 3 days of the adjustment event send the Trustee a certificate setting out particulars relating to adjustment of the Conversion Price. The Issuer shall also cause a notice containing the same information to be sent to Bondholders, such notice to be provided to the Trustee in writing before it is given to Bondholders.

**6.3.24** Independent Financial Institution:

If the Issuer fails to select an Independent Financial Institution when required in this Condition 6.3, the Trustee may (at its absolute discretion) select such an Independent Financial Institution at the expense of the Issuer.

**6.3.25** Depositary Receipts:

If the Issuer shall have outstanding a depositary receipt facility programme or facility in respect of its Shares (a "**DR Facility**") on the date of conversion of any Bonds, then, subject to the terms and conditions of the relevant facility or programme and to applicable laws and regulations and to such amendments to these Conditions as the Issuer and the Trustee shall consider to be appropriate, each Bondholder will have the right in respect of the exercise of Conversion Rights to elect (a "**DR Election**") that the Shares to be issued on conversion be represented by depositary receipts ("**DRs**") and to receive DRs instead of such Shares. A DR Election shall be made in the relevant Conversion Notice in such form as the Issuer may require. The number of DRs to be issued on exercise of Conversion Rights in respect of which the relevant Bondholder shall have duly made a DR Election shall be determined by dividing the principal amount of the relevant Bond to be converted by the Conversion Price in effect on the relevant Conversion Date and dividing the resulting number by the number of Shares represented by each DR on such Conversion Date.

Fractions of a DR will not be issued and neither will a Share (where at the relevant time a DR represents more than one Share) or any fraction of a Share be issued and no cash payment or adjustment will be made in respect thereof. However, if the Conversion Right in respect of more than one Bond is exercised at any one time such that DRs are to be issued to the same person, the number of such DRs to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being so converted and rounded down to the nearest whole number of DRs.

Where DRs are to be issued, the Issuer will, as soon as practicable, and in any event not later than 30 days after the relevant Conversion Date (i) cause the name of the depositary in respect of the relevant DR Facility (the "**DR Depositary**"), or its custodian, to be registered in the record of the depositors maintained by the depositary registered under the 1996 Depositories Act with whom the Issuer has entered into a depositary agreement and (ii) cause the relevant number of DRs to be issued by the DR Depositary pursuant to the relevant DR Facility to the relevant Bondholder or his/their nominee.

DRs will be issued in book-entry form or in certificated form as provided in the relevant DR Facility, and may bear such legends and be subject to such restrictions on transfer as the Issuer shall determine to be necessary to comply with applicable laws and regulations.

A Bondholder exercising Conversion Rights and making a DR Election must deliver at its expense to the specified office of any Conversion Agent all and any certificates and other documents as may be required pursuant to the relevant DR Facility in respect of the deposit of the relevant Shares pursuant to such DR Facility.

The Issuer will pay all expenses, charges and fees of the custodian for the DR Depository and of the DR Depository in connection with the deposit of the relevant Shares and issue of the DRs on conversion.

If a Retroactive Adjustment shall occur in relation to the exercise of Conversion Rights in relation to any Bond in respect of which a DR Election shall have been duly made, the Issuer shall, conditional upon the relevant adjustment becoming effective procure that there shall be issued to the relevant Bondholder (or in accordance with instructions contained in the Conversion Notice) such additional number DRs (if any) (the “**Additional DRs**”) as, together with the DRs issued or to be issued on conversion of the relevant Bond is equal to the number of DRs which would have been required to be issued on conversion of such Bond (together with any fraction of a DR not so issued) if the relevant adjustment to the Conversion Price had been made and become effective on and as of the relevant Conversion Date.

DRs issued upon conversion of the Bonds will in all respects rank *pari passu* with all other DRs under the relevant DR Facility then in issue on the relevant Conversion Date, except that the DRs or, as the case may be, the Additional DRs so issued will not rank for any right where the record date or other due date for the establishment of entitlement in respect of the Shares represented by such DRs or, as the case may be, Additional DRs falls prior to the relevant Conversion Date.

If the Issuer determines that it would be contrary to applicable laws or regulations or would be contrary to the terms of the relevant DR Facility (including any provisions thereof relating to the deposit of Shares) to issue Shares to be represented by DRs upon conversion of Bonds in respect of which a DR Election shall have been made, such DR Election shall be ineffective and there shall be issued to such Bondholder (or as specified in the relevant Conversion Notice) Shares as if such DR Election had not been made.

The Issuer is under no obligation to establish and/or maintain any depository facility or programme in respect of the Shares or, if it does, to enable the Shares to be eligible for deposit pursuant thereto. The Issuer shall be entitled to impose such conditions and restrictions on the deposit of Shares pursuant to any such facility or programme as it may determine, and may agree with the Trustee such changes to these Conditions as may be appropriate in respect of or relating to the deposit of Shares pursuant to any such facility or programme.

#### **6.3.26** Employee Share Option Scheme:

No adjustment will be made to the Conversion Price where Shares or options to subscribe or acquire Shares are issued, offered, allotted, appropriated, modified or granted to or for the benefit of employees or former employees (including directors) of the Issuer or its Subsidiaries or any associated company of the Issuer (as set out in

the relevant employee stock option plan), or persons related to such employees or former employees (including directors) or former employees, directly or indirectly, pursuant to any employee stock option scheme or plan approved by shareholders in general meeting and otherwise adopted in accordance with and complying with all applicable provisions of relevant Indian laws and regulations and official guidelines of any relevant governmental or official body except to the extent that such issues in any period of 12 months amount to, or entitle such persons to receive Shares in excess of 3% of the average number of Shares outstanding during such period of 12 months.

## 6.4 Undertakings

**6.4.1** The Issuer has undertaken in the Trust Deed, *inter alia*, that so long as any Bond remains outstanding, save with the approval of an Extraordinary Resolution of the Bondholders or with the prior written consent of the Trustee where, in the opinion of the Trustee, it is not materially prejudicial to the interests of Bondholders to give such approval:

- (i) it will use its best endeavours (a) ~~to obtain and maintain a listing of the Bonds on the Singapore Exchange Securities Trading Limited (the "Singapore Stock Exchange")~~, (b) to maintain a listing for all the issued Shares on the Indian Exchanges, (c) to obtain and maintain a listing for all the Shares issued on the exercise of the Conversion Rights attaching to the Bonds on the Indian Exchanges, and (d) if the Issuer is unable to obtain or maintain such listings, or maintenance of such listings is unduly onerous to obtain and maintain a listing for all the ~~Bonds and the~~ Shares issued on the exercise of the Conversion Rights, on an alternative stock exchange as the Issuer may from time to time (with the prior written consent of the Trustee) determine (the "**Alternative Stock Exchange**") and will forthwith give notice to the Bondholders in accordance with Condition 17 below of the listing or delisting of the Shares ~~or the Bonds (as a class)~~ by any of such stock exchanges;
- (ii) it will reserve, free from any other pre-emptive or other similar rights, out of its authorised but unissued ordinary share capital the full number of Shares liable to be issued on conversion of the Bonds without breaching any foreign ownership restrictions in India applicable to the Shares and will ensure that all such Shares will be duly and validly issued as fully-paid;
- (iii) it will pay the expenses of the issue or delivery of, and all expenses of obtaining listing for, Shares arising on conversion of the Bonds;
- (iv) it will not make any reduction of its ordinary share capital or any uncalled liability in respect thereof or of any share premium account or capital redemption reserve fund (except, in each case, as permitted by law);
- (v) it will not make any offer, issue or distribute or take any action the effect of which would be to reduce the Conversion Price below the par value of the Shares of the Issuer, provided always that the Issuer shall not be prohibited from purchasing its Shares to the extent permitted by law;
- (vi) it will not take any corporate or other action pursuant to Conditions 6.3.1 to 6.3.14 that would cause the Conversion Price to be adjusted to a price which would render conversion of the Bonds into Shares at such adjusted Conversion Price to be in contravention of applicable law or subject to approval from the Reserve Bank of India, the Ministry of Finance of the Indian

Government and/or any other governmental/regulatory authority in India. The Issuer also covenants that prior to taking any action which would cause an adjustment to the Conversion Price, the Issuer shall provide the Trustee with an opinion of a legal counsel in India of international repute, stating that the Conversion Price as proposed to be adjusted pursuant to such action, is in conformity with applicable law and that the conversion of the Bonds to the Shares at such adjusted Conversion Price would not require approval of the Reserve Bank of India, the Ministry of Finance of the Indian Government and/or any other governmental/regulatory authority in India (the “**Price Adjustment Opinion**”). To the extent that an event triggering an adjustment to the Conversion Price occurs and the Issuer is unable to provide the Trustee with a Price Adjustment Opinion, the Issuer shall give notice to Bondholders of their Non-Permitted Conversion Price Adjustment Event Repurchase Right, as defined in and pursuant to Condition 8.7;

- (vii) it will not acquire or retire for value any Shares;
- (viii) except to the extent required pursuant to the Share Issue or the Debt Resolution Plan (each as defined in Condition 10), it will not retire for value prior to its repayment or maturity date any loans and/or securities *pari passu* with or subordinated to the Bonds (provided that, for the purpose of this Condition 6.4.1, the Bonds will be presumed to be in unsecured form throughout their term); and
- (ix) it will not declare or pay any dividends or make any payments or repayments of any kind to its shareholders, for so long as any Bonds are outstanding.

**6.4.2** The Issuer undertakes that so long as any Bond remains outstanding it shall provide to the Trustee:

- ~~(a) on an annual basis and in addition to its regular stock exchange reporting requirements, the details of amounts prepaid to the CDR lenders and the Asset Coverage Ratio in order to enable the Trustee to monitor the Security Conditions;~~
- (a) [Reserved];
- (b) (i) its semi-annual financial information prepared in accordance with ~~Clause 41 of the listing agreements entered into with the Indian Exchanges~~the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended in respect of each semi-annual fiscal period within 3 months of the end of the relevant semi-annual fiscal period, and (ii) its annual report containing audited financial statements in respect of each fiscal year within 6 months from the end of the relevant fiscal year reported on by the auditors and prepared in accordance with Indian GAAP and if so requested, certified by two directors of the Issuer (in each case in English language); and
- (c) a copy of all publicly available notices, statements and documents which are issued to its Shareholders or its creditors as soon as practicable (but not later than 30 days) after their date of issue.

**6.4.3** The Issuer has also given certain other undertakings in the Trust Deed for the protection of the Conversion Rights.

## 6.5 Notice of Change in Conversion Price

The Issuer shall give notice to the Bondholders in accordance with Condition 17 ~~and, for so long as the Bonds are listed on the Singapore Stock Exchange and the rules of the Singapore Stock Exchange so require, the Issuer shall also give notice to the Singapore Stock Exchange,~~ of any change in the Conversion Price. Any such notice relating to a change in the Conversion Price shall set forth the event giving rise to the adjustment, the Conversion Price prior to such adjustment, the adjusted Conversion Price and the effective date of such adjustment.

## 6.6 Conversion upon Change of Control

If a Change of Control (as defined below) shall have occurred during the Conversion Period, the Issuer shall give notice of that fact to the Bondholders (the “**Change of Control Notice**”) in accordance with Condition 17 within seven days after it becomes aware of such Change of Control. Following the giving of a Change of Control Notice, upon any exercise of Conversion Rights such that the relevant Conversion Date falls within 30 days following a Change of Control, or, if later, 30 days following the date on which the Change of Control Notice is given to Bondholders (such period, the “**Change of Control Conversion Period**”), the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = \frac{OCP}{1 + (CP \times c/t)}$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2. For the avoidance of doubt, OCP for the purposes of this Condition 6.6 shall be the Conversion Price applicable on the relevant Conversion Date in respect of any conversion pursuant to this Condition 6.6.

Conversion Premium (“CP”)	=	10% expressed as a fraction.
c	=	the number of days from and including the first day of the Change of Control Conversion to but excluding 16 July 2019
t	=	the number of days from and including 15 July 2014 to but excluding 16 July 2019

provided that the Conversion Price shall not be reduced pursuant to this Condition 6.6 above the level permitted by applicable Indian laws and regulations from time to time (if any).

If the last day of a Change of Control Conversion Period shall fall during a Closed Period, the Change of Control Conversion Period shall be extended such that its last day will be the fifteenth day following the last day of a Closed Period.

For the purposes of this Condition 6.6 and Condition 8.4,

“**control**” means (a) the acquisition or control of more than 50% of the Voting Rights of the issued share capital of the Issuer or (b) the right to appoint and/or remove all or the majority of the members of the Issuer’s Board of Directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise;

a “**Change of Control**” occurs when, other than pursuant to the Share Issue or the Debt Resolution Plan (each as defined in Condition 10):

- (a) any person or persons (excluding the Promoter Group), acting together, acquires control, directly or indirectly, of the Issuer; or
- (b) the Issuer consolidates with or merges into or sells or transfers all or substantially all of the Issuer’s assets to any other person or persons, acting together;

a “**person**” includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity) but does not include the Issuer’s Board of Directors or any other governing board and does not include the Issuer’s 100% owned direct or indirect Subsidiaries;

“**Promoter Group**” means Tulsi R. Tanti, Tanti Holdings Private Limited, Gita T. Tanti, Tulsi R. Tanti (as karta of Tulsi Ranchhodbhai HUF), Tulsi R. Tanti (as karta of Ranchhodbhai Ramjibhai HUF) ~~and~~, jointly by Tulsi R. Tanti, Vinod R. Tanti and Jitendra R. Tanti, Vinod R. Tanti, Jitendra R. Tanti, Sangita V. Tanti, Lina J. Tanti, Girish R. Tanti, Rambhoben Ukabhai, Vinod R. Tanti (as karta of Vinod Ranchhodbhai HUF), Jitendra R. Tanti (as karta of Jitendra Ranchhodbhai HUF), Pranav T. Tanti, Nidhi T. Tanti, Radha G. Tanti, Aarav G. Tanti ~~(through guardian Girish R. Tanti)~~, Aanya G. Tanti ~~(through guardian Girish R. Tanti)~~, Rajan V. Tanti, Brij J. Tanti, Trisha J. Tanti, Girish R. Tanti (as karta of Girish Ranchhodbhai HUF), ~~Suruchi Holdings Private Limited, Sugati Holdings Private Limited and~~ Samanvaya Holdings Private Limited, The Tanti Trust and Sanyogita P. Tanti; and

“**Voting Rights**” means the right generally to vote at a general meeting of Shareholders of the Issuer (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

## 7 **Payments**

### 7.1 Principal and Interest

- (i) Payment of principal, interest and premium (if any) will be made by transfer to the registered account of the Bondholder or by U.S. dollar cheque drawn on a bank in New York City mailed to the registered address of the Bondholder if it does not have a registered account, in each case, in accordance with provisions of the Agency Agreement. Such payment will only be made after surrender of the relevant Certificate at the specified office of any of the Agents. If an amount which is due on the Bonds is not paid in full, the Registrar will annotate the Register with a record of the amount (if any) paid.
- (ii) Interest on the Bonds due on an Interest Payment Date will be paid on the due date for the payment of interest to the holder shown on the Register at the close of business on the 15th day before the due date for the payment of interest (the “**Interest Record Date**”). Payments of interest on each Bond will be made by transfer to the registered account of the Bondholder or by U.S. dollar cheque drawn on a bank in New York City mailed to the registered address of the Bondholder if it does not have a registered account, in each case, in accordance with the terms of the Agency Agreement.

### 7.2 Registered Accounts

For the purposes of this Condition, a Bondholder's "**registered account**" means the U.S. dollar account maintained by or on behalf of it with a bank in New York City, details of which appear on the Register at the close of business on the second business day (as defined below) before the due date for payment, and a Bondholder's registered address means its address appearing on the Register at that time.

### 7.3 Applicable Laws

All payments are subject in all cases to any applicable laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9. No commissions or expenses shall be charged to the Bondholders in respect of such payments.

### 7.4 Payment Initiation

Where payment is to be made by transfer to a registered account, payment instructions (for value on the due date or, if that is not a business day (as defined below), for value on the first following day which is a business day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (at the risk and, if mailed at the request of the holder otherwise than by ordinary mail, expense of the holder) on the due date for payment (or, if it is not a business day, the immediately following business day) or, in the case of a payment of principal, if later, on the business day on which the relevant Certificate is surrendered at the specified office of an Agent.

### 7.5 Default Interest and Delay in Payment

- (i) If the Issuer fails to pay any sum in respect of the Bonds when the same becomes due and payable under these Conditions, interest shall accrue on the overdue sum at the rate of 5.94% per annum (being the yield to maturity plus default interest) from the due date. Such default interest shall accrue on the basis of the actual number of days elapsed and a 360-day year.

*RBI regulations may require the Issuer to obtain the prior approval of the RBI before making any such default interest payments. Such approval may or may not be forthcoming.*

- (ii) Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a business day, if the Bondholder is late in surrendering its Certificate (if required to do so) or if a cheque mailed in accordance with this Condition arrives after the due date for payment.

### 7.6 Business Day

In this Condition, "**business day**" means a day other than a Saturday or Sunday on which commercial banks are open for business in Mumbai, New York City and London and, in the case of the surrender of a Certificate, in the place where the Certificate is surrendered.

## 8 Redemption, purchase and cancellation

[As at 13 March 2020 \(being the date of the notice of meeting issued by the Issuer in relation to the Bonds Restructuring \(as defined below\)\), the principal amount outstanding under the Bonds was U.S.\\$172,002,000 \(the "Notice Date Outstanding Principal"\).](#)

As at the later of (i) the Share Completion Date (as defined below); and (ii) the Bond Exchange Date (as defined below), the entire principal amount outstanding of the Bonds shall be marked down and cancelled by the Principal Agent.

**For the avoidance of doubt, the Share Completion Date and the Bond Exchange Date shall at all times remain subject to the fulfillment of the Conditions Precedent (as defined below).**

## 8.1 Maturity

Unless previously redeemed, converted or purchased and cancelled as provided herein, the Issuer will redeem the Bonds at their principal amount on 16 July 2019 (the “**Maturity Date**”) together with accrued interest, if any, calculated in accordance with Condition 5.1. The Issuer may not redeem the Bonds at its option prior to that date except as provided in Condition 8.2 or 8.3 below (but without prejudice to Condition 10).

## 8.2 Mandatory Conversion or Bond Exchange at the Option of the ~~Issuer~~Bondholders

~~8.2.1 On or at any time after the date falling 15 July 2016, and on or prior to 15 January 2018 (the “**First Phase**”), the Issuer may, having given not less than 30 nor more than 60 days’ notice to the Bondholders, the Trustee and the Principal Agent (such notice the “**Mandatory Conversion Notice**” and such period the “**Mandatory Conversion Notice Period**”) which notice shall be irrevocable, mandatorily convert the Bonds in part (but subject to not converting more than U.S.\$182,305,333.33) pursuant to a single Mandatory Conversion Notice, into Shares at the then prevailing Conversion Price. The Issuer may deliver a Mandatory Conversion Notice only if the Volume Weighted Average Price (converted into U.S. dollars at the Prevailing Rate) of the Shares on each day during a period of not less than 30 Trading Days prior to the date on which such Mandatory Conversion Notice is delivered, was at least 175% of the applicable Conversion Price (converted into U.S. dollars at the Fixed Exchange Rate). Such notice may not be given more than 14 days after the end of such period of 30 Trading Days.~~

~~8.2.2 On or at any time after 15 January 2018 and on or prior to 17 May 2019 (the “**Second Phase**”), the Issuer may, having provided a Mandatory Conversion Notice in accordance with the Mandatory Conversion Notice Period to the Bondholders, the Trustee and the Principal Agent, which notice shall be irrevocable, mandatorily convert the Bonds in part (but subject to not converting more than U.S.\$182,305,333.33) pursuant to a single Mandatory Conversion Notice, into Shares at the then prevailing Conversion Price. The Issuer may deliver a Mandatory Conversion Notice only if the Volume Weighted Average Price (converted into U.S. dollars at the Prevailing Rate) of the Shares on each day during a period of not less than 30 Trading Days prior to the date on which such Mandatory Conversion Notice is delivered, was at least 150% of the applicable Conversion Price (converted into U.S. dollars at the Fixed Exchange Rate). Such notice may not be given more than 14 days after the end of such period of 30 Trading Days.~~

~~If the Issuer exercises its option to exercise the mandatory conversion more than once during the term of the Bonds, there must be a six month period between the delivery of any two Mandatory Conversion Notices.~~

~~In the case of mandatory conversion in accordance with this condition, the Bonds to be converted will be converted on a *pro rata* basis (which will result in the face value of each Bond being marked down in part) or otherwise in accordance with the rules of~~

~~Euroclear and Clearstream, Luxembourg in the case of mandatory conversion of the Bonds represented by Global Certificates.~~

~~Any Mandatory Conversion Notice shall specify (i) the expiry date of the Mandatory Conversion Notice Period; (ii) the Cut-Off Date (as defined herein); (iii) a confirmation that the conditions to a mandatory conversion in accordance with this Condition have been satisfied; and (iv) the then applicable Conversion Price. The Mandatory Conversion Notice shall also specify further details of the conversion, including instructions to Bondholders regarding the time period in which Bondholders must deposit and surrender their respective Certificates and the duly signed and completed Conversion Notice at the specified office of the relevant Conversion Agent or the Principal Agent.~~

~~The Issuer's right to mandatorily convert under this Condition 8.2 does not affect a holder's right to exercise its Conversion Right hereunder (which shall remain in full force and effect during the Mandatory Conversion Notice Period) provided that in no event shall the Conversion Date fall after the date for mandatory conversion hereunder. Upon the expiry of the Mandatory Conversion Notice Period, the Issuer will be bound (subject to and in accordance with Condition 6) to convert the Bonds to which such notice relates into Shares and the date of expiry of such period shall be deemed to be the Conversion Date. The holders of the Bonds to be so converted shall be deemed to have exercised their Conversion Rights and the provisions of Condition 6 apply *mutatis mutandis*.~~

~~If on the business day immediately following the Mandatory Conversion Notice Period (the "**Cut-Off Date**"), Conversion Notices have not been received by the relevant Conversion Agent or the Principal Agent in respect of any Bonds outstanding ("**Relevant Bonds**"), the Relevant Bonds shall be converted into Shares in accordance with these Conditions at the applicable Conversion Price and such Shares shall be delivered to an agent of the Issuer located in Mumbai (the "**Share Agent**"). Certificates for such Shares will be issued by the Issuer in the name of an agent of the Issuer and deposited at the office of the Share Agent and the Issuer will be responsible for all fees and charges for the issue of such Certificate or Certificates. All of the Shares delivered, or to be delivered, on such conversion shall be sold by, or on behalf of, the Share Agent as soon as practicable, and (subject to any necessary consents being obtained, and to the deduction by the Share Agent of any amount which it determines to be payable in respect of its liability to taxation and the payment of any capital, stamp, transfer, issue or registration duties (if any) and any costs incurred by the Share Agent in connection with the transfer, delivery and sale thereof) the net proceeds of sale together with accrued interest (if any) payable under Condition 6, and any cash in lieu of fractions and any other amount payable by the Issuer in respect of the relevant exercise in respect of the Relevant Bonds (the "**Net Proceeds**") shall be held by the Share Agent for the benefit of the Bondholders so entitled and distributed rateably to the holders of such Relevant Bonds.~~

~~Immediately following the sale of Shares by the Share Agent, the Issuer shall forthwith notify Bondholders of such sale and provide details of the Net Proceeds available for distribution to Bondholders so entitled. The Issuer's obligation to pay the principal and interest on the Bonds shall not be satisfied unless and until the relevant Shares or Net Proceeds (as applicable) attributable to the Bonds converted pursuant to Condition 8.2 shall have been delivered to the applicable Bondholder.~~

~~The Trustee shall not be required to take any steps to ascertain or verify whether any of the events described in Conditions 8.2.1 and 8.2.2 has occurred. The Trustee and~~

~~the Issuer shall have no responsibility to any person for the manner in which such sale is effected or if the aggregate sale proceeds fall short of the principal amount of the Relevant Bonds. The Trustee shall have no liability in respect of the exercise or non-exercise of the right of the Issuer to mandatorily convert any Bonds pursuant to this Condition 8.2 or the timing of such exercise or in respect of any such sale of Shares whether for the timing of any such sale or the price at which any such Shares are sold, or the inability to sell any such Shares or otherwise.~~

On or at any time prior to [insert Bondholder's Meeting date], each Bondholder shall elect to require the Issuer to redeem in whole, but not in part, such Bondholder's Bonds in exchange for either of the following:

- (i) Shares, subject to and in accordance with the terms of the Consent Solicitation and Information Memorandum and the provisions relating to Mandatory Conversion set out under Condition 8.2A below (the "Option A"); or
- (ii) U.S.\$ denominated Convertible Bonds due 2032 to be issued by the Issuer (the "New Bonds"), subject to and in accordance with the terms of the Consent Solicitation and Information Memorandum and the provisions under Condition 8.2B below (the "Option B", and, together with Option A, the "Bondholder Options", and each a "Bondholder Option").

provided that (x) if, and to the extent, any Bondholder fails to make the aforesaid election, it shall be deemed to have elected in favour of Option A subject to, and in accordance with, the provisions under Condition 8.2A below; and (y) if the Bondholders that have elected for Option B hold (in aggregate) less than, or equal to, 10% of the Notice Date Outstanding Principal, then each such Bondholder shall nonetheless be deemed to have elected in favour of Option A subject to, and in accordance with, the provisions under Condition 8.2A below.

For the avoidance of doubt, voting instructions provided by Bondholders in accordance with the terms of the Consent Solicitation and Information Memorandum, which specify their respective election out of the two Bondholder Options shall be (subject to sub-paragraph 8.2(y) above) irrevocable and be deemed to satisfy the Bondholder's election requirement mentioned hereinabove. If, and to the extent, any Bondholder fails to provide its voting instructions, in accordance with the terms of the Consent Solicitation and Information Memorandum, or abstains from voting thereon, such failure or abstention shall be deemed to be an election by such Bondholder of Option A.

**For the avoidance of doubt, the Bondholder Options (defined above) as set out in these Conditions shall at all times remain subject to the fulfillment of the Conditions Precedent (as defined below).**

For the purposes of these Conditions, "Consent Solicitation and Information Memorandum" means the Consent Solicitation and Information Memorandum dated on or about 26 March 2020 issued by the Issuer in relation to the Bonds Restructuring (as defined below).

#### 8.2A Option A

The following shall apply if, and to the extent, Option A is elected or is deemed to have been elected by the relevant Bondholder(s) (with the provisions hereof being limited solely to the Bonds that are registered in the name of such Bondholder(s) and all references in this Condition 8.2A to "Bonds", "Bondholders" and "holders" being construed as references to such Bonds and Bondholders only). For the avoidance of doubt, no Bondholder that has

ected for Option B shall have any rights or obligations under this Condition 8.2A whatsoever.

8.2A.1 On the Bonds Amendment Date, the Issuer must issue a written notice to the Trustee (on behalf of the Bondholders), the Bondholders, the Principal Agent and the Conversion Agent substantially in the form set out in Part 3 of Schedule 1 hereto (the “**Account Holder Notification**”). The Account Holder Notification must specify the Notification Date and must provide instructions regarding, *inter alia*, the completion of the Account Holder Instructions.

8.2A.2 During the period starting from the date on which all of the Conditions Precedent have been satisfied and ending on the Cut-off Date, the Issuer must issue a written irrevocable notice to the Trustee (on behalf of the Bondholders), the Bondholders, the Principal Agent and the Conversion Agent substantially in the form set out in Part 4 of Schedule 1 hereto (the “**Mandatory Conversion Notice**”). The Mandatory Conversion Notice must:

- (i) specify the Mandatory Conversion Record Date (as defined below);
- (ii) specify the Mandatory Conversion Exchange Rate (as defined below); and
- (iii) contain an accurate representation by the Issuer that all of the Conditions Precedent have been satisfied.

8.2A.3 On the Mandatory Conversion Record Date the Issuer shall, subject to receipt by the Conversion Agent of Account Holder Instructions, convert all of the outstanding Bonds into Shares in accordance with this Condition 8.2A (the “**Mandatory Conversion**”). Bonds in respect of which Account Holder Instructions have not been received by the Conversion Agent by the business day immediately following the Notification Date shall be cancelled on the Share Completion Date and the holders of such Bonds will receive limited rights under the Deed of Covenant (as defined below) in lieu of the Shares due to them.

8.2A.4 The price at which Shares will be issued upon Mandatory Conversion will be ₹7.40 per Share (the “**Mandatory Conversion Price**”). The exchange rate for conversion of U.S. dollars into Indian Rupees for the purposes of the Mandatory Conversion shall be U.S.\$1.00 = ₹60.225 (the “**Mandatory Conversion Exchange Rate**”).

8.2A.5 The number of Shares to be issued on the Mandatory Conversion of a Bond will be determined by dividing the principal amount of the Bond to be converted (translated into Indian Rupees at the Mandatory Conversion Exchange Rate) by the Mandatory Conversion Price.

8.2A.6 Fractions of Shares will not be issued on such conversion and no cash adjustments will be made in respect thereof. However, if more than one Bond is held by the same holder, and the Shares to be issued upon Mandatory Conversion pursuant to this Condition 8.2A are to be registered in the same name, the number of Shares to be issued in respect thereof will be determined on the basis of the aggregate principal amount of the Bonds held by such Bondholder and rounded down to the nearest whole number of Shares.

8.2A.7 Any taxes or stamp duties payable in India in respect of the allotment of Shares and listing of the Shares on the Indian Exchanges pursuant to the Mandatory Conversion shall be payable by the Issuer. The Issuer will also pay all charges of the Agents and

the Share Transfer Agent in connection with the Mandatory Conversion and all other expenses arising on the issue of Shares upon the Mandatory Conversion of the Bonds. A Bondholder must pay all, if any, taxes arising by reference to any disposal or deemed disposal of a Bond in connection with such conversion and must pay directly to the relevant tax authorities any taxes and stamp, issue and registration duties arising on such conversion.

8.2A.8 The Issuer will, on or with effect from the Mandatory Conversion Record Date, as soon as practicable and in any event not later than 45 business days after the Mandatory Conversion Record Date cause:

- (i) the relevant securities account of each Bondholder or its nominee to be credited with such number of relevant Shares as will be issued upon Mandatory Conversion; and
- (ii) the name of the concerned Bondholder or its nominee to be registered accordingly in the record of the depositors, maintained by the depository registered under the 1996 Depositories Act with whom the Issuer has entered into a depository agreement;

and shall take all such other steps necessary to complete the Mandatory Conversion (the date on which all obligations of the Issuer in respect of the Mandatory Conversion have been fulfilled, the “Share Completion Date”).

8.2A.9 The Shares issued upon the Mandatory Conversion of the Bonds will in all respects rank *pari passu* with the Shares in issue on the relevant Mandatory Conversion Record Date (except for any right excluded by mandatory provisions of applicable law) and such Shares shall be entitled to all rights the record date for which falls on or after such Mandatory Conversion Record Date to the same extent as all other fully-paid and non-assessable Shares of the Issuer in issue as if such Shares had been in issue throughout the period to which such rights relate. A holder of Shares issued on Mandatory Conversion of Bonds shall not be entitled to any rights the record date for which precedes the Mandatory Conversion Record Date.

8.2A.10 If, on the business day immediately following the Notification Date, Account Holder Instructions have not been received by the Conversion Agent in respect of any Bonds outstanding as at that date (the “Relevant Bonds”), the Relevant Bonds shall be cancelled on the Share Completion Date. However, the Issuer shall for a period of up to 12 months from the Share Completion Date maintain such authorised share capital to enable it to issue such Shares, at the Mandatory Conversion Price and at the Mandatory Conversion Exchange Rate, which correspond to the Relevant Bonds. To effect this, the Issuer shall execute a deed of covenant (the “Deed of Covenant”) in favour of the holders of the Relevant Bonds in respect of which Account Holder Instructions have not been received by the business day immediately following the Notification Date (such holders, the “Residual Holders”). Under the Deed of Covenant, notwithstanding the cancellation of the Relevant Bonds, the Residual Holders shall have up to 12 months from the Share Completion Date to claim the relevant Shares from the Issuer, provided that they can demonstrate to the Issuer’s reasonable satisfaction that they were holders of Bonds as at the Share Completion Date. Residual Holders who fail to claim the Shares within 12 months from the Share Completion Date, shall be deemed to have forfeited their right to the Shares and no compensation or other amounts shall be due to them.

8.2A.11 On and with effect from the Share Completion Date, upon completion of the Mandatory Conversion in relation to any Bond and the fulfilment by the Issuer of all its obligations in respect thereof:

- (i) the Issuer will notify the Trustee, the Principal Agent, the Conversion Agent and the Bondholders in writing that the Share Completion Date has occurred and instruct the Principal Agent to markdown and cancel the Bonds;
- (ii) once cancelled, Bonds may not be reissued or resold;
- (iii) save for the Issuer's obligations under the Deed of Covenant, no holder shall have any further rights in respect of a Bond held by it and all obligations of the Issuer in respect thereof shall be extinguished;
- (iv) all of the Issuer's payment obligations (including any obligation of the Issuer to pay any outstanding principal amount and any accrued interest or any default interest in respect of the Bonds) will be deemed to have been fully satisfied, or waived by the Bondholders; and
- (v) any Events of Default or Potential Events of Default under the Trust Deed and the Conditions existing as at the Share Completion Date will be deemed to have been waived by the Bondholders.

The Trustee and the Agents shall be entitled to rely upon any notification and instruction received from the Issuer pursuant to this Condition 8.2A.11 without any obligation to inquire into or investigate the validity, accuracy or content thereof and neither the Trustee nor the Agents shall be liable to the Bondholders or any other person for so relying.

8.2A.12 In the event the Mandatory Conversion Record Date has not occurred on or prior to the Cut-Off Date, then:

- (i) the Mandatory Conversion Record Date shall be incapable of occurring;
- (ii) this Condition 8.2A and all other amendments to these Conditions (as approved by the Bondholders' Resolution) shall cease to have effect (and the provisions of the Trust Deed and these Conditions shall operate without the effect of this Condition 8.2A and the other amendments to these Conditions (as approved by the Bondholders' Resolution)); and
- (iii) all of the rights of Bondholders as Bondholders and all of the obligations of the Issuer under the Trust Deed and these Conditions are reinstated and shall continue in full force and effect as such rights and obligations existed on the day immediately prior to the Bonds Amendment Date.

8.2A.13 In the event the Issuer has not fulfilled all of its obligations in respect of the Mandatory Conversion, including delivery of the Shares as and when such Shares are required to be delivered in accordance with this Condition 8.2A, on or before the Long Stop Date, then:

- (i) the Share Completion Date shall be incapable of occurring;
- (ii) this Condition 8.2A and all other amendments to these Conditions (as approved by the Bondholders' Resolution) shall cease to have effect (and the

provisions of the Trust Deed and these Conditions shall operate without the effect of this Condition 8.2A and the other amendments to these Conditions (as approved by the Bondholders' Resolution)); and

- (iii) all of the rights of Bondholders as Bondholders and all of the obligations of the Issuer under the Trust Deed and these Conditions are reinstated and shall continue in full force and effect as such rights and obligations existed on the day immediately prior to the Bonds Amendment Date.

8.2A.14 The Issuer will promptly notify the Trustee and the Bondholders in writing if any of the events in Conditions 8.2A.12 or 8.2A.13 have occurred.

8.2A.15 For the purposes of this Condition 8.2A:

"Account Holder Instruction" shall have the meaning as is assigned to such term in Part 3 of Schedule 1 hereto.

"Bonds Restructuring" means the amendments to these Conditions and the Trust Deed (including with respect to the Mandatory Conversion) approved by the Bondholders in, and in order to give effect to, the Bondholders' Resolution.

"Bondholders' Resolution" means an Extraordinary Resolution (as defined in the Trust Deed) passed by the meeting of Bondholders held on [insert Bondholder's Meeting date] approving, *inter alia*, the Bonds Restructuring.

"Bonds Amendment Date" means the date on which the Second Supplemental Trust Deed entered into between the Issuer and the Trustee in respect of the Bonds became effective in accordance with its terms, being on or about [insert Bondholder's Meeting Date].

"business day" means a day other than a Saturday or Sunday on which commercial banks are open for business in New York City, Mumbai and London.

"Conditions Precedent" means the conditions as defined in and as set out in Part 1 of Schedule 1 hereto.

"Cut-off Date" means 31 July 2020 or such later date, subject to the Long Stop Date, as may be notified by the Issuer in writing to the Trustee and the Principal Agent (with the Trustee and the Principal Agent being able to conclusively rely and act on such notification without liability to the Bondholders or any other party).

"Long Stop Date" means 30 September 2020.

"Mandatory Conversion Record Date" means the date specified in the Mandatory Conversion Notice, being a date which occurs after the Notification Date and on which all of the Conditions Precedent have been fulfilled.

"Notification Date" means the date by which Bondholders must send the Account Holder Instructions to the Conversion Agent through the relevant clearing system(s), such date being no less than 10 business days from the Bonds Amendment Date, and no more than 15 business days from the Bonds Amendment Date.

“Second Supplemental Trust Deed” means the second supplemental trust deed which shall be supplemental to the Trust Deed entered into between the Issuer and the Trustee in order to give effect to the Bonds Restructuring.

8.2B Option B

The following shall apply if, and to the extent, Option B is elected by the relevant Bondholder(s) (with the provisions hereof being limited solely to the Bonds that are registered in the name of such Bondholder(s) and all references in this Condition 8.2B to “Bonds”, “Bondholders” and “holders” being construed as references to such Bonds and Bondholders only). For the avoidance of doubt, no Bondholder that has elected, or is deemed to have elected, for Option A shall have any rights or obligations under this Condition 8.2B whatsoever.

8.2B.1 During the period starting from the date on which all of the Conditions Precedent have been satisfied and ending on the Cut-off Date, the Issuer shall issue the New Bonds (with the date of such issue being referred to as the “Bond Exchange Date”), in accordance with the terms of the Consent Solicitation and Information Memorandum, in favour of the relevant Bondholders (by way of private placement) whereupon each U.S.\$1,000 in principal amount of the Bonds held by such Bondholders, along with any accrued but unpaid interest on such principal amount up to (but not including) [insert Bond Exchange Date], shall be exchanged for the New Bonds with a face value of U.S.\$320 (the “Bond Exchange”).

8.2B.2 On and with effect from the Bond Exchange Date:

- (i) the Issuer will notify the Trustee, the Principal Agent, the Conversion Agent and the Bondholders in writing that the Bond Exchange Date has occurred and all of the Conditions Precedent have been satisfied and instruct the Principal Agent to markdown and cancel the Bonds;
- (ii) once cancelled, Bonds may not be reissued or resold;
- (iii) no holder shall have any further rights in respect of a Bond held by it and all obligations of the Issuer in respect thereof shall be extinguished;
- (iv) all of the Issuer’s payment obligations (including any obligation of the Issuer to pay any outstanding principal amount and any accrued interest or any default interest in respect of the Bonds) will be deemed to have been fully satisfied, or waived by the Bondholders; and
- (v) any Events of Default or Potential Events of Default under the Trust Deed and the Conditions existing as at the Bond Exchange Date will be deemed to have been waived by the Bondholders.

The Trustee and the Agents shall be entitled to rely upon any notification and instruction received from the Issuer pursuant to this Condition 8.2B.2 without any obligation to inquire into or investigate the validity, accuracy or content thereof and neither the Trustee nor the Agents shall be liable to the Bondholders or any other person for so relying.

8.2B.3 In the event the Bond Exchange Date has not occurred on or prior to the Cut-Off Date, then:

- (i) the Bond Exchange Date shall be incapable of occurring;
- (ii) this Condition 8.2B and all other amendments to these Conditions (as approved by the Bondholders' Resolution) shall cease to have effect (and the provisions of the Trust Deed and these Conditions shall operate without the effect of this Condition 8.2B and the other amendments to these Conditions (as approved by the Bondholders' Resolution)); and
- (iii) all of the rights of Bondholders as Bondholders and all of the obligations of the Issuer under the Trust Deed and these Conditions are reinstated and shall continue in full force and effect as such rights and obligations existed on the day immediately prior to the Bonds Amendment Date.

8.2B.4 The Issuer will promptly notify the Trustee and the Bondholders in writing if any of the events in Conditions 8.2B.3 have occurred.

8.2B.5 For the purposes of this Condition 8.2B, terms used but not defined hereinabove shall (unless the context requires otherwise) be deemed to have the same meanings as ascribed to such terms under Condition 8.2A.15.

### 8.3A Clean up option

**8.2.3** If at any time the aggregate principal amount of the Bonds outstanding is less than 10% of the aggregate principal amount originally issued (including any Bonds issued pursuant to Condition 16), the Issuer shall have the option to redeem such outstanding Bonds in whole but not in part at their Early Redemption Amount (as defined below) together with accrued but unpaid interest to such date, on the date fixed for redemption. The Issuer will give at least 30 days' but not more than 60 days' prior notice to the holders for such redemption.

### **8.3** Redemption for Taxation Reasons

**8.3.1** At any time the Issuer may, having given not less than 30 nor more than 60 days' notice to the Bondholders (which notice shall be irrevocable) redeem all, and not some only, of the Bonds at their Early Redemption Amount together with accrued but unpaid interest to such date, on the date fixed for redemption ("**Tax Redemption Date**"), if (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice that the Issuer has or will become obliged to pay additional amounts in respect of payments of interest on the Bonds pursuant to Condition 9 as a result of any change in, or amendment to, the laws or regulations of India or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Closing Date, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee a certificate signed by two directors of the Issuer stating that the obligation referred to in (i) above cannot be avoided by the Issuer (taking reasonable measures available to it); and an opinion of independent legal or tax advisors of recognised international standing to the effect that such change or amendment has occurred (irrespective of whether such amendment or change is then effective) and the Trustee

shall be entitled to accept such certificate and opinion as sufficient evidence thereof in which event it shall be conclusive and binding on the Bondholders.

**8.3.2** Upon the expiry of any such notice, the Issuer will be bound to redeem the Bonds at their Early Redemption Amount together with accrued but unpaid interest to such date, on the Tax Redemption Date.

**8.3.3** If the Issuer gives a notice of redemption pursuant to this Condition 8.3, each Bondholder will have the right to elect that his Bond(s) shall not be redeemed and that the provisions of Condition 9 shall not apply in respect of any payment of principal or interest to be made in respect of such Bond(s) which falls due after the relevant Tax Redemption Date whereupon no additional amounts shall be payable in respect thereof pursuant to Condition 9 and payment of all amounts shall be made subject to the deduction or withholding of the taxation required to be withheld or deducted by the Indian Government or any authority thereof or therein having power to tax. For the avoidance of doubt, any additional amounts which had been payable in respect of the Bonds as a result of the laws or regulations of the Indian Government or any authority thereof or therein having power to tax prior to the Closing Date will continue to be payable to such Bondholders. To exercise such right, the holder of the relevant Bond must complete, sign and deposit at the specified office of any Paying Agent a duly completed and signed notice of election (the "**Bondholder's Tax Election Notice**"), in the form for the time being current, obtainable from the specified office of any Paying Agent together with the Certificate evidencing the Bonds on or before the day falling 10 days prior to the Tax Redemption Date.

#### **8.4** Redemption for Change of Control

**8.4.1** Following the occurrence of a Relevant Event (as defined below) and to the extent permitted by applicable law, each Bondholder will have the right at such Bondholder's option to require the Issuer to redeem in whole but not in part such Bondholder's Bonds on the Relevant Event Put Date at their Early Redemption Amount together with accrued but unpaid interest to such date. To exercise such right, the relevant Bondholder must complete, sign and deposit at the specified office of any Paying Agent a duly completed and signed notice of redemption, in the form for the time being current, obtainable from the specified office of any Paying Agent ("**Relevant Event Put Exercise Notice**") together with the Certificate evidencing the Bonds to be redeemed by not later than 30 days following a Relevant Event, or, if later, 30 days following the date upon which notice thereof is given to Bondholders by the Issuer in accordance with Condition 17. The "**Relevant Event Put Date**" shall be the fourteenth day after the expiry of such period of 30 days as referred to above.

**8.4.2** A Relevant Event Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Bonds which form the subject of the Relevant Event Put Exercise Notices delivered as aforesaid on the Relevant Event Put Date.

**8.4.3** The Trustee shall not be required to take any steps to ascertain whether a Relevant Event or any event which could lead to the occurrence of a Relevant Event has occurred and shall not be responsible or liable to Bondholders for any loss arising from any failure by it to do so.

**8.4.4** No later than seven days after becoming aware of a Relevant Event, the Issuer shall procure that notice regarding the Relevant Event shall be delivered to Bondholders (in accordance with Condition 17) stating: (i) the Relevant Event Put Date; (ii) the date of such Relevant Event and, briefly, the events causing such Relevant Event; (iii)

the date by which the Relevant Event Put Exercise Notice (as defined above) must be given; (iv) the redemption amount and the method by which such amount will be paid; (v) the names and specified offices of all Paying Agents; (vi) briefly, the Conversion Right and the then current Conversion Price; (vii) the procedures that Bondholders must follow and the requirements that Bondholders must satisfy in order to exercise the Relevant Event Put Right or Conversion Right; and (viii) that a Relevant Event Put Exercise Notice, once validly given, may not be withdrawn.

**8.4.5** For the purposes of this Condition 8:

- (i) a **“person”** includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity) but does not include the Issuer’s Board of Directors or any other governing board and does not include the Issuer’s 100% owned direct or indirect Subsidiaries;
- (ii) **“Relevant Event”** occurs when there has been a Change of Control (as defined in Condition 6.6) in the Issuer; and
- (iii) **“Early Redemption Amount”** of a Bond, for each U.S.\$1,000 principal amount of the Bonds, is determined so that it represents (i) in the case of a redemption of Bonds on the Maturity Date, 100% of the principal amount of such Bonds, or (ii) in the case of a redemption of the Bonds pursuant to Condition 8 or if the Bonds become due and payable pursuant to Condition 10, the amount which is determined to be the amount which, together with unpaid accrued interest from the immediately preceding Interest Payment Date, or, if none, the Closing Date, and after taking into account any interest paid in respect of such Bonds in preceding periods, represents for the Bondholder on the relevant date for determination of the Early Redemption Amount (the **“Determination Date”**) for the Bondholder a gross yield of 4.94% per annum calculated on a semi-annual basis. The applicable Early Redemption Amount for each U.S.\$1,000 principal amount of Bonds is calculated in accordance with the following formula, rounded (if necessary) to two decimal places with 0.005 being rounded upwards (provided that if the date fixed for redemption is a Interest Payment Date (as set out below), such Early Redemption Amount shall be as set out in the table below in respect of such Interest Payment Date):

$$\text{Early Redemption Amount} = \text{Previous Redemption Amount} \times (1 + r/2)^{d/p} - AI$$

Previous Redemption Amount = the Early Redemption Amount for each U.S.\$1,000 principal amount on the Interest Payment Date immediately preceding the date fixed for redemption as set out below (or if the Bonds are to be redeemed prior to 16 January 2015, U.S.\$1,000)

<b>Interest Payment Date</b>	<b>Early Redemption Amount</b>
16 January 2015 .....	U.S.\$ 1,008.50

16 July 2015 .....	U.S.\$ 1,017.16
16 January 2016 .....	U.S.\$ 1,026.03
16 July 2016 .....	U.S.\$ 1,022.63
16 January 2017 .....	U.S.\$ 1,019.13
16 July 2017 .....	U.S.\$ 1,015.56
16 January 2018 .....	U.S.\$ 1,011.89
16 July 2018 .....	U.S.\$ 1,008.13
16 January 2019 .....	U.S.\$ 1,004.29

r = 4.94 %, expressed as a fraction.

d = number of days from and including the immediately preceding Interest Payment Date (or if the Determination Date is before the first Interest Payment Date, from and including the Closing Date) to, but excluding, the Determination Date, calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

p = 180

AI = the accrued interest on a Bond in the principal amount of U.S.\$1,000 from and including the immediately preceding Bonds Interest Payment Date (or if the Determination Date is before the first Bonds Interest Payment Date, from and including the Closing Date) to but excluding the Determination Date, calculated on the basis of a 360 day year consisting of 12 months of 30 days each and in the case of an incomplete month, the number of days elapsed.

If the Early Redemption Amount payable in respect of any Bond upon its redemption pursuant to Condition 8 or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Bond shall be the Early Redemption Amount of such Bond as described above, as though references to the Determination Date had been replaced by references to the Tax Redemption Date or Put Date or Non-Permitted Conversion Price Adjustment Date, as applicable, and interest shall accrue at the rate provided for in Condition 5.1 on the principal amount of such Bond to such date. The calculation of the Early Redemption Amount in accordance with this Condition will continue to be made (as well after as before judgment) until the Tax Redemption Date or Put Date or Non-Permitted Conversion Price Adjustment Date, as applicable,

unless such date falls on or after the Maturity Date, in which case the amount due and payable shall be 100% of the principal amount of the Bonds together with interest thereon (inclusive of interest payable pursuant to Condition 5) at the rate of 5.94% per annum from and including the Maturity Date to but excluding the Tax Redemption Date or Put Date or Non-Permitted Conversion Price Adjustment Date, as applicable.

## 8.5 Delisting Put Right

- 8.5.1** In the event the Shares cease to be listed or admitted to trading on the BSE or NSE (a “**Delisting**”), each Bondholder shall have the right (the “**Delisting Put Right**”), at such Bondholder’s option, to require the Issuer to redeem all (but not less than all) of such Bondholder’s Bonds on the twentieth business day after notice has been given to Bondholders regarding the Delisting referred to under Condition 8.5.2 below or, if such notice is not given, the twentieth business day after the Delisting (the “**Delisting Put Date**”) at their Early Redemption Amount together with accrued interest but unpaid to such date (the “**Delisting Put Price**”).
- 8.5.2** Promptly after becoming aware of a Delisting, the Issuer shall procure that notice regarding the Delisting Put Right shall be given to Bondholders (in accordance with Condition 17) stating:
- (i) the Delisting Put Date;
  - (ii) the date of such Delisting and, briefly, the events causing such Delisting;
  - (iii) the date by which the Delisting Put Notice (as defined below) must be given;
  - (iv) the Delisting Put Price and the method by which such amount will be paid;
  - (v) the names and specified offices of all Paying Agents;
  - (vi) the Conversion Right and the then current Conversion Price;
  - (vii) the procedures that Bondholders must follow and the requirements that Bondholders must satisfy in order to exercise the Delisting Put Right or Conversion Right; and
  - (viii) that a Delisting Put Notice, once validly given, may not be withdrawn.
- 8.5.3** To exercise its rights to require the Issuer to redeem its Bonds, the Bondholder must deliver a written irrevocable notice of the exercise of such right (a “**Delisting Put Notice**”), in the then current form obtainable from the specified office of any Paying Agent, to any Paying Agent on any business day prior to the close of business at the location of such Paying Agent on such day and which day is not less than 10 business days prior to the Delisting Put Date.
- 8.5.4** A Delisting Put Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Bonds which form the subject of the Delisting Put Notices delivered as aforesaid on the Delisting Put Date.
- 8.5.5** The Trustee shall not be required to take any steps to ascertain whether a Delisting or any event which could lead to the occurrence of a Delisting has occurred and shall

not be responsible or liable to Bondholders for any loss arising from any failure by it to do so.

**8.5.6** For the purposes of this Condition 8.5, “**business day**” shall mean a day on which commercial banks are open for business in New York City, London and Mumbai.

## **8.6** Redemption Following Exercise of a Put Option

Upon the exercise of any put option specified in Condition 8.4 or 8.5, payment of the applicable redemption amount shall be conditional upon (i) the Issuer obtaining all approvals required by law and (ii) delivery of the Bondholder’s Certificate (together with any necessary endorsements) to any Paying Agent on any business day (in the location of the relevant Paying Agent) together with the delivery of any other document(s) required by these Conditions, and will be made promptly following the later of the date set for redemption and the time of delivery of such Certificate. If the Paying Agent holds on the Put Date (as defined below) money sufficient to pay the applicable redemption monies of Bonds for which notices have been delivered in accordance with the provisions hereof upon exercise of such right, then, whether or not such Certificate is delivered to the Paying Agent, on and after such Put Date, (a) such Bond will cease to be outstanding; (b) such Bond will be deemed paid; and (c) all other rights of the Bondholder shall terminate (other than the right to receive the applicable redemption monies). “**Put Date**” shall mean the Relevant Event Put Date or the Delisting Put Date, as applicable.

## **8.7** Non-Permitted Conversion Price Adjustment Event Repurchase Right

To the extent permitted by applicable law, unless the Bonds have been previously redeemed, converted or purchased and cancelled, if the Issuer is unable to provide the Trustee with a Price Adjustment Opinion as set forth in Condition 6.4.1 prior to the occurrence of an event triggering an adjustment to the Conversion Price (a “**Non- Permitted Conversion Price Adjustment Event**”), the Issuer shall, within 10 business days after the occurrence of the relevant event triggering such adjustment, notify the Bondholders and the Trustee of such Non-Permitted Conversion Price Adjustment Event, and each Bondholder shall have the right (the “**Non-Permitted Conversion Price Adjustment Event Repurchase Right**”), at such Bondholder’s option, to require the Issuer to repurchase all (or any portion of the principal amount thereof which is U.S.\$1,000 and any integral multiple thereof) of such Bondholder’s Bonds at a price equal to their Early Redemption Amount (the “**Non-Permitted Conversion Price Adjustment Event Repurchase Price**”), on the date set by the Issuer for such repurchase (the “**Non- Permitted Conversion Price Adjustment Date**”), which shall be not less than 30 days nor more than 60 days following the date on which the Issuer notifies the Bondholders of the Non-Permitted Conversion Price Adjustment.

For the purposes of this Condition 8.7, “**business day**” shall mean a day on which commercial banks are open for business in New York City, London and Mumbai.

## **8.8** ~~Future Equity Issuances~~ [Reserved]

~~The net proceeds of any equity or equity-linked issuance by the Issuer (“**Equity Issuance Proceeds**”) after the satisfaction of the Security Conditions will be utilised by the Issuer (subject to compliance with prevalent RBI regulations or subject to obtaining RBI approval) to make an offer to Bondholders to repurchase all or a part of their Bonds, on a *pro rata* basis, as follows:~~

~~**8.8.1** if a fresh convertible bond offering or an offering of any other similar unsecured convertible instrument is undertaken by the Issuer at any time during the term of the~~

~~Bonds, 100% to repurchase the Bonds at the Early Redemption Amount, if approved by the RBI or permitted under the applicable Indian regulations, or, failing which, such price that is lower than the Early Redemption Amount as the RBI may approve;~~

~~**8.8.2** if a straight equity issuance is undertaken by the Issuer within six to twelve months from the Maturity Date, at least 75% to repurchase the Bonds at the Early Redemption Amount, if approved by the RBI or permitted under the applicable Indian regulations or, failing which, such price that is lower than the Early Redemption Amount as the RBI may approve; and~~

~~**8.8.3** if a straight equity issuance is undertaken by the Issuer within six months from the Maturity Date, 100% to repurchase the Bonds at the Early Redemption Amount, if approved by the RBI or permitted under the applicable Indian regulations, or, failing which, such price that is lower than the Early Redemption Amount as the RBI may approve.~~

~~The Issuer shall utilise the Equity Issuance Proceeds to make an offer to the Bondholders to repurchase the Bonds on a *pro rata* basis in accordance with the applicable RBI regulations. If required, the Issuer shall seek approval of the RBI to utilise the Equity Issuance Proceeds.~~

~~On receipt of RBI approval to utilise the Equity Issuance Proceeds in the manner provided in this Condition 8.8, the Issuer shall, having given not less than 30 nor more than 60 days' notice to Bondholders, the Trustee and the Principal Agent (which notice shall be irrevocable), repurchase the Bonds, in accordance with applicable regulations, in whole or in part. Upon the expiry of any such notice, the Issuer will be bound to repurchase the Bonds at the Early Redemption Amount, if approved by the RBI or permitted under the applicable Indian regulations, or, failing which, such price that is lower than the Early Redemption Amount as the RBI may approve.~~

~~The offer to repurchase using the Equity Issuance Proceeds shall be made to all Bondholders and each Bondholder may accept such offer at its option.~~

~~If RBI approval is not obtained or if any Equity Issuance Proceeds remains after the Issuer's offer, the Equity Issuance Proceeds will be pre-approved by the CDR lenders for payment to Bondholders on the Maturity Date.~~

~~Upon receipt of the Equity Issuance Proceeds by the Issuer, they will be placed into an account secured for the benefit of the Bondholders. On the Maturity Date, the Equity Issuance Proceeds will be applied in redeeming the Bonds without the need for procuring CDR lenders' approval.~~

## **8.9 Purchases**

The Issuer or any of its Subsidiaries may, if permitted under the laws of India, at any time and from time to time purchase Bonds at any price in the open market or otherwise. The Issuer or the relevant Subsidiary is required to submit to the Registrar for cancellation any Bonds so purchased. If purchases are made by tender, the tender must be available to all Bondholders alike.

## **8.10 Cancellation**

All Bonds which are redeemed or converted or purchased by the Issuer or any of its Subsidiaries, or are the subject matter of the Deed of Covenant, will forthwith be cancelled.

Certificates in respect of all Bonds cancelled will be forwarded to or to the order of the Registrar and such Bonds may not be reissued or resold.

#### 8.11 Redemption Notices

All notices to Bondholders given by or on behalf of the Issuer pursuant to this Condition will be given in accordance with Condition 17, and specify the Conversion Price as at the date of the relevant notice, the closing price of the Shares (as quoted on the BSE) as at the latest practicable date prior to the publication of the notice, the date for redemption, the manner in which redemption will be effected and the aggregate principal amount of the Bonds outstanding as at the latest practicable date prior to the publication of the notice.

No notice of redemption given under Condition ~~8.2 or Condition 8.3~~ shall be effective if it specifies a date for redemption which falls during a Closed Period or within 15 days following the last day of a Closed Period.

#### 8.12 Multiple Notices

If more than one notice of redemption (which shall include any notice given by the Issuer pursuant to Condition 8.2 or Condition 8.3, any Relevant Event Put Exercise Notice or Delisting Put Notice given by a Bondholder pursuant to Condition 8.4 or 8.5 and any relevant notice given by a Bondholder pursuant to Condition 8.7) is given pursuant to this Condition 8, the first of such notices to be given shall prevail.

### 9 Taxation

9.1 All payments of principal, premium (if any) and interest (including default interest (if any)) made in respect of the Bonds by the Issuer will be made free from any restriction or Condition and without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of India or any authority thereof or therein having power to tax, unless deduction or withholding of such taxes, duties, assessments or governmental charges is compelled by law.

9.2 Where such withholding or deduction is in respect of Indian withholding tax on premium or interest payments at the rate of up to 10.00% (plus applicable surcharge on such tax payable, ~~education cess~~ and ~~higher and secondary education~~ cess on ~~the income~~such tax and surcharge) the Issuer will increase the amount of ~~premium or~~ interest paid by it to the extent required so that the amount of ~~premium or~~ interest received by Bondholders (without prejudice to Condition 7.3) amounts to the relevant amount of the ~~premium or~~ interest payable pursuant to Condition 5 or 8.

9.3 In the event that any such withholding or deduction in respect of principal or any such additional withholding or deduction in excess of 10.00% (plus applicable surcharge on such tax payable, ~~education cess~~ and ~~higher and secondary education~~ cess on ~~the income~~such tax and surcharge) in respect of ~~premium or~~ interest is required, the Issuer will pay such additional amounts by way of principal, premium or interest as will result in the receipt by the Bondholders of the amounts which would otherwise have been receivable in the absence of such withholding or deduction, except that no such additional amount shall be payable in respect of any Bond:

9.3.1 to a holder (or to a third party on behalf of a holder) who is subject to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with India otherwise than merely by holding the Bond or by the receipt of amounts in respect of the Bond; or

**9.3.2** (in the case of a payment of principal or premium) if the Certificate in respect of such Bond is surrendered more than 30 days after the Relevant Date except to the extent that the holder would have been entitled to such additional amount on surrendering the relevant Certificate for payment on the last day of such period of 30 days; or

~~**9.3.3** where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of November 26 to 27, 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or~~

~~**9.3.4** presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Bond to another Paying Agent or Conversion Agent in a Member State of the European Union.~~

**9.4** For the purposes hereof, “**Relevant Date**” means the date on which such payment first becomes due except that if the full amount payable has not been received by the Trustee or the Principal Agent on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Bondholders and cheques despatched or payment made.

**9.5** References in these Conditions to principal, premium and interest shall be deemed also to refer to any additional amounts which may be payable under this Condition or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed.

The provisions of this Condition 9 shall not apply in respect of any payments of interest which fall due after the relevant Tax Redemption Date in respect of any Bonds which are the subject of a Bondholder election pursuant to Condition 8.3.

## **10 Events of Default**

**10.1** The Trustee at its discretion may, and if so requested in writing by the holders of not less than 25% in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution shall (subject to being indemnified and/or secured and/or pre-funded by the Bondholders to its satisfaction), give notice to the Issuer that the Bonds are, and they shall accordingly thereby become, immediately due and repayable at their Early Redemption Amount together with accrued interest (if any) to the date of payment (subject as provided below and without prejudice to the right of Bondholders to exercise the Conversion Right in respect of their Bonds in accordance with Condition 6) if any of the following events (each an “**Event of Default**”) has occurred:

**10.1.1** a default is made in the payment of any amounts due in respect of the Bonds and is subsisting for a period of more than seven days;

**10.1.2** failure by the Issuer to deliver the Shares as and when such Shares are required to be delivered following conversion of a Bond; including (following fulfilment of the Conditions Precedent) on Mandatory Conversion. For the avoidance of doubt, in case of a Mandatory Conversion, the Issuer will only be liable to deliver the Shares to such Bondholders who have (i) elected (or are deemed to have elected) Option A in accordance with Condition 8.2, and (ii) provided the Account Holder Instructions to the Conversion Agent prior to the Notification Date;

**10.1.3** failure by the Issuer to perform or comply with one or more of its other obligations in the Bonds or the Trust Deed which default is incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not in the opinion of the Trustee remedied within 15 days after written notice of such default shall have been given to the Issuer by the Trustee.

**10.1.4** [\[reserved\]](#)

**10.1.5** [\[reserved\]](#)

~~**10.1.4** failure to implement the springing Second Lien within 90 days once the Security Conditions have been satisfied, subject to regulatory approvals;~~

~~**10.1.5** any security, once created, ceases to be in full force and effect or does not create the security which it purports to create with the ranking and priority it is expressed to have;~~

**10.1.6** occurrence of an event of default in respect of making required payments when due or, as the case may be, within any applicable grace period in respect of any present or future indebtedness for or in respect of monies borrowed or raised by the Issuer or any of its Material Subsidiaries, and if such default is subsisting for a period of more than 30 days, or acceleration on obligations, in an aggregate amount greater than U.S.\$25,000,000;

**10.1.7** other than pursuant to the ~~ongoing CDR Scheme, or in accordance with the terms of an agreement with its senior lenders prior to the Closing Date (or any future amendment to the CDR Scheme or such agreement with its senior lenders)~~[Debt Resolution Plan or the Second Supplemental Trust Deed](#), the Issuer or any Material Subsidiary is (or is, or could be, declared by a court to be) insolvent or bankrupt or ~~unable to pay its debts, stops, suspends or threatens to stop or suspend, payment of all or a material part of (or a particular type of) its debts,~~ proposes or makes an agreement for the deferral, rescheduling or other readjustment of all of (or a particular type of) its debts (or of any part which it will or might otherwise be unable to pay), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer or any of its Material Subsidiaries;

**10.1.8** legal process is levied and an adverse order is passed and enforced against a material part of the property, assets or revenues of the Issuer or any Material Subsidiary and such process has not been stayed within a period of 45 days;

**10.1.9** (i) an order for winding up, [dissolution, judicial management or administration](#) has been passed in respect of the Issuer or any Material Subsidiary and no appeal against such order has been filed by the Issuer or the Material Subsidiary, as the case may be, within a period of 60 days from the date of the order; or (ii) insolvency proceedings against the Issuer or any Material Subsidiary have commenced and an official liquidator [or resolution professional](#) is appointed [as a result thereof by the appropriate regulatory or judicial authority](#);

**10.1.10** an encumbrancer takes possession or an administrative or other receiver or an administrator is appointed of the whole or a material part of the property, assets or revenues of the Issuer or any of its [Material](#) Subsidiaries (as the case may be) and is not discharged within 90 days;

**10.1.11** it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Bonds or the Trust Deed;

**10.1.12** any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer or any of its Material Subsidiaries; or

**10.1.13** any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs~~s~~.

provided that, none of the Share Issue, the Debt Resolution Plan or the Bonds Restructuring shall cause, and no events or circumstances resulting directly or indirectly from the approval or implementation of the Share Issue, the Debt Resolution Plan or the Bonds Restructuring shall constitute, an Event of Default under these Conditions (save for the failure by the Issuer to deliver the Shares (following fulfilment of the Conditions Precedent) on Mandatory Conversion, as provided under Condition 10.1.2).

For the purposes of ~~this Condition 10~~these Conditions:

“Group Lenders” means the lenders to the Issuer and/or its Subsidiaries.

“Debt Resolution Plan” means the resolution plan approved by the Group Lenders in terms of the RBI Stressed Assets Framework, and which includes, among other things, the Bonds Restructuring and the Share Issue.

“Debt Resolution Documents” means any agreement or other documents entered into by the Issuer with, or any letters received from, the Group Lenders in order to implement or give effect to the Debt Resolution Plan, and shall include any amendments thereto.

**“Material Subsidiary”** means:

- (a) any Subsidiary of the Issuer that meets the following two tests, each determined under Indian GAAP:
  - (i) whose gross revenues, as shown by the then latest accounts (consolidated where applicable) of such Subsidiary, constitute at least 5% of the consolidated gross revenues of the Issuer, as shown by the then latest consolidated accounts of the Issuer; and
  - (ii) whose gross assets, as shown by the then latest accounts (consolidated where applicable) of such Subsidiary, constitute at least 5% of the total consolidated gross assets of the Issuer, as shown by the then latest consolidated accounts of the Issuer;

provided that:

in the case of a Subsidiary acquired, or a company becoming a Subsidiary, (A) after the end of the financial period to which the latest consolidated accounts of the Issuer relates, the reference to the then latest consolidated accounts of the Issuer for the purposes of the calculation above shall, until consolidated accounts of the issuer for the financial period in which the acquisition is made or, as the case may be, in which the relevant company becomes a Subsidiary are published, be deemed to be a reference to the then latest consolidated accounts of the Issuer adjusted (on a pro forma basis if required) to consolidate the latest accounts of all such subsequently

acquired Subsidiaries in such accounts; or (B) prior to the end of the financial period to which the latest consolidated accounts of the Issuer relates, the reference to the then latest consolidated accounts of the Issuer for the purposes of the calculation above shall be deemed to be a reference to the then latest consolidated accounts of the Issuer adjusted (on a pro forma basis if required) to consolidate the latest accounts of all such acquired Subsidiaries in such accounts as if such companies had been Subsidiaries for the whole of the financial period to which the latest consolidated accounts of the Issuer relates; or

- (b) any Subsidiary of the Issuer to which is transferred all or substantially all of the assets of a Subsidiary which immediately prior to such transfer was a Material Subsidiary, provided that the Material Subsidiary which so transfers its assets shall forthwith upon such transfer cease to be a Material Subsidiary.

A certificate from the Auditors (as defined in the Trust Deed) of the Issuer that, in their opinion, a Subsidiary of the Issuer is or is not or was or was not at any particular time a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Trustee and the Bondholders.

“RBI Stressed Assets Framework” means the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 issued by the Reserve Bank of India on 7 June 2019 through its circular with reference RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19, and shall include any circulars, notifications, directions or orders issued in this regard by the Reserve Bank of India.

“Share Issue” means the issuance by the Issuer of Shares or other instruments convertible into or exchangeable for Shares by way of preferential allotment or otherwise pursuant to the Debt Resolution Plan.

- 10.2** Notwithstanding receipt of any payment after the acceleration of the Bonds, a Bondholder may exercise its Conversion Right by depositing a Conversion Notice with a Conversion Agent or Paying Agent during the period from and including the date of a default notice with respect to an event specified in Condition 10.1.2 (at which time the Issuer will notify the Bondholders of the number of Shares per Bond to be delivered upon conversion, assuming all the then outstanding Bonds are converted) to and including the 30th business day after such payment.

If any converting Bondholder deposits a Conversion Notice pursuant to this Condition 10 in the business day prior to, or during, a Closed Period, the Bondholder’s Conversion Right shall continue until the business day following the last day of the Closed Period, which shall be deemed the Conversion Date, for the purposes of such Bondholder’s exercise of its Conversion Right pursuant to this Condition 10.

If the Conversion Right attached to any Bond is exercised pursuant to this Condition 10, the Issuer will deliver Shares (which number will be disclosed to such Bondholder as soon as practicable after the Conversion Notice is given) in accordance with the Conditions, except that the Issuer shall have 10 business days (as defined in Condition 7.6) before it is required to register the converting Bondholder (or its designee) in its register of members as the owner of the number of Shares to be delivered pursuant to this Condition and an additional five business days (as defined in Condition 7.6) from such registration date to make payment in accordance with the following paragraph.

If the Conversion Right attached to any Bond is exercised pursuant to this Condition 10, the Issuer shall, at the request of the converting Bondholder subject to regulatory approval, pay to

such Bondholder an amount in United States dollars (converted from Rupees at the Prevailing Rate) (the “**Default Cure Amount**”), equal to the product of (x) (i) the number of Shares that are required to be delivered by the Issuer to satisfy the Conversion Right in relation to such converting Bondholder minus (ii) the number of Shares that are actually delivered by the Issuer pursuant to such Bondholders’ Conversion Notice and (y) the Closing Price of the Shares on the Conversion Date; provided that if such Bondholder has received any payment under the Bonds pursuant to this Condition 10, the amount of such payment shall be deducted from the Default Cure Amount.

The “**Prevailing Rate**” shall be the arithmetic average of the spot rates for the purchase of U.S. dollars with Rupees quoted by the State Bank of India on each of the relevant Trading Days or if such rate is not available on such Trading Day, such rate prevailing on the immediately preceding day on which such rate is so available.

The “**Share Price**” means the Closing Price of the Shares on the Conversion Date.

## **11 Consolidation, amalgamation or merger**

The Issuer will not consolidate with, merge or amalgamate into or transfer its assets substantially as an entirety to any corporation or convey or transfer its properties and assets substantially as an entirety to any person (the consummation of any such event, a “**Merger**”), unless:

- (i) the corporation formed by such Merger or the person that acquired such properties and assets shall expressly assume, by a supplemental trust deed, all obligations of the Issuer under the Trust Deed, the Agency Agreement and the Bonds and the performance of every covenant and agreement applicable to it contained therein and to ensure that the holder of each Bond then outstanding will have the right (during the period when such Bond shall be convertible) to convert such Bond into the class and amount of shares, cash and other securities and property receivable upon such consolidation, amalgamation, merger, sale or transfer by a holder of the number of Shares which would have become liable to be issued upon conversion of such Bond immediately prior to such consolidation, amalgamation, merger, sale or transfer;
- (ii) immediately after giving effect to any such Merger, no Event of Default shall have occurred or be continuing or would result therefrom; and
- (iii) the corporation formed by such Merger, or the person that acquired such properties and assets, shall expressly agree, among other things, to indemnify each holder of a Bond against any tax, assessment or governmental charge payable by withholding or deduction thereafter imposed on such holder solely as a consequence of such Merger with respect to the payment of principal and interest on the Bonds.

Provided that, neither (a) the Share Issue or any events or circumstances resulting therefrom, nor (b) any merger or amalgamation or a transfer of assets or properties of the Issuer to any corporation or any other person upon a direction of the Issuer’s lenders as a result of the Debt Resolution Plan or the Debt Resolution Documents, shall constitute a “Merger” under this Condition 11.

## **12 Prescription**

Claims in respect of amounts due in respect of the Bonds will become prescribed unless made within 10 years (in the case of principal and premium (if any)) and five years (in the

case of interest) from the relevant date for payment. Neither the Trustee nor the Agents will be responsible or liable for any amounts so prescribed.

### **13 Enforcement**

At any time after the Bonds have become due and repayable, the Trustee may, at its discretion and without further notice, take such proceedings against the Issuer as it may think fit to enforce repayment of the Bonds and to enforce the provisions of the Trust Deed, but it will not be bound to take any such proceedings unless (i) it shall have been so requested in writing by the holders of not less than 25% in principal amount of the Bonds then outstanding or shall have been so directed by an Extraordinary Resolution of the Bondholders and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Bondholder will be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing.

### **14 Meetings of Bondholders, modification, waiver and substitution**

#### **14.1 Meetings**

The Trust Deed contains provisions for convening meetings of Bondholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Bonds or the provisions of the Trust Deed. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing in the aggregate over 50% in principal amount of the Bonds for the time being outstanding or, at any adjourned such meeting, two or more persons being or representing Bondholders whatever the principal amount of the Bonds so held or represented unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the due date for any payment in respect of the Bonds, (ii) to reduce or cancel the amount of principal, premium or interest (including default interest) payable in respect of the Bonds (including the Early Redemption Amount or method of calculation thereof), (iii) to change the currency of payment of the Bonds, (iv) to modify or cancel the Conversion Rights or the put options specified in Condition 8, or (v) to modify the provisions concerning the quorum required at any meeting of the Bondholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 75%, or at any adjourned such meeting not less than 25%, in principal amount of the Bonds for the time being outstanding. An Extraordinary Resolution passed at any meeting of Bondholders will be binding on all Bondholders, whether or not they are present at the meeting. The Trust Deed provides that a written resolution signed by or on behalf of the holders of not less than 90% of the aggregate principal amount of Bonds outstanding shall be as valid and effective as a duly passed Extraordinary Resolution.

#### **14.2 Modification and Waiver**

The Trustee may agree, without the consent of the Bondholders, to (i) any modification (except as mentioned in Condition 14.1 above) to, or the waiver or authorisation of any breach or proposed breach of, the Bonds, the Agency Agreement or the Trust Deed which is not, in the opinion of the Trustee, materially prejudicial to the interests of the Bondholders or (ii) any modification to the Bonds or the Trust Deed which, in the Trustee's opinion, is of a formal, minor or technical nature or to correct a manifest error or to comply with mandatory provisions of law. Any such modification, waiver or authorisation will be binding on the Bondholders and, unless the Trustee agrees otherwise, any such modifications will be notified by the Issuer to the Bondholders as soon as practicable thereafter.

### **14.3 Substitution**

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Bondholders, to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Bonds. In the case of such a substitution the Trustee may agree, without the consent of the Bondholders, to a change of the law governing the Bonds and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Bondholders. In such event, the Issuer shall give notice to Bondholders in accordance with Condition 17.

### **14.4 Interests of Bondholders**

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification, authorisation, waiver or substitution) the Trustee shall have regard to the interests of the Bondholders as a class and shall not have regard to the consequences of such exercise for individual Bondholders and the Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer or the Trustee, any indemnification or payment in respect of any tax consequences of any such exercise upon individual Bondholders except to the extent provided for in Condition 9 and/or any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.

### **14.5 Certificates/Reports**

Any certificate or report of any expert or other person called for by or provided to the Trustee (whether or not addressed to the Trustee) in accordance with or for the purposes of these Conditions or the Trust Deed may be relied upon by the Trustee as sufficient evidence of the facts therein (and shall, in absence of manifest error, in the Trustee's opinion, be conclusive and binding on all parties) notwithstanding that such certificate or report and/or engagement letter or other document entered into by the Trustee and/or the Issuer in connection therewith contains a monetary or other limit on the liability of the relevant expert or person in respect thereof. The Trustee shall not be responsible for any loss occasioned by acting on or refraining from acting in reliance on such certificate or report.

## **15 Replacement of Certificates**

If any Certificate is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the specified office of the Registrar or any Agent upon payment by the claimant of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer and such Agent may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

## **16 Further issues**

The Issuer may from time to time without the consent of the Bondholders create and issue further securities either having the same terms and conditions as the Bonds in all respects except for the first payment of interest on them and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Bonds) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Bonds include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Bonds. Any further securities forming a single series with the outstanding securities of any series (including the Bonds) constituted by the Trust Deed or any deed supplemental to it

shall, and any other securities may (with the written consent of the Trustee), be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Bondholders and the holders of securities of other series where the Trustee so decides.

## 17 Notices

All notices to Bondholders shall be validly given if mailed to them at the Issuer's expense at their respective addresses in the register of Bondholders maintained by the Registrar or published at the Issuer's expense in a leading newspaper having general circulation in Asia (which is expected to be the Asian Wall Street Journal). Such notices shall be deemed to have been given on the later of the date of such publications. Any such notice shall be deemed to have been given on the later of the date of such publication and the seventh day after being so mailed, as the case may be.

*So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream, Luxembourg or the Alternative Clearing System (as defined in the form of the Global Certificate), notices to Bondholders shall be given by delivery of the relevant notice to Euroclear or Clearstream, Luxembourg or the Alternative Clearing System, for communication by it to entitled accountholders in substitution for notification as required by the Conditions. Any such notice shall be deemed to have been given to the holders of the Bonds on the second day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.*

## 18 Agents

The names of the initial Agents and the Registrar and their specified offices are set out below. The Issuer reserves the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of any Agent or the Registrar and to appoint additional or other Agents or a replacement Registrar. The Issuer will at all times maintain (i) a Principal Agent, and (ii) a Registrar outside the United Kingdom, ~~(iii) an Agent having a specified office in Singapore where the Bonds may be presented or surrendered for payment or redemption, so long as the Bonds are listed on the Singapore Stock Exchange and the rules of that exchange so require (and such agent in Singapore shall be a Paying, Transfer and Conversion Agent and shall be referred to in these Conditions as the "Singapore Agent") and (iv) a Paying Agent and Conversion Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any law implementing the Savings Directive (2003/48/EC) or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000.~~ Notice of any such termination or appointment, of any changes in the specified offices of any Agent or the Registrar and of any change in the identity of the Registrar or the Principal Agent will be given promptly by the Issuer to the Bondholders in accordance with Condition 17 and in any event not less than 45 days' notice will be given.

## 19 Indemnification

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment unless indemnified and/or secured and/or pre-funded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer without accounting for any profit.

**20 Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of this Bond under the Contracts (Rights of Third Parties) Act 1999.

**21 Governing law**

The Bonds, the Trust Deed and the Agency Agreement and any non-contractual obligations arising out of or in connection with them, are governed by, and shall be construed in accordance with, the laws of England. In relation to any legal action or proceedings arising out of or in connection with the Trust Deed or the Bonds, the Issuer has in the Trust Deed irrevocably submitted to the courts of England and in relation thereto has appointed ~~Suzlon Wind Energy Limited, now at Global House, 5A Sandy's Row, London E1 7HW, United Kingdom~~ [●] at [●] as its agent for service of process in England. Nothing shall affect the right to serve process in any other manner permitted by law.

**SCHEDULE 1**  
**PART 1 - CONDITIONS PRECEDENT**

The Bondholders' Resolution approving the Bonds Restructuring and each of (i) (solely in relation to Option A) the occurrence of the Mandatory Conversion Record Date; and (ii) (solely in relation to Option B) the occurrence of the Bond Exchange Date, is conditional on, and subject to, the satisfaction of the conditions precedent set out below on or prior to the Cut-off Date (the "**Conditions Precedent**"):

- (a) The approval (the "**RBI Approval**") of the Reserve Bank of India (the "**RBI**") to implement the Bonds Restructuring (including the Mandatory Conversion and the Bond Exchange), pursuant to an application to be submitted to the RBI by the Issuer, which must have been received by the Issuer on or before the Cut-off Date;
- (b) The Issuer must have obtained all approvals that are necessary to implement the Bonds Restructuring (including the Mandatory Conversion and the Bond Exchange) from all other applicable legal and regulatory authorities in India including, but not limited to, the Indian Exchanges;
- (c) Approvals from the Issuer's board of directors and the Issuer's shareholders that are necessary to implement the Bonds Restructuring (including the Mandatory Conversion and the Bond Exchange);
- (d) The Debt Resolution Plan must have been approved by, and be legally binding upon, the Issuer and the Group Lenders, and the delivery by the Issuer to the Trustee (on behalf of the Bondholders) and the Principal Agent of a certificate appending **any one of the following** (in each case confirming that the Group Lenders have granted their formal sanction to the Debt Resolution Plan in terms of the inter-creditor agreement entered into among the Group Lenders (the "**ICA**")):
  - (i) one or more letters duly issued by the Group Lenders collectively representing at least 75 per cent. by value (including fund and non-fund based facilities outstanding) as at 30 September 2019 or such other date as is mutually agreed between the Group Lenders and the Issuer (such date, the "**Reconciliation Date**") and 60 per cent. of the Group Lenders; or
  - (ii) a letter from the lead bank of the Group Lenders under the terms of the ICA (the "**Lead Bank**"); or
  - (iii) minutes of one or more meetings of the Group Lenders issued by the Lead Bank (and copied to all the Group Lenders); and
- (e) The Issuer having paid such fee amounts as have been mutually agreed between it and Houlihan Lokey (Singapore) Private Limited ("**HLSPL**") in relation to the engagement of HLSPL pursuant to an engagement letter dated 15 February 2019.

**PART 2 – DEFINITIONS**

In this Schedule 1:

"**business day**" refers to a day other than a Saturday or Sunday on which commercial banks are open for business in New York City, Mumbai and London.

### PART 3 – FORM OF ACCOUNT HOLDER NOTIFICATION

[On the letterhead of the Issuer]

To: **The Bank of New York Mellon, London Branch**  
One Canada Square  
London E14 5AL  
United Kingdom

(in its capacity as the Trustee)

**The Bank of New York Mellon, London Branch**  
One Canada Square  
London E14 5AL  
United Kingdom

(in its capacity as the Principal Agent and Conversion Agent)

[Date]

Dear Ladies and Gentlemen,

**Suzlon Energy Limited (the “Issuer”)**

**Consent Solicitation in respect of the U.S.\$546,916,000 Step Up Convertible Bonds due 2019 issued by the Issuer (ISIN: XS1081332527 and XS1081332873)**

This certificate is delivered to you in accordance with the Bondholders’ Extraordinary Resolution dated [●] 2020 (the “**Bondholders’ Resolution**”) and the notice of meeting dated 13 March 2020 (the “**Notice**”). All words and expressions defined in the Notice and the Bondholders’ Resolution shall (save as otherwise provided herein or unless the context otherwise requires) have the same meanings herein.

This is the Account Holder Notification to be provided by the Issuer in accordance with Condition 8.2A. The Notification Date shall occur on [●] 2020.

Each holder of the Bonds must send the account holder instruction (the “**Account Holder Instruction**”) (as an electronic SWIFT message through the relevant clearing system(s)) to the Conversion Agent or the Principal Agent by the Notification Date in accordance with this Account Holder Notification. The Account Holder Instruction shall include the information set out below:

- (i) the name, address, telephone number and the fax number of the Bondholder or its nominee to be registered in the record of the depositors, maintained by the depository registered under the 1996 Depositories Act with whom the Issuer has entered into a depository agreement;
- (ii) the total principal amount, total number of Bonds, identifying number of Bonds to be converted (if relevant), the identifying number of certificates deposited in respect of the Bonds to be converted (if relevant);
- (iii) the name(s) and address of the person(s) in whose name(s) the Shares required to be delivered on conversion of the Bonds are to be registered; and
- (iv) details of the securities account of the Bondholder to be credited with the Shares, including the name of client (the converting Bondholder who has an account with the

depository participant) and the client ID number, account name/the name of the participant, participant ID, permanent account number (PAN), the account number, the broker account name with the Indian depository, the client account number with his/her broker and the telephone or fax number.

For and on behalf of

**SUZLON ENERGY LIMITED**

\_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

**PART 4 – FORM OF MANDATORY CONVERSION NOTICE**

*[On the letterhead of the Issuer]*

To: **The Bank of New York Mellon, London Branch**  
One Canada Square  
London E14 5AL  
United Kingdom

(in its capacity as the Trustee)

**The Bank of New York Mellon, London Branch**  
One Canada Square  
London E14 5AL  
United Kingdom

(in its capacity as the Principal Agent and Conversion Agent)

[Date]

Dear Ladies and Gentlemen,

**Suzlon Energy Limited (the “Issuer”)**

**Consent Solicitation in respect of the U.S.\$546,916,000 Step Up Convertible Bonds due 2019 issued by the Issuer (ISIN: XS1081332527 and XS1081332873)**

This certificate is delivered to you in accordance with the Bondholders’ Extraordinary Resolution dated [●] 2020 (the “Bondholders’ Resolution”) and the notice of meeting dated 13 March 2020 (the “Notice”). All words and expressions defined in the Notice and the Bondholders’ Resolution shall (save as otherwise provided herein or unless the context otherwise requires) have the same meanings herein.

This is the Mandatory Conversion Notice to be provided by the Issuer in accordance with Condition 8.2A.

The Issuer hereby confirms and represents that, as at the date of this Mandatory Conversion Notice, all Conditions Precedent (as defined in and as set out in Part 1 of Schedule 1 to the amended terms and conditions of the Bonds) have been satisfied.

The Mandatory Conversion Record Date shall occur on [●] 2020.

For and on behalf of

**SUZLON ENERGY LIMITED**

By:

Title:

## LEGEND

<b>Changes:</b>	
<u>Add</u>	230
<del>Delete</del>	122
<u>Move From</u>	0
<u>Move To</u>	0
<u>Table Insert</u>	1
<del>Table Delete</del>	2
<u>Table moves to</u>	0
<u>Table moves from</u>	0
<b>Total Changes:</b>	355

## SCHEDULE 2

### New Bonds Conditions

***Bondholders should note that these terms and conditions remain subject to further changes (provided that (a) such further amendments are not, in the opinion of the Issuer, materially prejudicial to the Bondholders, (b) such amendments will not affect the roles and responsibilities of the Trustee or any of its protective provisions, and (c) the Issuer gives notice to the Bondholders of such amendments, such notice to be delivered to the clearing systems no later than 26 March 2020).***

*The following, other than the words in italics, is the text of the Terms and Conditions of the Bonds which will appear on the reverse of each of the definitive certificates evidencing the Bonds.*

*Any redemption prior to the Maturity Date (as defined below) under the terms and conditions of the Bonds may require the Issuer to obtain the prior approval of the Reserve Bank of India or the designated authorized dealer Category 1 bank, as the case may be, in accordance with the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018, the Master Direction on External Commercial Borrowings, Trade Credits and Structured Obligations dated 26 March 2019 and the Master Direction on Reporting under Foreign Exchange Management Act, 1999 dated 1 January 2016 in effect at the time (collectively, the “**ECB Guidelines**”), before effecting a redemption prior to the Maturity Date and such approval may not be forthcoming.*

The issue of U.S.\$ denominated interest bearing Convertible Bonds due 2032 (the “**Bonds**”, which term shall include, unless the context requires otherwise, any further Bonds issued in accordance with Condition 16 and consolidated and forming a single series with the Bonds) of Suzlon Energy Limited (the “**Issuer**”), was authorised by resolutions of the Board of Directors of the Issuer on [●] and by the shareholders of the Issuer on [●]. The initial principal amount of the Bonds issued on the Closing Date (as defined below) is U.S.\$[●]. The Bonds are constituted by a trust deed (as amended or supplemented from time to time) (the “**Trust Deed**”) dated on or about [●] 2020 and made between the Issuer and The Bank of New York Mellon, London Branch as trustee for the holders of the Bonds (the “**Trustee**”, which term shall, where the context so permits, include all other persons for the time being acting as trustee or trustees under the Trust Deed). The Issuer has entered into a paying, conversion and transfer agency agreement (as amended or supplemented from time to time, (the “**Agency Agreement**”) dated on or about [●] 2020 with The Bank of New York Mellon, London Branch as principal paying and conversion agent (the “**Principal Agent**”), The Bank of New York Mellon SA/NV, Luxembourg Branch (formerly known as The Bank of New York Mellon (Luxembourg) S.A.) as registrar (the “**Registrar**”) and transfer agent and the other paying, conversion and transfer agents appointed under it (each a “**Paying Agent**”, “**Conversion Agent**”, “**Transfer Agent**” (references to which shall include the Registrar) and together with the Registrar and the Principal Agent, the “**Agents**” (which shall, where applicable, include the Singapore Agent (as defined in Condition 18)) relating to the Bonds. References to the “**Principal Agent**”, “**Registrar**” and “**Agents**” below are references to the principal agent, registrar and agents for the time being for the Bonds.

The statements in these terms and conditions (these “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed. Unless otherwise defined, terms used in these Conditions have the meaning specified in the Trust Deed.

Copies of the Trust Deed and of the Agency Agreement are available for inspection during normal business hours at the registered office of the Trustee being at the date hereof at One Canada Square, 40<sup>th</sup> Floor, London, E14 5AL, United Kingdom and at the specified offices of each of the Agents. The Bondholders are entitled to the benefit of the Trust Deed and are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement applicable to them.

## 1 Status

The Bonds constitute direct, unsubordinated, unconditional and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to Condition 4, at all times rank at least equally with all of its other present and future direct, unsubordinated, unconditional and unsecured obligations.

## 2 Form, Denomination and Title

### 2.1 Form and Denomination

The Bonds are issued in registered form in the denomination of U.S.\$320 each and integral multiples of U.S.\$10 in excess thereof; provided that Additional PIK Principal (as defined below) may be added in denominations of U.S.\$1.00 in accordance with Condition 5. A bond certificate (each a “**Certificate**”) will be issued to each Bondholder in respect of its registered holding of Bonds. Each Bond and each Certificate will be numbered serially with an identifying number, which will be recorded on the relevant Certificate and in the Register (as defined in Condition 3.1) of Bondholders which the Issuer will procure to be kept by the Registrar.

### 2.2 Title

Title to the Bonds passes only by transfer and registration in the register of Bondholders as described in Condition 3. The holder of any Bond will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder. In these Conditions “**Bondholder**” and (in relation to a Bond) “**holder**” means the person in whose name a Bond is registered.

## 3 Transfers of Bonds; Issue of Certificates

### 3.1 Register

The Issuer will cause to be kept at the specified office of the Registrar and in accordance with the terms of the Agency Agreement a register on which shall be entered the names and addresses of the holders of the Bonds and the particulars of the Bonds held by them and of all transfers of the Bonds (the “**Register**”).

Each Bondholder shall be entitled to receive only one Certificate in respect of its entire holding of Bonds.

### 3.2 Transfers

Subject to Conditions 3.5 and 3.6 and the terms of the Agency Agreement, a Bond may be transferred or exchanged by delivery of the Certificate issued in respect of that Bond, with the form of transfer on the back duly completed and signed by the holder or his attorney duly authorised in writing, to the specified office of the Registrar or any of the Transfer Agents. No transfer of title to a Bond will be valid unless and until entered on the Register.

### 3.3 Delivery of New Certificates

- 3.3.1** Each new Certificate to be issued upon a transfer or exchange of Bonds will, within seven business days (at the place of the relevant specified office) of receipt by the Registrar or, as the case may be, any other relevant Transfer Agent of the original Certificate and the form of transfer duly completed and signed, be made available for collection at the specified office of the Registrar or such other relevant Transfer Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder entitled to the Bonds (but free of charge to the holder) to the address specified in the form of transfer. The form of transfer is available at the specified office of the Principal Agent.
- 3.3.2** Where only part of a principal amount of the Bonds (being that of one or more Bonds) in respect of which a Certificate is issued is to be transferred, exchanged, converted or redeemed, a new Certificate in respect of the Bonds not so transferred, exchanged, converted or redeemed will, within seven business days of delivery of the original Certificate to the Registrar or other relevant Agent, be made available for collection at the specified office of the Registrar or such other relevant Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder of the Bonds not so transferred, exchanged, converted or redeemed (but free of charge to the holder) to the address of such holder appearing on the Register.
- 3.3.3** For the purposes of these Conditions (except for Condition 7, Condition 8.5 and Condition 8.7), “**business day**” shall mean a day other than a Saturday or Sunday on which banks are open for business in the city in which the specified office of the Registrar (if a Certificate is deposited with it in connection with a transfer or conversion) or the Agent with whom a Certificate is deposited in connection with a transfer or conversion, is located.

#### 3.4 Formalities Free of Charge

Registration of a transfer of Bonds and issuance of new Certificates will be effected without charge by or on behalf of the Issuer or any of the Agents, but upon (i) payment (or the giving of such indemnity as the Issuer or any of the Agents may require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer; and (ii) the Issuer or the relevant Transfer Agent being satisfied that the regulations concerning transfer of Bonds have been complied with.

#### 3.5 Restricted Transfer Periods

No Bondholder may require the transfer of a Bond to be registered (i) during the period of seven days ending on (and including) the due date for any principal on the Bonds; (ii) after a Conversion Notice (as defined in Condition 6.2) has been delivered with respect to a Bond; (iii) after a Delisting Put Notice (as defined in Condition 8.5) has been deposited in respect of such a Bond; (iv) after the Non-Permitted Conversion Price Adjustment Event Purchase Right (as defined in Condition 8.7) has been exercised in respect of such Bonds; or (v) during the period of seven days ending on (and including) any record date in respect of any payment of interest on the Bonds, each such period being a “**Restricted Transfer Period**”.

#### 3.6 Regulations

All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer of Bonds scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Trustee and the Registrar. A copy of the current regulations will be mailed (free of charge to the holder and at the Issuer’s expense) by the Registrar to any Bondholder upon request.

## 4 Negative Pledge

4.1 So long as any Bond remains outstanding (as defined in the Trust Deed):

- (i) the Issuer will not create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest (“**Security**”) upon the whole or any part of its undertaking, assets or revenues, present or future, to secure any International Investment Securities (as defined below), or to secure any guarantee or indemnity in respect of any International Investment Securities;
- (ii) the Issuer will procure that no Subsidiary (as defined below) or other person creates or permits to subsist any Security upon the whole or any part of the undertaking, assets or revenues, present or future, of that Subsidiary or other person to secure any of the Issuer’s or any Subsidiary’s International Investment Securities, or to secure any guarantee of or indemnity in respect of any of the Issuer’s or any Subsidiary’s International Investment Securities; and
- (iii) the Issuer will procure that no other person gives any guarantee of, or indemnity in respect of, any of the Issuer’s or any Subsidiary’s International Investment Securities,

unless, at the same time or prior thereto, the Issuer’s obligations under the Bonds and the Trust Deed (a) are secured equally and rateably therewith to the satisfaction of the Trustee, or (b) have the benefit of such other security, guarantee, indemnity or other arrangement as the Trustee in its absolute discretion shall deem to be not materially less beneficial to the Bondholders or as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders.

Provided however that, the Issuer or any Subsidiary may create or permit to subsist Security upon the whole or any part of its undertaking, assets or revenues, present or future to secure a guarantee or indemnity or credit enhancement provided by a non-Group (as defined in the Trust Deed) third party in respect of International Investment Securities issued by the Issuer or any Subsidiary for the purpose of using the proceeds from any such issuance in or towards the repayment or prepayment of the Bonds or any of its existing senior debt or debt with an original maturity prior to the Maturity Date with a new maturity beyond the Maturity Date (such debt, the “**Other Senior Debt**”) or the refinancing of such Other Senior Debt.

4.2 *[Reserved]*

4.3 *[Reserved]*

4.4 *[Reserved]*

For the purposes of these Conditions:

“**Indian GAAP**” means generally accepted accounting principles in India, including the Indian Accounting Standards prescribed under Section 133 of the (Indian) Companies Act, 2013 (as amended) read with the (Indian) Companies (Indian Accounting Standards) Rules, 2015 (as amended).

“**International Investment Securities**” means any present or future indebtedness in the form of, or represented by, bonds, debentures, notes or other investment securities which (i) are denominated in a currency other than Rupees or are by their terms payable, or confer a right to receive payment, in any currency other than Rupees, or are denominated or payable in Rupees and more than 50% of the aggregate principal amount thereof is initially distributed

outside India, and (ii) are for the time being, or are intended to be or capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over the counter or other securities market.

“**Subsidiary**” means any company or other business entity of which the Issuer owns or controls (either directly or through one or more other subsidiaries) more than 50% of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or other business entity or any company or other business entity which the Issuer recognises in its consolidated accounts as a subsidiary, jointly controlled entity or associated company under Indian law, regulations or generally accepted accounting principles from time to time, or which should have its accounts consolidated with those of the Issuer.

## 5 Interest

### 5.1 Interest Rate

The Bonds bear interest at the rate of 4.0% per annum, from (and including) [●] 2020 (the “**Closing Date**”) up to (but excluding) [●] 2032, of which (A) 1.25% per annum (the “**Cash Interest Rate**”) shall be payable in cash and (B) 2.75% per annum (with respect to each Interest Payment Date (as defined below)) shall be capitalised by the Issuer (by way of application of a pool factor in accordance with the procedures of the clearing systems) and added to the outstanding principal amount (the “**Additional PIK Principal**”) of the Bonds. Additional PIK Principal will be considered “principal” for all purposes in these Conditions and, without limiting the foregoing, the Additional PIK Principal of the Bonds will bear interest at the rate then applicable to the Bonds, beginning on the date such interest is paid in kind and added to the principal amount thereof.

The interest amounts hereunder shall be calculated by reference to the principal amount of the Bonds from time to time and payable or capitalised, as applicable, semi-annually in arrear on [●] and [●] in each year (each an “**Interest Payment Date**”), commencing with the Interest Payment Date falling on [●] (the “**First Interest Payment Date**”) and the last payment of interest to be made on the Maturity Date.

The amount of interest payable or to be capitalised, as applicable, in respect of any period which is shorter than an Interest Period shall be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

“**Interest Period**” means the payment period beginning on (and including) the Closing Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

### 5.2 Accrual of Interest

Each Bond will cease to bear interest (i) where the Conversion Right shall have been exercised by a Bondholder, from the Interest Payment Date immediately preceding the relevant Conversion Date or, if none, the Closing Date or (ii) where such Bond is redeemed or repaid pursuant to Condition 8 or Condition 10, from the due date for redemption or repayment thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused, in which event interest will continue to accrue as provided in these Conditions.

*All interest and Additional PIK Principal payable on the Bonds shall be subject to applicable laws in India, including but not limited to the ECB Guidelines.*

## 6 Conversion

### 6.1 Conversion Right

#### 6.1.1 Conversion Period

- (i) Subject as hereinafter provided, Bondholders have the right to convert their Bonds into Shares at any time during the Conversion Period referred to below. The right of a Bondholder to convert any Bond into Shares is called the “**Conversion Right**”.

Subject to and upon compliance with the provisions of this Condition, the Conversion Right attaching to any Bond may be exercised, at the option of the holder thereof, at any time (subject to Condition 6.1.1(ii)) on and after [●] up to the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on [●] (but, except as provided in Conditions 6.1.4 and 10, in no event thereafter) or if such Bond shall have been called for redemption before the Maturity Date, then up to the close of business (at the place aforesaid) on a date no later than seven business days (at the place aforesaid) prior to the date fixed for redemption thereof (the “**Conversion Period**”).

- (ii) Conversion Rights may not be exercised in relation to any Bond during the period (each, a “**Closed Period**”) commencing on: (a) the date falling 21 days prior to the date of the Issuer’s annual general shareholders’ meeting and ending on the date of that meeting, (b) the date falling 30 days prior to an extraordinary shareholders’ meeting and ending on the date of that meeting, (c) the date that the Issuer notifies BSE Limited (the “**BSE**”) or National Stock Exchange of India Limited (the “**NSE**”) and together with the BSE, the “**Indian Exchanges**”) of the record date for determination of the shareholders entitled to receipt of dividends, subscription of shares due to capital increase or other benefits, and ending on the record date for the distribution or allocation of the relevant dividends, rights and benefits; (d) on such date and for such period as determined by Indian law applicable from time to time that the Issuer is required to close its stock transfer books; or (e) in circumstances where the exercise of the Conversion Right would fall during the period commencing on a record date in respect of any payment of interest on the Bonds and ending on the relevant Interest Payment Date (both days inclusive). The Issuer will give notice of any such period to the Trustee, the Bondholders and the Conversion Agent at the beginning of each such period.

The Issuer shall provide to the Trustee, the Bondholders and the Conversion Agent notice of any meeting of the Issuer’s board of directors which is convened to consider the declaration of any dividends, subscription of shares due to capital increase or other benefits, at the same time notice of such meeting is announced in India.

Conversion Rights may not be exercised (a) in respect of a Bond where the Bondholder shall have exercised its right to require the Issuer to redeem such Bond pursuant to Condition 8.5; or (b) except as provided in Condition 6.1.4

and Condition 10, in each case following the giving of notice by the Trustee pursuant to Condition 10.

The number of Shares to be issued on conversion of a Bond will be determined by dividing the principal amount from time to time of the Bond to be converted (translated into Rupees at the fixed rate of ₹71.30 = U.S.\$1.00 (the “**Fixed Exchange Rate**”)) by the Conversion Price in effect at the Conversion Date (both as hereinafter defined).

A Conversion Right may only be exercised in respect of one or more Bonds. If more than one Bond held by the same holder is converted at any one time by the same holder, the number of Shares to be issued upon such conversion will be calculated on the basis of the aggregate principal amount from time to time of the Bonds to be converted.

Upon exercise of Conversion Rights in relation to any Bond and the fulfilment by the Issuer of all its obligations in respect thereof, the relevant Bondholder shall have no further rights in respect of such Bond and the obligations of the Issuer in respect thereof shall be extinguished.

#### 6.1.2 Fractions of Shares:

Fractions of Shares will not be issued on conversion and no cash adjustments will be made in respect thereof. Notwithstanding the foregoing, in the event of a consolidation or reclassification of Shares by operation of law or otherwise occurring after the Closing Date which reduces the number of Shares outstanding, the Issuer will upon conversion of Bonds pay in cash (in U.S. dollars by means of a U.S. dollar cheque drawn on a bank in New York City) a sum equal to such portion of the principal amount of the Bond or Bonds evidenced by the Certificate deposited in connection with the exercise of Conversion Rights, aggregated as provided in Condition 6.1.1, as corresponds to any fraction of a Share not issued if such sum exceeds U.S.\$10.00 (which sum shall be translated into U.S. dollars at the Fixed Exchange Rate). Any such sum shall be paid not later than 14 business days in Mumbai after the relevant Conversion Date by transfer to a U.S. dollar account with a bank in New York City specified in the relevant Conversion Notice.

#### 6.1.3 Conversion Price and Conversion Ratio:

The price at which Shares will be issued upon conversion, as adjusted from time to time, (the “**Conversion Price**”) will initially be ₹3.30 but will be subject to adjustment in the manner provided in Condition 6.3.

The “**Conversion Ratio**” is equal to the principal amount from time to time of the Bonds divided by the then Conversion Price translated into U.S. dollars at the Fixed Exchange Rate.

#### 6.1.4 Revival and/or survival after Default:

Notwithstanding the provisions of Condition 6.1.1, if (a) the Issuer shall default in making payment in full in respect of any Bond which shall have been called for redemption on the date fixed for redemption thereof, (b) any Bond has become due and payable prior to the Maturity Date by reason of the occurrence of any of the events referred to in Condition 10 or (c) any Bond is not redeemed on the Maturity Date in accordance with Condition 8.1, the Conversion Right attaching to such Bond

will revive and/or will continue to be exercisable up to, and including, the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on the date upon which the full amount of the moneys payable in respect of such Bond has been duly received by the Principal Agent or the Trustee and notice of such receipt has been duly given to the Bondholders and, notwithstanding the provisions of Condition 6.1.1, any Bond in respect of which the Certificate and Conversion Notice are deposited for conversion prior to such date shall be converted on the relevant Conversion Date (as defined in Condition 6.2.1(ii)) notwithstanding that the full amount of the moneys payable in respect of such Bond shall have been received by the Principal Agent or the Trustee before such Conversion Date or that the Conversion Period may have expired before such Conversion Date.

#### 6.1.5 Meaning of “Shares”:

As used in these Conditions, the expression “**Shares**” means (1) shares of the class of share capital of the Issuer which, at the date of the Trust Deed, are designated as equity shares of the Issuer with full voting rights, together with shares of any class or classes resulting from any subdivision, consolidation or re- classification of those shares, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Issuer; and (2) fully-paid and non- assessable shares of any class or classes of the share capital of the Issuer authorised after the date of the Trust Deed which have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or winding-up of the Issuer; provided that, subject to the provisions of Condition 11, shares to be issued on conversion of the Bonds means only “**Shares**” as defined in sub-clause (1) above.

## 6.2 Conversion Procedure

### 6.2.1 Conversion Notice:

- (i) To exercise the Conversion Right attaching to any Bond, the holder thereof must complete, execute and deposit at his own expense between 9.00 a.m. and 3.00 p.m. (local time on any business day) at the specified office of any Conversion Agent a notice of conversion (a “**Conversion Notice**”) in duplicate in the form (for the time being current) obtainable from the specified office of each Agent, together with (a) the relevant Certificate; and (b) certification by the Bondholder, in the form obtainable from any Conversion Agent, as may be required under the laws of the Republic of India or the jurisdiction in which the specified office of such Conversion Agent shall be located. A Conversion Notice deposited outside the hours of 9.00 a.m. to 3.00 p.m. or on a day which is not a business day at the place of the specified office of the relevant Conversion Agent shall for all purposes be deemed to have been deposited with that Conversion Agent during the normal business hours on the next business day following such business day. Any Bondholder who deposits a Conversion Notice during a Closed Period will not be permitted to convert the Bonds into Shares (as specified in the Conversion Notice) until the next business day after the end of that Closed Period, which (if all other conditions to conversion have been fulfilled) will be the Conversion Date for such Bonds notwithstanding that such date may fall outside of the Conversion Period. A Bondholder exercising its Conversion Right for Shares will be required to open a depository account with a depository participant under the Depositories Act, 1996 of India (the “**1996 Depositories Act**”), for the purposes of receiving the Shares.

- (ii) The conversion date in respect of a Bond (the “**Conversion Date**”) must fall at a time when the Conversion Right attaching to that Bond is expressed in these Conditions to be exercisable (subject to the provisions of Condition 6.1.4) and will be deemed to be the date of the surrender of the Certificate in respect of such Bond and delivery of such Conversion Notice and, if applicable, any payment to be made or indemnity given under these Conditions in connection with the exercise of such Conversion Right. A Conversion Notice once delivered shall be irrevocable and may not be withdrawn unless the Issuer consents to such withdrawal.

Conversion Rights may only be exercised in respect of the whole of the principal amount of a Bond.

#### **6.2.2 Stamp Duty etc.:**

A Bondholder delivering a Certificate in respect of a Bond for conversion must pay directly to the relevant authorities any taxes and capital, stamp, issue and registration duties arising on conversion (other than any taxes or capital or stamp duties payable in India and, if relevant, in the place of the Alternative Stock Exchange (as defined below), by the Issuer in respect of the allotment and issue of Shares and listing of the Shares on the Indian Exchanges on conversion) (the “**Taxes**”) and such Bondholder must pay all, if any, taxes arising by reference to any disposal or deemed disposal of a Bond in connection with such conversion. The Issuer will pay all other expenses arising on the issue of Shares on conversion of the Bonds and all charges of the Agents and the share transfer agent for the Shares (“**Share Transfer Agent**”) in connection with conversion. The Trustee and the Agent are under no obligation to determine whether a Bondholder or the Issuer is liable to pay or has paid any taxes including stamp, issue, registration or similar taxes and duties or the amounts payable (if any) in connection with this Condition 6.2.2 and shall not be liable for any failure by any Bondholder or the Issuer to make such payment to the relevant authorities or determine the sufficiency or insufficiency of any amount so paid.

#### **6.2.3 Delivery of Shares:**

- (i) Upon exercise by a Bondholder of its Conversion Right for Shares, the Issuer will, on or with effect from the relevant Conversion Date, as soon as practicable and in any event not later than 40 days after the Conversion Date, cause the relevant securities account of the Bondholder exercising his Conversion Right or of his/their nominee, to be credited with such number of relevant Shares to be issued upon conversion (notwithstanding any retroactive adjustment of the Conversion Price referred to below prior to the time it takes effect) and shall further cause the name of the concerned Bondholder or its nominee to be registered accordingly, in the record of the beneficial holders of shares, maintained by the depository registered under the 1996 Depositories Act with whom the Issuer has entered into a depository agreement and, subject to any applicable limitations then imposed by Indian laws and regulations, shall procure the Share Transfer Agent to, as soon as practicable, and in any event within 14 business days in Mumbai of the Conversion Date, despatch or cause to be despatched to the order of the person named for that purpose in the relevant Conversion Notice at the place and in the manner specified in the relevant Conversion Notice (uninsured and the risk of delivery at any such place being that of the converting Bondholder), a U.S. dollar cheque drawn on a branch of a bank in New York City in respect of any cash payable pursuant to Condition 6.1.2 required to be

delivered on conversion and such assignments and other documents (if any) as required by law to effect the transfer thereof.

The crediting of the Shares to the relevant securities account of the converting Bondholder will be deemed to satisfy the Issuer's obligation to pay the principal (including any Additional PIK Principal), premium (if any) and interest (including default interest (if any)) on the Bonds.

- (ii) If the Conversion Date in relation to any Bond shall be after the record date for any issue, distribution, grant, offer or other event as gives rise to the adjustment of the Conversion Price pursuant to Condition 6.3, but before the relevant adjustment becomes effective under the relevant Condition (a "**Retroactive Adjustment**"), upon the relevant adjustment becoming effective the Issuer shall procure the issue to the converting Bondholder (or in accordance with the instructions contained in the Conversion Notice (subject to applicable exchange control or other laws or other regulations)), such additional number of Shares ("**Additional Shares**") as, together with the Shares issued or to be issued on conversion of the relevant Bond, is equal to the number of Shares which would have been required to be issued on conversion of such Bond if the relevant adjustment to the Conversion Price had been made and become effective as at such Conversion Date immediately after the relevant record date and in such event and in respect of such Additional Shares references in Conditions 6.2.3(i) and (ii) to the Conversion Date shall be deemed to refer to the date upon which the Retroactive Adjustment becomes effective (notwithstanding that the date upon which it becomes effective falls after the end of the Conversion Period).
- (iii) The Shares issued upon conversion of the Bonds will in all respects rank *pari passu* with the Shares in issue on the relevant Conversion Date (except for any right excluded by mandatory provisions of applicable law) and such Shares shall be entitled to all rights the record date for which falls on or after such Conversion Date to the same extent as all other fully-paid and non-assessable Shares of the Issuer in issue as if such Shares had been in issue throughout the period to which such rights relate. A holder of Shares issued on conversion of Bonds shall not be entitled to any rights the record date for which precedes the relevant Conversion Date.
- (iv) Save as provided in Condition 6.2.2, no payment or adjustment shall be made on conversion for any interest which otherwise would have accrued on the relevant Bonds since the last Interest Payment Date preceding the Conversion Date relating to such Bonds (or, if such Conversion Date falls before the first Interest Payment Date, since the Closing Date).

#### 6.2.4 [Reserved]

### 6.3 Adjustments to Conversion Price

The Conversion Price will be subject to adjustment in the following events set out in Condition 0 to Condition 6.3.14, except, in each case, for an event that occurs pursuant to the implementation of the Share Issue or the Debt Resolution Plan (each as defined below) by the Issuer.

For the purposes of these Conditions:

**“Bonds Restructuring”** means the amendments to the terms and conditions and the trust deed in relation to the U.S.\$546,916,000 Step Up Convertible Bonds due 2019 as approved by the bondholders thereof through an extraordinary resolution.

**“Debt Resolution Plan”** means the resolution plan approved by the Group Lenders in terms of the RBI Stressed Assets Framework, and which includes, among other things, the Bonds Restructuring and the Share Issue.

**“Debt Resolution Documents”** means any agreement or other documents entered into by the Issuer with, or any letters received from, the Group Lenders in order to implement or give effect to the Debt Resolution Plan, and shall include any amendments thereto.

**“Group Lenders”** means the lenders to the Issuer and/or its Subsidiaries.

**“RBI Stressed Assets Framework”** means the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 issued by the Reserve Bank of India on 7 June 2019 through its circular with reference RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19, and shall include any circulars, notifications, directions or orders issued in this regard by the Reserve Bank of India.

**“Share Issue”** means the issuance by the Issuer of Shares or other instruments convertible into or exchangeable for Shares by way of preferential allotment or otherwise pursuant to the Debt Resolution Plan.

#### **6.3.1** Free distribution, bonus issue, division, consolidation and re-classification of Shares:

*Adjustment:* If the Issuer shall (a) make a free distribution of Shares (other than by way of a dividend in Shares), (b) make a bonus issue of its Shares, (c) divide its outstanding Shares, (d) consolidate its outstanding Shares into a smaller number of Shares, or (e) re-classify any of its Shares into other securities of the Issuer, then the Conversion Price shall be appropriately adjusted so that the holder of any Bond, the Conversion Date in respect of which occurs after the coming into effect of the adjustment described in this Condition 0, shall be entitled to receive the number of Shares and/or other securities of the Issuer which such holder would have held or have been entitled to receive after the happening of any of the events described above had such Bond been converted immediately prior to the happening of such event (or, if the Issuer has fixed a prior record date for the determination of shareholders entitled to receive any such free distribution or bonus issue of Shares or other securities issued upon any such division, consolidation or re-classification, immediately prior to such record date), but without prejudice to the effect of any other adjustment to the Conversion Price made with effect from the date of the happening of such event (or such record date) or any time thereafter.

*Effective date of adjustment:* An adjustment made pursuant to this Condition 0 shall become effective immediately on the relevant event referred to above becoming effective or, if a record date is fixed therefor, immediately after such record date; provided that in the case of a free distribution or bonus issue of Shares which must, under applicable laws of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before being legally paid or made, and which is so approved after the record date fixed for the determination of shareholders entitled to receive such distribution or issue, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date.

### 6.3.2 Declaration of dividend in Shares:

*Adjustment:* If the Issuer shall issue Shares as a dividend in Shares or make a distribution of Shares which is treated as a capitalisation issue for accounting purposes under Indian GAAP (including, but not limited to, capitalisation of capital reserves and employee stock bonus), then the Conversion Price in effect when such dividend and/or distribution is declared (or, if the Issuer has fixed a prior record date for the determination of shareholders entitled to receive such dividend and/or distribution, on such record date) shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N}{N+n} \right]$$

where:

- |     |   |  |
|-----|---|--|
| NCP | = | the Conversion Price after such adjustment.  |
| OCP | = | the Conversion Price before such adjustment.   |
| N   | = | the number of Shares outstanding, at the time of issuance of such dividend and/or distribution (or at the close of business in Mumbai on such record date as the case may be). |
| n   | = | the number of Shares to be distributed to the shareholders as a dividend and/or distribution.  |

*Effective date of adjustment:* An adjustment made pursuant to this Condition 6.3.2 shall become effective immediately on the relevant event referred to in this Condition 6.3.2 becoming effective or, if a record date is fixed therefor, immediately after such record date; provided that in the case of a dividend in Shares which must, under applicable laws of India, be submitted for approval to a general meeting of shareholders of the Issuer or be approved at a meeting of the Board of Directors of the Issuer before being legally paid or made, and which is so approved after the record date fixed for the determination of shareholders entitled to receive such dividend, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date.

### 6.3.3 Concurrent adjustment events:

If the Issuer shall declare a dividend in, or make a free distribution or bonus issue of, Shares which dividend, issue or distribution is to be paid or made to shareholders as of a record date which is also:

- (a) the record date for the issue of any rights or warrants which requires an adjustment of the Conversion Price pursuant to Conditions 6.3.5, 6.3.6 or 6.3.7;
- (b) the day immediately before the date of issue of any securities convertible into or exchangeable for Shares which requires an adjustment of the Conversion Price pursuant to Condition 6.3.9;
- (c) the day immediately before the date of grant, offer or issue of any Shares which requires an adjustment of the Conversion Price pursuant to

Condition 6.3.10 or, if applicable, the record date for determination of stock dividend entitlement as referred to in Condition 6.3.10;

- (d) the day immediately before the date of issue of any rights, options or warrants which requires an adjustment of the Conversion Price pursuant to Condition 6.3.11; or
- (e) determined by the Issuer and notified to the Trustee in writing to be the relevant date for an event or circumstance which requires an adjustment to the Conversion Price pursuant to Condition 6.3.13.

then (except where such dividend, bonus issue or free distribution gives rise to a retroactive adjustment of the Conversion Price under Conditions 0 and 6.3.2) no adjustment of the Conversion Price in respect of such dividend, bonus issue or free distribution shall be made under Conditions 0 and 6.3.2, but in lieu thereof an adjustment shall be made under Conditions 6.3.5, 6.3.6, 6.3.7, 6.3.9, 6.3.10, 6.3.11 or 6.3.13 (as the case may require) by including in the denominator of the fraction described therein the aggregate number of Shares to be issued pursuant to such dividend, bonus issue or free distribution.

#### 6.3.4 Capital Distribution:

*Adjustment:*

- (i) If the Issuer shall pay or make to its shareholders any Dividend (as defined below), then the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{CMP - fmv}{CMP} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

CMP = the Current Market Price (as defined in Condition 6.3.15 below) per Share on the date on which the relevant Dividend is first publicly announced.

fmv = the portion of the Fair Market Value (as defined below), with such portion being determined by dividing the Fair Market Value of the aggregate Dividend by the number of Shares entitled to receive the relevant Dividend (or, in the case of a purchase of Shares or any receipts or certificates representing shares by or on behalf of the Issuer, by the number of Shares in issue immediately prior to such purchase), of the Dividend distribution attributable to one Share.

*Effective date of adjustment:* Any adjustment pursuant to this Condition 6.3.4 shall become effective immediately after the record date for the determination of shareholders entitled to receive the relevant Dividend; provided that (a) in the case of such a Dividend which must, under applicable law of India, be submitted for approval to a general meeting of shareholders or be approved

by a meeting of the Board of Directors of the Issuer before such Dividend may legally be made and is so approved after the record date fixed for the determination of shareholders entitled to receive such Dividend, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date and (b) if the Fair Market Value of the relevant Dividend cannot be determined until the record date fixed for the determination of shareholders entitled to receive the relevant Dividend, such adjustment shall, immediately upon such Fair Market Value being determined, become effective retroactively to immediately after such record date.

If such Dividend is not so paid, the Conversion Price shall again be adjusted to be the Conversion Price which would then be in effect if such Dividend had not been approved.

For the purposes of this Condition:

**“Dividend”** means any dividend or distribution of cash or other property or assets or evidences of the Issuer’s indebtedness, whenever paid or made and however described provided that:

- (a) where a cash Dividend is announced which is to be, or may at the election of a shareholder or shareholders be, satisfied by the issue or delivery of Shares or other property or assets, or where a capitalisation of profits or reserves is announced which is to be, or may at the election of a shareholder or shareholders be, satisfied by the payment of a Dividend, then for the purposes of this definition the Dividend in question shall be treated as a Dividend of (i) such cash Dividend or (ii) the Fair Market Value (on the date of announcement of such Dividend or date of capitalisation (as the case may be) or, if later, the date on which the number of Shares (or amount of property or assets, as the case may be) which may be issued or delivered is determined) of such Shares or other property or assets if such Fair Market Value is greater than the Fair Market Value of such cash Dividend;
- (b) any tender or exchange offer falling within Condition 6.3.12 and any issue or distribution of Shares falling within Condition 6.3.2 shall be disregarded; and
- (c) a purchase or redemption of ordinary share capital by or on behalf of the Issuer shall not constitute a Dividend unless, in the case of purchases of Shares by or on behalf of the Issuer, the Volume Weighted Average Price per Share (before expenses) on any one day in respect of such purchases exceeds the Current Market Price per Share by more than 5% either (1) on that day (or if such day is not a Trading Day, the immediately preceding Trading Day), or (2) where an announcement (excluding for the avoidance of doubt for these purposes, any general authority for such purchases or redemptions approved by a general meeting of shareholders of the Issuer or any notice convening such a meeting of shareholders) has been made of the intention to purchase Shares at some future date at a specified price, on the Trading Day immediately preceding the date of such announcement, in which case such purchase shall be

deemed to constitute a Dividend (but not a cash Dividend) to the extent that the aggregate price paid (before expenses) in respect of such Shares purchased by or on behalf of the Issuer exceeds the product of (i) the Current Market Price per Share determined as aforesaid and (ii) the number of Shares so purchased.

**“Fair Market Value”** means, with respect to any property on any date, the fair market value of that property as determined in good faith by an Independent Financial Institution provided, that (i) the Fair Market Value of a cash Dividend paid or to be paid shall be the amount of such cash Dividend; (ii) the Fair Market Value of any other cash amount shall be equal to such cash amount; (iii) where shares, options, warrants or other rights are publicly traded in a market of adequate liquidity (as determined by the Independent Financial Institution) the fair market value of such shares, options, warrants or other rights shall equal the arithmetic mean of the daily closing prices of such options, warrants or other rights during the period of five trading days on the relevant market commencing on the first such trading day such shares, options, warrants or other rights are publicly traded; and in the case of (i) translated into Rupees (if declared or paid in a currency other than Rupees) at the rate of exchange used to determine the amount payable to shareholders who were paid or are to be paid or are entitled to be paid the cash Dividend in Rupees; and in any other case, converted into Rupees (if expressed in a currency other than Rupees) at such rate of exchange as may be determined in good faith by an Independent Financial Institution to be the spot rate ruling at the close of business on that date (or if no such rate is available on that date the equivalent rate on the immediately preceding date on which such a rate is available).

**“Independent Financial Institution”** means an independent or commercial bank of international repute selected by the Issuer (at the expense of the Issuer) and notified to the Trustee in writing.

**“Volume Weighted Average Price”** or **“VWAP”** means, in respect of a Share on any Trading Day, or series of Trading Days, the order book volume-weighted average price appearing on or derived from Bloomberg (or any successor service) page SUEL IN or such other source as shall be determined to be appropriate by an Independent Financial Institution on such Trading Day, or series of Trading Days, provided that on any Trading Day where such price is not available or 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.

**“cash Dividend”** means (i) any Dividend which is to be paid in cash and (ii) any Dividend determined to be a cash Dividend pursuant to paragraph (a) of the definition **“Dividend”**, and for the avoidance of doubt, a Dividend falling within paragraph (c) of the definition **“Dividend”** shall be treated as not being a cash Dividend.

### **6.3.5** Rights Issues to Shareholders:

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares rights entitling them to subscribe for or purchase Shares, which expression shall include

those Shares that are required to be offered to employees and persons other than shareholders in connection with such grant, issue or offer:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date mentioned below and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer which is fixed after the record date mentioned below and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration,

then the Conversion Price in effect (in a case within (a) above) on the record date for the determination of shareholders entitled to receive such rights or (in a case within (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within (a) above) on such record date or (in a case within (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares initially to be issued upon exercise of such rights at the said consideration being (aa) the number of Shares which underwriters have agreed to underwrite as referred to below or, as the case may be, (bb) the number of Shares for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in (a) or, as the case may be, (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective immediately after the latest date for the submission of applications for such Shares by shareholders entitled to the same pursuant to such rights or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

*Rights not taken up by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of rights entitling them to subscribe for or purchase Shares, any Shares which are not subscribed for or purchased by the persons entitled thereto are

underwritten by other persons prior to the latest date for the submission of applications for such Shares, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares of rights entitling them to subscribe for or purchase Shares, any such Shares which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred such rights) who have submitted applications for such Shares as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

### 6.3.6 Warrants issued to Shareholders:

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares warrants entitling them to subscribe for or purchase Shares:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date for the determination of shareholders entitled to receive such warrants and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer which is fixed after the record date mentioned above and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration, then the Conversion Price in effect (in a case within (a) above) on the record date for the determination of shareholders entitled to receive such warrants or (in a case within (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within (a) above) on such record date or (in a case within (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares initially to be issued upon exercise of such warrants at the said consideration which, where no applications by shareholders entitled to such warrants are required, shall be based on the number of warrants issued. Where applications by shareholders entitled to such warrants are required, the number of such Shares shall be calculated based upon (aa) the number of warrants which underwriters have

agreed to underwrite as referred to below or, as the case may be, (bb) the number of warrants for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in (a) or, as the case may be, (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective (i) where no applications for such warrants are required from shareholders entitled to the same, upon their issue and (ii) where applications by shareholders entitled to the same are required as aforesaid, immediately after the latest date for the submission of such applications or (if later) immediately after the Issuer fixes the said consideration but in all cases retroactively to immediately after the record date mentioned above.

*Warrants not subscribed for by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of warrants entitling them to subscribe for or purchase Shares in the circumstances described in (a) and (b) of this Condition 6.3.6, any warrants which are not subscribed for or purchased by the shareholders entitled thereto are underwritten by others prior to the latest date for the submission of applications for such warrants, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares of warrants entitling them to subscribe for or purchase Shares, any warrants which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred the right to purchase such warrants) who have submitted applications for such warrants as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

#### **6.3.7** Issues of rights or warrants for equity-related securities to Shareholders:

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares rights or warrants entitling them to subscribe for or purchase any securities convertible into or exchangeable for Shares:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date mentioned below and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer (determined as aforesaid) which is fixed after the record date mentioned below and is less

than the Current Market Price per Share on the date the Issuer fixes the said consideration,

then the Conversion Price in effect (in a case within (a) above) on the record date for the determination of shareholders entitled to receive such rights or warrants or (in a case within (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within (a) above) on such record date or (in a case within (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares initially to be issued upon exercise of such rights or warrants and conversion or exchange of such convertible or exchangeable securities at the said consideration being, in the case of rights, (aa) the number of Shares initially to be issued upon conversion or exchange of the number of such convertible or exchangeable securities which the underwriters have agreed to underwrite as referred to below or, as the case may be, (bb) the number of Shares initially to be issued upon conversion or exchange of the number of such convertible or exchangeable securities for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa) and which, in the case of warrants, where no applications by shareholders entitled to such warrants are required, shall be based on the number of warrants issued. Where applications by shareholders entitled to such warrants are required, the number of such Shares shall be calculated based upon (x) the number of warrants which underwriters have agreed to underwrite as referred to below or, as the case may be, (y) the number of warrants for which applications are received from shareholders as referred to below save to the extent already adjusted for under (x).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in (a) or, as the case may be, (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective (a) where no applications for such warrants are required from shareholders entitled to the same, upon their issue and (b) where applications by shareholders entitled to the warrants are required as aforesaid and in the case of convertible or exchangeable securities by shareholders entitled to the same pursuant to such rights, immediately after the latest date for the submission of such applications or (if later) immediately after the Issuer fixes the said consideration; but in all cases retroactively to immediately after the record date mentioned above.

*Rights or warrants not taken up by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of rights or warrants entitling them to subscribe for or purchase securities convertible into or exchangeable for Shares in the circumstances described in this Condition 6.3.7, any convertible or exchangeable securities or warrants which are not subscribed for or purchased by the shareholders entitled thereto are underwritten by others prior to the latest date for the submission of applications for such convertible or exchangeable securities or warrants, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares or rights or warrants entitling them to subscribe for or purchase securities convertible into or exchangeable for Shares, any convertible or exchangeable securities or warrants which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred such rights or the right to purchase such warrants) who have submitted applications for such convertible or exchangeable securities or warrants as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

#### **6.3.8** Other distributions to Shareholders:

*Adjustment:* If the Issuer shall distribute to the holders of Shares of capital stock of the Issuer (other than Shares), assets (excluding any Dividends), evidences of its indebtedness or rights or warrants to subscribe for or purchase Shares or securities (excluding those rights and warrants referred to in Conditions 6.3.5, 6.3.6 and 6.3.7), then the Conversion Price in effect on the record date for the determination of shareholders entitled to receive such distribution shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{CMP - fmv}{CMP} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

CMP = the Current Market Price per Share on the record date for the determination of shareholders entitled to receive such distribution.

fmv = the fair market value (as determined by an Independent

Financial Institution or, if pursuant to applicable law of India such determination is to be made by application to a court of competent jurisdiction, as determined by such court or by an appraiser appointed by such court) of the portion of the equity share capital shares of capital stock, assets, rights or warrants so distributed applicable to one Share less any consideration payable for the same by the relevant shareholder.

*Effective date of adjustment:* Such adjustment shall become effective immediately after the record date for the determination of shareholders entitled to receive such distribution. Provided that (a) in the case of such a distribution which must, under applicable law of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before such distribution may legally be made and is so approved after the record date fixed for the determination of shareholders entitled to receive such distribution, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date and (b) if the fair market value of the shares of capital stock, assets, rights or warrants so distributed cannot be determined until after the record date fixed for the determination of shareholders entitled to receive such distribution, such adjustment shall, immediately upon such fair market value being determined, become effective retroactively to immediately after such record date.

**6.3.9** Issue of convertible or exchangeable securities other than to Shareholders:

*Adjustment:* If the Issuer shall issue any securities convertible into or exchangeable for Shares (other than the Bonds, or in any of the circumstances described in Condition 6.3.7 and Condition 6.3.11) or grant such rights in respect of any existing securities and the consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) shall be less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the issue of such securities is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the date of issue of such convertible or exchangeable securities shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of such issue.
- n = the number of Shares to be issued upon conversion or exchange of such convertible or exchangeable securities at the initial conversion or exchange price or rate.
- v = the number of Shares which the aggregate consideration receivable by the Issuer would purchase at such Current

### Market Price per Share.

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India corresponding to the calendar day at the place of issue on which such convertible or exchangeable securities are issued.

#### 6.3.10 Other issues of Shares:

*Adjustment:* If the Issuer shall issue any Shares (other than Shares issued upon conversion or exchange of any convertible or exchangeable securities (including the Bonds) issued by the Issuer or upon exercise of any rights or warrants granted, offered or issued by the Issuer or in any of the circumstances described in any preceding provision of this Condition 6.3) for cash, for a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the issue of such Shares is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the issue of such additional Shares shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- |   |   |   |
|---|---|---|
| N | = | the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of issue of such additional Shares. |
| n | = | the number of additional Shares issued as aforesaid.  |
| v | = | the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share. |

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India of the issue of such additional Shares.

#### 6.3.11 Issue of equity-related securities:

*Adjustment:* If the Issuer shall grant, issue or offer options, warrants or rights (excluding those rights and warrants referred to in Conditions 6.3.5, 6.3.6, 6.3.7 and 6.3.8) to subscribe for or purchase Shares or securities convertible into or exchangeable for Shares and the consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) shall be less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the offer, grant or issue of such rights, options or warrants is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the

Conversion Price in effect immediately prior to the date of the offer, grant or issue of such rights, options or warrants shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of such issue.
- n = the number of Shares to be issued on exercise of such rights or warrants and (if applicable) conversion or exchange of such convertible or exchangeable securities at the said consideration.
- v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share.

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India corresponding to the calendar day at the place of issue on which such rights or warrants are issued.

#### 6.3.12 Tender or exchange offer:

*Adjustment:* In case a tender or exchange offer made by the Issuer or any Subsidiary for all or any portion of the Shares shall expire and such tender or exchange offer shall involve the payment by the Issuer or such Subsidiary of consideration per Share having a Fair Market Value at the last time (the “**Expiration Date**”) tenders or exchanges could have been made pursuant to such tender or exchange offer (as it shall have been amended) that exceeds the Current Market Price per Share, as of the Expiration Date, the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[ \frac{N \times CMP}{fmv + [(N-n) \times CMP]} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

- N = the number of Shares outstanding (including any tendered or exchanged Shares) on the Expiration Date.
- CMP = Current Market Price per Share as of the Expiration Date.
- fmv = the Fair Market Value of the aggregate consideration payable to the holders of Shares based on the acceptance

(up to a maximum specified in the terms of the tender or exchange offer) of all Shares validly tendered or exchanged and not withdrawn as of the Expiration Date (the Shares deemed so accepted up to any such maximum, being referred to as the “**Purchased Shares**”).

n = the number of Purchased Shares.

*Effective date of adjustment:* Such adjustment shall become retroactively effective immediately prior to the opening of business on the day following the Expiration Date.

*Tender or exchange offer not completed:* If the Issuer is obligated to purchase Shares pursuant to any such tender or exchange offer, but the Issuer is permanently prevented by applicable law from effecting any such purchase or all such purchases are rescinded, the Conversion Price shall again be adjusted to be the Conversion Price which would then be in effect if such tender or exchange offer had not been made.

#### 6.3.13 Analogous events and modifications:

If (a) the rights of conversion or exchange, purchase or subscription attaching to any options, rights or warrants to subscribe for or purchase Shares or any securities convertible into or exchangeable for, or which carry rights to subscribe for or purchase Shares are modified (other than pursuant to and as provided in the terms and conditions of such options, rights, warrants or securities as originally issued) or (b) the Issuer determines that any other event or circumstance has occurred which has or would have an effect on the position of the Bondholders as a class compared with the position of the holders of all the securities (and options and rights relating thereto) of the Issuer, taken as a class which is analogous to any of the events referred to in Conditions 0 to 6.3.12, then, in any such case, the Issuer shall promptly notify the Trustee in writing thereof and the Issuer shall consult with an Independent Financial Institution as to what adjustment, if any, should be made to the Conversion Price to preserve the value of the Conversion Right of Bondholders and will make any such adjustment. All costs, charges, liabilities and expenses incurred in connection with the appointment, retention, consultation and remuneration of any Independent Financial Institution appointed under the Conditions shall be borne by the Issuer.

#### 6.3.14 Simultaneous issues of different classes of Shares:

In the event of simultaneous issues of two or more classes of share capital comprising Shares or rights or warrants in respect of, or securities convertible into or exchangeable for, two or more classes of share capital comprising Shares, then, for the purposes of this Condition, the formula:

$$NCP = OCP \times \left[ \frac{N+v}{N+n} \right]$$

shall be restated as:

$$NCP = OCP \times \left[ \frac{N+v1+v2+v3}{N+n1+n2+n3} \right]$$

where v1 and n1 shall have the same meanings as “v” and “n” but by reference to one class of Shares, v2 and n2 shall have the same meanings as “v” and “n” but by

reference to a second class of Shares, v3 and n3 shall have the same meanings as “v” and “n” but by reference to a third class of Shares and so on.

#### **6.3.15** Certain Definitions:

For the purposes of these Conditions:

the “**Closing Price**” of the Shares for each Trading Day shall be the last reported transaction price of the Shares on the BSE for such day or, if no transaction takes place on such day, the average of the closing bid and offered prices of Shares for such day as furnished by a leading independent securities firm licensed to trade on the BSE selected from time to time by the Issuer and notified to the Trustee in writing for the purpose.

“**Current Market Price**” per Share on any date means the average of the daily Closing Prices of the relevant Shares for the five consecutive Trading Days (as defined below) ending on and including the Trading Day immediately preceding such date. If the Issuer has more than one class of share capital comprising Shares, then the relevant Current Market Price for Shares shall be the price for that class of Shares the issue of which (or of rights or warrants in respect of, or securities convertible into or exchangeable for, that class of Shares) gives rise to the adjustment in question.

If during the said five Trading Days or any period thereafter up to but excluding the date as of which the adjustment of the Conversion Price in question shall be effected, any event (other than the event which requires the adjustment in question) shall occur which gives rise to a separate adjustment to the Conversion Price under the provisions of these Conditions, then the Current Market Price as determined above shall be adjusted in such manner and to such extent as an Independent Financial Institution shall in its absolute discretion deem appropriate and fair to compensate for the effect thereof.

“**Trading Day**” means a day when the BSE is open for business, but does not include a day when (a) no such last transaction price or closing bid and offered prices is/are reported and (b) (if the Shares are not listed or admitted to trading on such exchange) no such closing bid and offered prices are furnished as aforesaid.

If the Shares are no longer listed on the BSE but are still listed on the NSE, references in the above definitions to the BSE shall be deemed to be the NSE, and if the Shares are no longer listed on the BSE or the NSE and have been listed on another stock exchange as required by Condition 6.4.1, references in the above definitions to the BSE will be taken as references to the Alternative Stock Exchange.

#### **6.3.16** Consideration receivable by the Issuer:

For the purposes of any calculation of the consideration receivable by the Issuer pursuant to Conditions 6.3.5, 6.3.6, 6.3.7, 6.3.9, 6.3.10 and 6.3.11 above, the following provisions shall be applicable:

- (a) in the case of the issue of Shares for cash, the consideration shall be the amount of such cash;
- (b) in the case of the issue of Shares for a consideration in whole or in part other than cash, the consideration other than cash shall be deemed to be the fair

value thereof as determined by an Independent Financial Institution or, if pursuant to applicable law of India such determination is to be made by application to a court of competent jurisdiction, as determined by such court or an appraiser appointed by such court, irrespective of the accounting treatment thereof;

- (c) in the case of the issue (whether initially or upon the exercise of rights or warrants) of securities convertible into or exchangeable for Shares, the consideration received by the Issuer for such securities and (if applicable) rights or warrants plus the additional consideration (if any) to be received by the Issuer upon (and assuming) the conversion or exchange of such securities at the initial conversion or exchange price or rate and (if applicable) the exercise of such rights or warrants at the initial subscription or purchase price (the consideration in each case to be determined in the same manner as provided in this Condition 6.3.16) and the consideration per Share receivable by the Issuer shall be such aggregate consideration divided by the number of Shares to be issued upon (and assuming) such conversion or exchange at the initial conversion or exchange price or rate and (if applicable) the exercise of such rights or warrants at the initial subscription or purchase price;
- (d) in the case of the issue of rights or warrants to subscribe for or purchase Shares, the aggregate consideration receivable by the Issuer shall be deemed to be the consideration received by the Issuer for any such rights or warrants plus the additional consideration to be received by the Issuer upon (and assuming) the exercise of such rights or warrants at the initial subscription or purchase price (the consideration in each case to be determined in the same manner as provided in this Condition 6.3.16) and the consideration per Share receivable by the Issuer shall be such aggregate consideration divided by the number of Shares to be issued upon (and assuming) the exercise of such rights or warrants at the initial subscription or purchase price;
- (e) if any of the consideration referred to in any of the preceding paragraphs of this Condition 6.3.16 is receivable in a currency other than Rupees, such consideration shall (in any case where there is a fixed rate of exchange between the Rupees and the relevant currency for the purposes of the issue of the Shares, the conversion or exchange of such securities or the exercise of such rights or warrants) be translated into Rupees for the purposes of this Condition 6.3.16 at such fixed rate of exchange and shall (in all other cases) be translated into Rupees at the mean of the exchange rate quotations (being quotations for the cross rate through U.S. dollars if no direct rate is quoted) by a leading bank in India for buying and selling spot units of the relevant currency by telegraphic transfer against Rupees on the date as of which the said consideration is required to be calculated as aforesaid;
- (f) in the case of the issue of Shares (including, without limitation, to employees under any employee bonus or profit sharing arrangements) credited as fully paid out of retained earnings or capitalisation of reserves at their par value, the aggregate consideration receivable by the Issuer shall be deemed to be zero (and accordingly the number of Shares which such aggregate consideration receivable by the Issuer could purchase at the relevant Current Market Price per Share shall also be deemed to be zero); and

- (g) in making any such determination, no deduction shall be made for any commissions or any expenses paid or incurred by the Issuer.

**6.3.17** Cumulative adjustments:

If, at the time of computing an adjustment (the “**later adjustment**”) of the Conversion Price pursuant to any of Conditions 6.3.2, 6.3.5, 6.3.6, 6.3.9, 6.3.10 and 6.3.11 above, the Conversion Price already incorporates an adjustment made (or taken or to be taken into account pursuant to the proviso to Condition 6.3.18) to reflect an issue of Shares or of securities convertible into or exchangeable for Shares or of rights or warrants to subscribe for or purchase Shares or securities, to the extent that the number of such Shares or securities taken into account for the purposes of calculating such adjustment exceeds the number of such Shares in issue at the time relevant for ascertaining the number of outstanding Shares for the purposes of computing the later adjustment, such excess Shares shall be deemed to be outstanding for the purposes of making such computation.

**6.3.18** Minor adjustments:

No adjustment of the Conversion Price shall be required if the adjustment would be less than 1% of the then current Conversion Price; provided that any adjustment which by reason of this Condition 6.3.18 is not required to be made shall be carried forward and taken into account (as if such adjustment had been made at the time when it would have been made but for the provisions of this Condition 6.3.18) in any subsequent adjustment. All calculations under this Condition 6.3 shall be made to the nearest ₹0.01 with ₹0.005 being rounded up to the next ₹0.01. Except as otherwise set out in Condition 6.3.19, the Issuer may reduce the Conversion Price (but is not obliged to do so) at any time in its absolute discretion, subject to compliance with all applicable Indian laws.

**6.3.19** Minimum Conversion Price:

Notwithstanding the provisions of this Condition, the Issuer covenants that:

- (a) the Conversion Price shall not be reduced below the par value of the Shares (₹2 at the date hereof) as a result of any adjustment made hereunder unless under applicable law then in effect Bonds may be converted at such reduced Conversion Price into legally issued, fully-paid and non-assessable Shares; and
- (b) it will not take any corporate or other action which might result in the Conversion Price being reduced pursuant to Conditions 0 to 6.3.14 above the level permitted by applicable Indian laws and regulations from time to time (if any) or (ii) applicable Indian regulatory authorities.

**6.3.20** Reference to “fixed”:

Any references herein to the date on which a consideration is “fixed” shall, where the consideration is originally expressed by reference to a formula which cannot be expressed as an actual cash amount until a later date, be construed as a reference to the first day on which such actual cash amount can be ascertained.

**6.3.21** Upward adjustment:

No adjustment involving an increase in the Conversion Price will be made, except in the case of a consolidation of the Shares, as referred to in Condition 0.

**6.3.22** Trustee not obliged to monitor:

The Trustee shall not be under any duty to monitor whether any event or circumstance has happened or exists under this Condition 6.3 and will not be responsible to Bondholders for any loss arising from any failure by it to do so.

The Trustee and the Agents shall be under no obligation to calculate, determine or verify the number of Shares to be issued upon conversion of the Bonds or verify the Issuer's or the Independent Financial Institution's determination of such number of Shares or method used in such determination and neither the Trustee nor the Agents shall be responsible to Bondholders or any other person for any loss arising from any failure to do so or for any delay of the Issuer or the Independent Financial Institution in making such determination or any erroneous determination by the Issuer or the Independent Financial Institution.

**6.3.23** Approval of Trustee:

The Issuer shall within 3 days of the adjustment event send the Trustee a certificate setting out particulars relating to adjustment of the Conversion Price. The Issuer shall also cause a notice containing the same information to be sent to Bondholders, such notice to be provided to the Trustee in writing before it is given to Bondholders.

**6.3.24** Independent Financial Institution:

If the Issuer fails to select an Independent Financial Institution when required in this Condition 6.3, the Trustee may (at its absolute discretion) select such an Independent Financial Institution at the expense of the Issuer.

**6.3.25** Depositary Receipts:

If the Issuer shall have outstanding a depositary receipt facility programme or facility in respect of its Shares (a "**DR Facility**") on the date of conversion of any Bonds, then, subject to the terms and conditions of the relevant facility or programme and to applicable laws and regulations and to such amendments to these Conditions as the Issuer and the Trustee shall consider to be appropriate, each Bondholder will have the right in respect of the exercise of Conversion Rights to elect (a "**DR Election**") that the Shares to be issued on conversion be represented by depositary receipts ("**DRs**") and to receive DRs instead of such Shares. A DR Election shall be made in the relevant Conversion Notice in such form as the Issuer may require. The number of DRs to be issued on exercise of Conversion Rights in respect of which the relevant Bondholder shall have duly made a DR Election shall be determined by dividing the principal amount from time to time of the relevant Bond to be converted by the Conversion Price in effect on the relevant Conversion Date and dividing the resulting number by the number of Shares represented by each DR on such Conversion Date.

Fractions of a DR will not be issued and neither will a Share (where at the relevant time a DR represents more than one Share) or any fraction of a Share be issued and no cash payment or adjustment will be made in respect thereof. However, if the Conversion Right in respect of more than one Bond is exercised at any one time such that DRs are to be issued to the same person, the number of such DRs to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount

of such Bonds being so converted and rounded down to the nearest whole number of DRs.

Where DRs are to be issued, the Issuer will, as soon as practicable, and in any event not later than 30 days after the relevant Conversion Date (i) cause the name of the depository in respect of the relevant DR Facility (the “**DR Depository**”), or its custodian, to be registered in the record of the depositors maintained by the depository registered under the 1996 Depositories Act with whom the Issuer has entered into a depository agreement and (ii) cause the relevant number of DRs to be issued by the DR Depository pursuant to the relevant DR Facility to the relevant Bondholder or his/their nominee.

DRs will be issued in book-entry form or in certificated form as provided in the relevant DR Facility, and may bear such legends and be subject to such restrictions on transfer as the Issuer shall determine to be necessary to comply with applicable laws and regulations.

A Bondholder exercising Conversion Rights and making a DR Election must deliver at its expense to the specified office of any Conversion Agent all and any certificates and other documents as may be required pursuant to the relevant DR Facility in respect of the deposit of the relevant Shares pursuant to such DR Facility.

The Issuer will pay all expenses, charges and fees of the custodian for the DR Depository and of the DR Depository in connection with the deposit of the relevant Shares and issue of the DRs on conversion.

If a Retroactive Adjustment shall occur in relation to the exercise of Conversion Rights in relation to any Bond in respect of which a DR Election shall have been duly made, the Issuer shall, conditional upon the relevant adjustment becoming effective procure that there shall be issued to the relevant Bondholder (or in accordance with instructions contained in the Conversion Notice) such additional number DRs (if any) (the “**Additional DRs**”) as, together with the DRs issued or to be issued on conversion of the relevant Bond is equal to the number of DRs which would have been required to be issued on conversion of such Bond (together with any fraction of a DR not so issued) if the relevant adjustment to the Conversion Price had been made and become effective on and as of the relevant Conversion Date.

DRs issued upon conversion of the Bonds will in all respects rank *pari passu* with all other DRs under the relevant DR Facility then in issue on the relevant Conversion Date, except that the DRs or, as the case may be, the Additional DRs so issued will not rank for any right where the record date or other due date for the establishment of entitlement in respect of the Shares represented by such DRs or, as the case may be, Additional DRs falls prior to the relevant Conversion Date.

If the Issuer determines that it would be contrary to applicable laws or regulations or would be contrary to the terms of the relevant DR Facility (including any provisions thereof relating to the deposit of Shares) to issue Shares to be represented by DRs upon conversion of Bonds in respect of which a DR Election shall have been made, such DR Election shall be ineffective and there shall be issued to such Bondholder (or as specified in the relevant Conversion Notice) Shares as if such DR Election had not been made.

The Issuer is under no obligation to establish and/or maintain any depository facility or programme in respect of the Shares or, if it does, to enable the Shares to be

eligible for deposit pursuant thereto. The Issuer shall be entitled to impose such conditions and restrictions on the deposit of Shares pursuant to any such facility or programme as it may determine, and may agree with the Trustee such changes to these Conditions as may be appropriate in respect of or relating to the deposit of Shares pursuant to any such facility or programme.

#### 6.3.26 Employee Share Option Scheme:

No adjustment will be made to the Conversion Price where Shares or options to subscribe or acquire Shares are issued, offered, allotted, appropriated, modified or granted to or for the benefit of employees or former employees (including directors) of the Issuer or its Subsidiaries or any associated company of the Issuer (as set out in the relevant employee stock option plan), or persons related to such employees or former employees (including directors) or former employees, directly or indirectly, pursuant to any employee stock option scheme or plan approved by shareholders in general meeting and otherwise adopted in accordance with and complying with all applicable provisions of relevant Indian laws and regulations and official guidelines of any relevant governmental or official body except to the extent that such issues in any period of 12 months amount to, or entitle such persons to receive Shares in excess of 3% of the average number of Shares outstanding during such period of 12 months.

#### 6.4 Undertakings

**6.4.1** The Issuer has undertaken in the Trust Deed, *inter alia*, that so long as any Bond remains outstanding, save with the approval of an Extraordinary Resolution of the Bondholders or with the prior written consent of the Trustee where, in the opinion of the Trustee, it is not materially prejudicial to the interests of Bondholders to give such approval:

- (i) it will use its best endeavours (a) to obtain and maintain a listing of the Bonds on the Singapore Exchange Securities Trading Limited (the “**Singapore Stock Exchange**”), (b) to maintain a listing for all the issued Shares on the Indian Exchanges, (c) to obtain and maintain a listing for all the Shares issued on the exercise of the Conversion Rights attaching to the Bonds on the Indian Exchanges, and (d) if the Issuer is unable to obtain or maintain such listings, or maintenance of such listings is unduly onerous to obtain and maintain a listing for all the Bonds and the Shares issued on the exercise of the Conversion Rights, on an alternative stock exchange as the Issuer may from time to time (with the prior written consent of the Trustee) determine (the “**Alternative Stock Exchange**”) and will forthwith give notice to the Bondholders in accordance with Condition 17 below of the listing or delisting of the Shares or the Bonds (as a class) by any of such stock exchanges;
- (ii) it will reserve, free from any other pre-emptive or other similar rights, out of its authorised but unissued ordinary share capital the full number of Shares liable to be issued on conversion of the Bonds without breaching any foreign ownership restrictions in India applicable to the Shares and will ensure that all such Shares will be duly and validly issued as fully-paid;
- (iii) it will pay the expenses of the issue or delivery of, and all expenses of obtaining listing for, Shares arising on conversion of the Bonds;

- (iv) it will not make any reduction of its ordinary share capital or any uncalled liability in respect thereof or of any share premium account or capital redemption reserve fund (except, in each case, as permitted by law);
- (v) it will not make any offer, issue or distribute or take any action the effect of which would be to reduce the Conversion Price below the par value of the Shares of the Issuer, provided always that the Issuer shall not be prohibited from purchasing its Shares to the extent permitted by law;
- (vi) it will not take any corporate or other action pursuant to Conditions 0 to 6.3.14 that would cause the Conversion Price to be adjusted to a price which would render conversion of the Bonds into Shares at such adjusted Conversion Price to be in contravention of applicable law or subject to approval from the Reserve Bank of India, the Ministry of Finance of the Indian Government and/or any other governmental/regulatory authority in India. The Issuer also covenants that prior to taking any action which would cause an adjustment to the Conversion Price, the Issuer shall provide the Trustee with an opinion of a legal counsel in India of international repute, stating that the Conversion Price as proposed to be adjusted pursuant to such action, is in conformity with applicable law and that the conversion of the Bonds to the Shares at such adjusted Conversion Price would not require approval of the Reserve Bank of India, the Ministry of Finance of the Indian Government and/or any other governmental/regulatory authority in India (the “**Price Adjustment Opinion**”). To the extent that an event triggering an adjustment to the Conversion Price occurs and the Issuer is unable to provide the Trustee with a Price Adjustment Opinion, the Issuer shall give notice to Bondholders of their Non-Permitted Conversion Price Adjustment Event Repurchase Right, as defined in and pursuant to Condition 8.7;
- (vii) it will not acquire or retire for value any Shares;
- (viii) it will not retire for value prior to its repayment or maturity date any loans and/or securities *pari passu* with or subordinated to the Bonds (provided that, for the purpose of this Condition 6.4.1, the Bonds will be presumed to be in unsecured form throughout their term); and
- (ix) it will not declare or pay any dividends or make any payments or repayments of any kind to its shareholders, for so long as any Bonds are outstanding.

**6.4.2** The Issuer undertakes that so long as any Bond remains outstanding it shall provide to the Trustee:

- (a) *[Reserved]*;
- (b) (i) its semi-annual financial information prepared in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended in respect of each semi-annual fiscal period within 3 months of the end of the relevant semi-annual fiscal period, and (ii) its annual report containing audited financial statements in respect of each fiscal year within 6 months from the end of the relevant fiscal year reported on by the auditors and prepared in accordance with Indian GAAP and if so requested, certified by two directors of the Issuer (in each case in English language); and

- (c) a copy of all publicly available notices, statements and documents which are issued to its Shareholders or its creditors as soon as practicable (but not later than 30 days) after their date of issue.

**6.4.3** The Issuer has also given certain other undertakings in the Trust Deed for the protection of the Conversion Rights.

#### 6.5 Notice of Change in Conversion Price

The Issuer shall give notice to the Bondholders in accordance with Condition 17 and, for so long as the Bonds are listed on the Singapore Stock Exchange and the rules of the Singapore Stock Exchange so require, the Issuer shall also give notice to the Singapore Stock Exchange, of any change in the Conversion Price. Any such notice relating to a change in the Conversion Price shall set forth the event giving rise to the adjustment, the Conversion Price prior to such adjustment, the adjusted Conversion Price and the effective date of such adjustment.

#### 6.6 *[Reserved]*

### 7 **Payments**

#### 7.1 Principal and Interest

- (i) Payment of principal (including Additional PIK Principal), interest and premium (if any) will be made by transfer to the registered account of the Bondholder or by U.S. dollar cheque drawn on a bank in New York City mailed to the registered address of the Bondholder if it does not have a registered account, in each case, in accordance with provisions of the Agency Agreement. Such payment will only be made after surrender of the relevant Certificate at the specified office of any of the Agents. If an amount which is due on the Bonds is not paid in full, the Registrar will annotate the Register with a record of the amount (if any) paid.
- (ii) Interest on the Bonds due on an Interest Payment Date will be paid on the due date for the payment of interest to the holder shown on the Register at the close of business on the 15th day before the due date for the payment of interest (the “**Interest Record Date**”). Payments of interest on each Bond will be made by transfer to the registered account of the Bondholder or by U.S. dollar cheque drawn on a bank in New York City mailed to the registered address of the Bondholder if it does not have a registered account, in each case, in accordance with the terms of the Agency Agreement.

#### 7.2 Registered Accounts

For the purposes of this Condition, a Bondholder’s “**registered account**” means the U.S. dollar account maintained by or on behalf of it with a bank in New York City, details of which appear on the Register at the close of business on the second business day (as defined below) before the due date for payment, and a Bondholder’s registered address means its address appearing on the Register at that time.

#### 7.3 Applicable Laws

All payments are subject in all cases to any applicable laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9. No commissions or expenses shall be charged to the Bondholders in respect of such payments.

#### 7.4 Payment Initiation

Where payment is to be made by transfer to a registered account, payment instructions (for value on the due date or, if that is not a business day (as defined below), for value on the first following day which is a business day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (at the risk and, if mailed at the request of the holder otherwise than by ordinary mail, expense of the holder) on the due date for payment (or, if it is not a business day, the immediately following business day) or, in the case of a payment of principal, if later, on the business day on which the relevant Certificate is surrendered at the specified office of an Agent.

#### 7.5 Default Interest and Delay in Payment

- (i) If the Issuer fails to pay any sum in respect of the Bonds when the same becomes due and payable under these Conditions, interest shall accrue on the overdue sum at the rate of 1.25% per annum from the due date. Such default interest shall accrue on the basis of the actual number of days elapsed and a 360-day year.

*RBI regulations may require the Issuer to obtain the prior approval of the RBI before making any such default interest payments. Such approval may or may not be forthcoming.*

- (ii) Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a business day, if the Bondholder is late in surrendering its Certificate (if required to do so) or if a cheque mailed in accordance with this Condition arrives after the due date for payment.

#### 7.6 Business Day

In this Condition, “**business day**” means a day other than a Saturday or Sunday on which commercial banks are open for business in Mumbai, New York City and London and, in the case of the surrender of a Certificate, in the place where the Certificate is surrendered.

### 8 Redemption, purchase and cancellation

#### 8.1 Maturity

Unless previously redeemed, converted or purchased and cancelled as provided herein, the Issuer will redeem the Bonds at their principal amount from time to time on [●] 2032 (the “**Maturity Date**”) together with accrued but unpaid interest at the Cash Interest Rate, if any, calculated in accordance with Condition 5.1. The Issuer may not redeem the Bonds at its option prior to that date except as provided in Condition 8.3 and Condition 8.3A below (but without prejudice to Condition 10).

#### 8.2 [Reserved]

#### 8.3A Clean up option

If at any time the aggregate principal amount of the Bonds outstanding is less than 10% of the aggregate principal amount originally issued (including any Bonds issued pursuant to Condition 16), the Issuer shall have the option to redeem such outstanding Bonds in whole but not in part at their principal amount together with accrued but unpaid interest at the Cash Interest Rate to such date, on the date fixed for redemption. The Issuer will give at least 30 days’ but not more than 60 days’ prior notice to the holders for such redemption.

### 8.3 Redemption for Taxation Reasons

- 8.3.1** At any time the Issuer may, having given not less than 30 nor more than 60 days' notice to the Bondholders (which notice shall be irrevocable) redeem all, and not some only, of the Bonds at their principal amount together with accrued but unpaid interest at the Cash Interest Rate to such date, on the date fixed for redemption ("**Tax Redemption Date**"), if (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice that the Issuer has or will become obliged to pay additional amounts in respect of payments of interest on the Bonds pursuant to Condition 9 as a result of any change in, or amendment to, the laws or regulations of India or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Closing Date, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee a certificate signed by two directors of the Issuer stating that the obligation referred to in (i) above cannot be avoided by the Issuer (taking reasonable measures available to it); and an opinion of independent legal or tax advisors of recognised international standing to the effect that such change or amendment has occurred (irrespective of whether such amendment or change is then effective) and the Trustee shall be entitled to accept such certificate and opinion as sufficient evidence thereof in which event it shall be conclusive and binding on the Bondholders.
- 8.3.2** Upon the expiry of any such notice, the Issuer will be bound to redeem the Bonds at their principal amount together with accrued but unpaid interest at the Cash Interest Rate to such date, on the Tax Redemption Date.
- 8.3.3** If the Issuer gives a notice of redemption pursuant to this Condition 8.3, each Bondholder will have the right to elect that his Bond(s) shall not be redeemed and that the provisions of Condition 9 shall not apply in respect of any payment of principal or interest to be made in respect of such Bond(s) which falls due after the relevant Tax Redemption Date whereupon no additional amounts shall be payable in respect thereof pursuant to Condition 9 and payment of all amounts shall be made subject to the deduction or withholding of the taxation required to be withheld or deducted by the Indian Government or any authority thereof or therein having power to tax. For the avoidance of doubt, any additional amounts which had been payable in respect of the Bonds as a result of the laws or regulations of the Indian Government or any authority thereof or therein having power to tax prior to the Closing Date will continue to be payable to such Bondholders. To exercise such right, the holder of the relevant Bond must complete, sign and deposit at the specified office of any Paying Agent a duly completed and signed notice of election (the "**Bondholder's Tax Election Notice**"), in the form for the time being current, obtainable from the specified office of any Paying Agent together with the Certificate evidencing the Bonds on or before the day falling 10 days prior to the Tax Redemption Date.

### 8.4 *[Reserved]*

## 8.5 Delisting Put Right

- 8.5.1** In the event the Shares cease to be listed or admitted to trading on the BSE or NSE (a “**Delisting**”), each Bondholder shall have the right (the “**Delisting Put Right**”), at such Bondholder’s option, to require the Issuer to redeem all (but not less than all) of such Bondholder’s Bonds on the twentieth business day after notice has been given to Bondholders regarding the Delisting referred to under Condition 8.5.2 below or, if such notice is not given, the twentieth business day after the Delisting (the “**Delisting Put Date**”) at their principal amount together with accrued but unpaid interest at the Cash Interest Rate to such date (the “**Delisting Put Price**”).
- 8.5.2** Promptly after becoming aware of a Delisting, the Issuer shall procure that notice regarding the Delisting Put Right shall be given to Bondholders (in accordance with Condition 17) stating:
- (i) the Delisting Put Date;
  - (ii) the date of such Delisting and, briefly, the events causing such Delisting;
  - (iii) the date by which the Delisting Put Notice (as defined below) must be given;
  - (iv) the Delisting Put Price and the method by which such amount will be paid;
  - (v) the names and specified offices of all Paying Agents;
  - (vi) the Conversion Right and the then current Conversion Price;
  - (vii) the procedures that Bondholders must follow and the requirements that Bondholders must satisfy in order to exercise the Delisting Put Right or Conversion Right; and
  - (viii) that a Delisting Put Notice, once validly given, may not be withdrawn.
- 8.5.3** To exercise its rights to require the Issuer to redeem its Bonds, the Bondholder must deliver a written irrevocable notice of the exercise of such right (a “**Delisting Put Notice**”), in the then current form obtainable from the specified office of any Paying Agent, to any Paying Agent on any business day prior to the close of business at the location of such Paying Agent on such day and which day is not less than 10 business days prior to the Delisting Put Date.
- 8.5.4** A Delisting Put Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Bonds which form the subject of the Delisting Put Notices delivered as aforesaid on the Delisting Put Date.
- 8.5.5** The Trustee shall not be required to take any steps to ascertain whether a Delisting or any event which could lead to the occurrence of a Delisting has occurred and shall not be responsible or liable to Bondholders for any loss arising from any failure by it to do so.
- 8.5.6** For the purposes of this Condition 8.5, “**business day**” shall mean a day on which commercial banks are open for business in New York City, London and Mumbai.

## 8.6 Redemption Following Exercise of a Put Option

Upon the exercise of any put option specified in Condition 8.5, payment of the applicable redemption amount shall be conditional upon (i) the Issuer obtaining all approvals required by law and (ii) delivery of the Bondholder's Certificate (together with any necessary endorsements) to any Paying Agent on any business day (in the location of the relevant Paying Agent) together with the delivery of any other document(s) required by these Conditions, and will be made promptly following the later of the date set for redemption and the time of delivery of such Certificate. If the Paying Agent holds on the Put Date (as defined below) money sufficient to pay the applicable redemption monies of Bonds for which notices have been delivered in accordance with the provisions hereof upon exercise of such right, then, whether or not such Certificate is delivered to the Paying Agent, on and after such Put Date, (a) such Bond will cease to be outstanding; (b) such Bond will be deemed paid; and (c) all other rights of the Bondholder shall terminate (other than the right to receive the applicable redemption monies). "**Put Date**" shall mean the Delisting Put Date.

## 8.7 Non-Permitted Conversion Price Adjustment Event Repurchase Right

To the extent permitted by applicable law, unless the Bonds have been previously redeemed, converted or purchased and cancelled, if the Issuer is unable to provide the Trustee with a Price Adjustment Opinion as set forth in Condition 6.4.1 prior to the occurrence of an event triggering an adjustment to the Conversion Price (a "**Non- Permitted Conversion Price Adjustment Event**"), the Issuer shall, within 10 business days after the occurrence of the relevant event triggering such adjustment, notify the Bondholders and the Trustee of such Non-Permitted Conversion Price Adjustment Event, and each Bondholder shall have the right (the "**Non-Permitted Conversion Price Adjustment Event Repurchase Right**"), at such Bondholder's option, to require the Issuer to repurchase all (or any portion of the principal amount thereof and any integral multiple thereof) of such Bondholder's Bonds at a price equal to their principal amount (the "**Non-Permitted Conversion Price Adjustment Event Repurchase Price**"), on the date set by the Issuer for such repurchase (the "**Non- Permitted Conversion Price Adjustment Date**"), which shall be not less than 30 days nor more than 60 days following the date on which the Issuer notifies the Bondholders of the Non-Permitted Conversion Price Adjustment.

For the purposes of this Condition 8.7, "**business day**" shall mean a day on which commercial banks are open for business in New York City, London and Mumbai.

*The ECB Guidelines may require the Issuer to obtain the prior approval of the Reserve Bank of India or the designated authorized dealer bank, as the case may be, in accordance with the ECB Guidelines before effecting a redemption of the Bonds prior to the Maturity Date pursuant to Conditions 8.3A, 8.3, 8.5, 8.6 and 8.7 and such approval may not be forthcoming.*

*Also, any time periods specified in any notice delivered pursuant to these Conditions may be delayed until such time as such approval is received, or such redemption may not occur and such notice may be rescinded if the relevant approval has not been received by the redemption date, or by the redemption date so delayed.*

## 8.8 [Reserved]

## 8.9 Purchases

The Issuer or any of its Subsidiaries may, if permitted under the laws of India, at any time and from time to time purchase Bonds at any price in the open market or otherwise. The Issuer or the relevant Subsidiary is required to submit to the Registrar for cancellation any Bonds so

purchased. If purchases are made by tender, the tender must be available to all Bondholders alike.

#### 8.10 Cancellation

All Bonds which are redeemed or converted or purchased by the Issuer or any of its Subsidiaries will forthwith be cancelled. Certificates in respect of all Bonds cancelled will be forwarded to or to the order of the Registrar and such Bonds may not be reissued or resold.

#### 8.11 Redemption Notices

All notices to Bondholders given by or on behalf of the Issuer pursuant to this Condition will be given in accordance with Condition 17, and specify the Conversion Price as at the date of the relevant notice, the closing price of the Shares (as quoted on the BSE) as at the latest practicable date prior to the publication of the notice, the date for redemption, the manner in which redemption will be effected and the aggregate principal amount from time to time of the Bonds outstanding as at the latest practicable date prior to the publication of the notice.

No notice of redemption given under Condition 8.3 shall be effective if it specifies a date for redemption which falls during a Closed Period or within 15 days following the last day of a Closed Period.

#### 8.12 Multiple Notices

If more than one notice of redemption (which shall include any notice given by the Issuer pursuant to Condition 8.3, any Delisting Put Notice given by a Bondholder pursuant to Condition 8.5 and any relevant notice given by a Bondholder pursuant to Condition 8.7) is given pursuant to this Condition 8, the first of such notices to be given shall prevail.

### 9 Taxation

9.1 All payments of principal (including Additional PIK Principal), premium (if any) and interest (including default interest (if any)) made in respect of the Bonds by the Issuer will be made free from any restriction or Condition and without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of India or any authority thereof or therein having power to tax, unless deduction or withholding of such taxes, duties, assessments or governmental charges is compelled by law.

9.2 Where such withholding or deduction is in respect of Indian withholding tax on premium or interest payments at the rate of up to 10.00% (plus applicable surcharge on such tax payable and cess on such tax and surcharge) the Issuer will increase the amount of interest paid by it to the extent required so that the amount of interest received by Bondholders (without prejudice to Condition 7.3) amounts to the relevant amount of the interest payable pursuant to Condition 5 or 8.

9.3 In the event that any such withholding or deduction in respect of principal or any such additional withholding or deduction in excess of 10.00% (plus applicable surcharge on such tax payable and cess on such tax and surcharge) in respect of interest is required, the Issuer will pay such additional amounts by way of principal, premium or interest as will result in the receipt by the Bondholders of the amounts which would otherwise have been receivable in the absence of such withholding or deduction, except that no such additional amount shall be payable in respect of any Bond:

- 9.3.1** to a holder (or to a third party on behalf of a holder) who is subject to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with India otherwise than merely by holding the Bond or by the receipt of amounts in respect of the Bond; or
- 9.3.2** (in the case of a payment of principal or premium) if the Certificate in respect of such Bond is surrendered more than 30 days after the Relevant Date except to the extent that the holder would have been entitled to such additional amount on surrendering the relevant Certificate for payment on the last day of such period of 30 days; or
- 9.4 For the purposes hereof, “**Relevant Date**” means the date on which such payment first becomes due except that if the full amount payable has not been received by the Trustee or the Principal Agent on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Bondholders and cheques despatched or payment made.
- 9.5 References in these Conditions to principal, Additional PIK Principal, premium and interest shall be deemed also to refer to any additional amounts which may be payable under this Condition or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed.

The provisions of this Condition 9 shall not apply in respect of any payments of interest which fall due after the relevant Tax Redemption Date in respect of any Bonds which are the subject of a Bondholder election pursuant to Condition 8.3.

*Any payments made by the Issuer are required to be within the all-in-cost ceilings prescribed under the ECB Guidelines and in accordance with any specific approvals from the Reserve Bank of India or the designated authorized dealer bank, as the case may be, obtained by the Issuer in this regard.*

## **10 Events of Default**

- 10.1 The Trustee at its discretion may, and if so requested in writing by the holders of not less than 25% in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution shall (subject to being indemnified and/or secured and/or pre-funded by the Bondholders to its satisfaction), give notice to the Issuer that the Bonds are, and they shall accordingly thereby become, immediately due and repayable at their principal amount together with accrued but unpaid interest at the Cash Interest Rate (if any) to the date of payment (subject as provided below and without prejudice to the right of Bondholders to exercise the Conversion Right in respect of their Bonds in accordance with Condition 6) if any of the following events (each an “**Event of Default**”) has occurred:
- 10.1.1** a default is made in the payment of any amounts due in respect of the Bonds and is subsisting for a period of more than seven days;
- 10.1.2** failure by the Issuer to deliver the Shares as and when such Shares are required to be delivered following conversion of a Bond;
- 10.1.3** failure by the Issuer to perform or comply with one or more of its other obligations in the Bonds or the Trust Deed which default is incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not in the opinion of the Trustee remedied within 15 days after written notice of such default shall have been given to the Issuer by the Trustee.

**10.1.4** *[reserved]*

**10.1.5** *[reserved]*

**10.1.6** occurrence of an event of default in respect of making required payments when due or, as the case may be, within any applicable grace period in respect of any present or future indebtedness for or in respect of monies borrowed or raised by the Issuer or any of its Material Subsidiaries, and if such default is subsisting for a period of more than 30 days, or acceleration on obligations, in an aggregate amount greater than U.S.\$25,000,000;

**10.1.7** other than pursuant to the Debt Resolution Plan, the Issuer or any Material Subsidiary is (or is, or could be, declared by a court to be) insolvent or bankrupt or proposes or makes an agreement for the deferral, rescheduling or other readjustment of all of (or a particular type of) its debts (or of any part which it will or might otherwise be unable to pay), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer or any of its Material Subsidiaries;

**10.1.8** legal process is levied and an adverse order is passed and enforced against a material part of the property, assets or revenues of the Issuer or any Material Subsidiary and such process has not been stayed within a period of 45 days;

**10.1.9** (i) an order for winding up, dissolution, judicial management or administration has been passed in respect of the Issuer or any Material Subsidiary and no appeal against such order has been filed by the Issuer or the Material Subsidiary, as the case may be, within a period of 60 days from the date of the order; or (ii) insolvency proceedings against the Issuer or any Material Subsidiary have commenced and an official liquidator or resolution professional is appointed as a result thereof by the appropriate regulatory or judicial authority;

**10.1.10** an encumbrancer takes possession or an administrative or other receiver or an administrator is appointed of the whole or a material part of the property, assets or revenues of the Issuer or any of its Material Subsidiaries (as the case may be) and is not discharged within 90 days;

**10.1.11** it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Bonds or the Trust Deed;

**10.1.12** any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer or any of its Material Subsidiaries; or

**10.1.13** any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs,

provided that, none of the Share Issue, the Debt Resolution Plan or the Bonds Restructuring shall cause, and no events or circumstances resulting directly or indirectly from the approval or implementation of the Share Issue, the Debt Resolution Plan or the Bonds Restructuring shall constitute, an Event of Default under these Conditions.

For the purposes of these Conditions:

**“Material Subsidiary”** means:

- (a) any Subsidiary of the Issuer that meets the following two tests, each determined under Indian GAAP:
  - (i) whose gross revenues, as shown by the then latest accounts (consolidated where applicable) of such Subsidiary, constitute at least 5% of the consolidated gross revenues of the Issuer, as shown by the then latest consolidated accounts of the Issuer; and
  - (ii) whose gross assets, as shown by the then latest accounts (consolidated where applicable) of such Subsidiary, constitute at least 5% of the total consolidated gross assets of the Issuer, as shown by the then latest consolidated accounts of the Issuer;

provided that:

in the case of a Subsidiary acquired, or a company becoming a Subsidiary, (A) after the end of the financial period to which the latest consolidated accounts of the Issuer relates, the reference to the then latest consolidated accounts of the Issuer for the purposes of the calculation above shall, until consolidated accounts of the issuer for the financial period in which the acquisition is made or, as the case may be, in which the relevant company becomes a Subsidiary are published, be deemed to be a reference to the then latest consolidated accounts of the Issuer adjusted (on a pro forma basis if required) to consolidate the latest accounts of all such subsequently acquired Subsidiaries in such accounts; or (B) prior to the end of the financial period to which the latest consolidated accounts of the Issuer relates, the reference to the then latest consolidated accounts of the Issuer for the purposes of the calculation above shall be deemed to be a reference to the then latest consolidated accounts of the Issuer adjusted (on a pro forma basis if required) to consolidate the latest accounts of all such acquired Subsidiaries in such accounts as if such companies had been Subsidiaries for the whole of the financial period to which the latest consolidated accounts of the Issuer relates; or

- (b) any Subsidiary of the Issuer to which is transferred all or substantially all of the assets of a Subsidiary which immediately prior to such transfer was a Material Subsidiary, provided that the Material Subsidiary which so transfers its assets shall forthwith upon such transfer cease to be a Material Subsidiary.

A certificate from the Auditors (as defined in the Trust Deed) of the Issuer that, in their opinion, a Subsidiary of the Issuer is or is not or was or was not at any particular time a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Trustee and the Bondholders.

- 10.2 Notwithstanding receipt of any payment after the acceleration of the Bonds, a Bondholder may exercise its Conversion Right by depositing a Conversion Notice with a Conversion Agent or Paying Agent during the period from and including the date of a default notice with respect to an event specified in Condition 10.1.2 (at which time the Issuer will notify the Bondholders of the number of Shares per Bond to be delivered upon conversion, assuming all the then outstanding Bonds are converted) to and including the 30th business day after such payment.

If any converting Bondholder deposits a Conversion Notice pursuant to this Condition 10 in the business day prior to, or during, a Closed Period, the Bondholder’s Conversion Right shall

continue until the business day following the last day of the Closed Period, which shall be deemed the Conversion Date, for the purposes of such Bondholder's exercise of its Conversion Right pursuant to this Condition 10.

If the Conversion Right attached to any Bond is exercised pursuant to this Condition 10, the Issuer will deliver Shares (which number will be disclosed to such Bondholder as soon as practicable after the Conversion Notice is given) in accordance with the Conditions, except that the Issuer shall have 10 business days (as defined in Condition 7.6) before it is required to register the converting Bondholder (or its designee) in its register of members as the owner of the number of Shares to be delivered pursuant to this Condition and an additional five business days (as defined in Condition 7.6) from such registration date to make payment in accordance with the following paragraph.

If the Conversion Right attached to any Bond is exercised pursuant to this Condition 10, the Issuer shall, at the request of the converting Bondholder subject to regulatory approval, pay to such Bondholder an amount in United States dollars (converted from Rupees at the Prevailing Rate) (the "**Default Cure Amount**"), equal to the product of (x) (i) the number of Shares that are required to be delivered by the Issuer to satisfy the Conversion Right in relation to such converting Bondholder minus (ii) the number of Shares that are actually delivered by the Issuer pursuant to such Bondholders' Conversion Notice and (y) the Closing Price of the Shares on the Conversion Date; provided that if such Bondholder has received any payment under the Bonds pursuant to this Condition 10, the amount of such payment shall be deducted from the Default Cure Amount.

The "**Prevailing Rate**" shall be the arithmetic average of the spot rates for the purchase of U.S. dollars with Rupees quoted by the State Bank of India on each of the relevant Trading Days or if such rate is not available on such Trading Day, such rate prevailing on the immediately preceding day on which such rate is so available.

The "**Share Price**" means the Closing Price of the Shares on the Conversion Date.

## **11 Consolidation, amalgamation or merger**

The Issuer will not consolidate with, merge or amalgamate into or transfer its assets substantially as an entirety to any corporation or convey or transfer its properties and assets substantially as an entirety to any person (the consummation of any such event, a "**Merger**"), unless:

- (i) the corporation formed by such Merger or the person that acquired such properties and assets shall expressly assume, by a supplemental trust deed, all obligations of the Issuer under the Trust Deed, the Agency Agreement and the Bonds and the performance of every covenant and agreement applicable to it contained therein and to ensure that the holder of each Bond then outstanding will have the right (during the period when such Bond shall be convertible) to convert such Bond into the class and amount of shares, cash and other securities and property receivable upon such consolidation, amalgamation, merger, sale or transfer by a holder of the number of Shares which would have become liable to be issued upon conversion of such Bond immediately prior to such consolidation, amalgamation, merger, sale or transfer;
- (ii) immediately after giving effect to any such Merger, no Event of Default shall have occurred or be continuing or would result therefrom; and
- (iii) the corporation formed by such Merger, or the person that acquired such properties and assets, shall expressly agree, among other things, to indemnify each holder of a

Bond against any tax, assessment or governmental charge payable by withholding or deduction thereafter imposed on such holder solely as a consequence of such Merger with respect to the payment of principal and interest on the Bonds,

Provided that, neither (a) the Share Issue or any events or circumstances resulting therefrom, nor (b) any merger or amalgamation or a transfer of assets or properties of the Issuer to any corporation or any other person upon a direction of the Issuer's lenders as a result of the Debt Resolution Plan or the Debt Resolution Documents, shall constitute a "Merger" under this Condition 11.

## **12 Prescription**

Claims in respect of amounts due in respect of the Bonds will become prescribed unless made within 10 years (in the case of principal and premium (if any)) and five years (in the case of interest) from the relevant date for payment. Neither the Trustee nor the Agents will be responsible or liable for any amounts so prescribed.

## **13 Enforcement**

At any time after the Bonds have become due and repayable, the Trustee may, at its discretion and without further notice, take such proceedings against the Issuer as it may think fit to enforce repayment of the Bonds and to enforce the provisions of the Trust Deed, but it will not be bound to take any such proceedings unless (i) it shall have been so requested in writing by the holders of not less than 25% in principal amount of the Bonds then outstanding or shall have been so directed by an Extraordinary Resolution of the Bondholders and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Bondholder will be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing.

## **14 Meetings of Bondholders, modification, waiver and substitution**

### **14.1 Meetings**

The Trust Deed contains provisions for convening meetings of Bondholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Bonds or the provisions of the Trust Deed. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing in the aggregate over 50% in principal amount of the Bonds for the time being outstanding or, at any adjourned such meeting, two or more persons being or representing Bondholders whatever the principal amount of the Bonds so held or represented unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the due date for any payment in respect of the Bonds, (ii) to reduce or cancel the amount of principal, premium or interest (including default interest) payable in respect of the Bonds, (iii) to change the currency of payment of the Bonds, (iv) to modify or cancel the Conversion Rights or the put options specified in Condition 8, or (v) to modify the provisions concerning the quorum required at any meeting of the Bondholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 75%, or at any adjourned such meeting not less than 25%, in principal amount of the Bonds for the time being outstanding. An Extraordinary Resolution passed at any meeting of Bondholders will be binding on all Bondholders, whether or not they are present at the meeting. The Trust Deed provides that a written resolution signed by or on behalf of the holders of not less than 90% of the aggregate

principal amount of Bonds outstanding shall be as valid and effective as a duly passed Extraordinary Resolution.

#### 14.2 Modification and Waiver

The Trustee may agree, without the consent of the Bondholders, to (i) any modification (except as mentioned in Condition 14.1 above) to, or the waiver or authorisation of any breach or proposed breach of, the Bonds, the Agency Agreement or the Trust Deed which is not, in the opinion of the Trustee, materially prejudicial to the interests of the Bondholders or (ii) any modification to the Bonds or the Trust Deed which, in the Trustee's opinion, is of a formal, minor or technical nature or to correct a manifest error or to comply with mandatory provisions of law. Any such modification, waiver or authorisation will be binding on the Bondholders and, unless the Trustee agrees otherwise, any such modifications will be notified by the Issuer to the Bondholders as soon as practicable thereafter.

#### 14.3 Substitution

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Bondholders, to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Bonds. In the case of such a substitution the Trustee may agree, without the consent of the Bondholders, to a change of the law governing the Bonds and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Bondholders. In such event, the Issuer shall give notice to Bondholders in accordance with Condition 17.

#### 14.4 Interests of Bondholders

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification, authorisation, waiver or substitution) the Trustee shall have regard to the interests of the Bondholders as a class and shall not have regard to the consequences of such exercise for individual Bondholders and the Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer or the Trustee, any indemnification or payment in respect of any tax consequences of any such exercise upon individual Bondholders except to the extent provided for in Condition 9 and/or any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.

#### 14.5 Certificates/Reports

Any certificate or report of any expert or other person called for by or provided to the Trustee (whether or not addressed to the Trustee) in accordance with or for the purposes of these Conditions or the Trust Deed may be relied upon by the Trustee as sufficient evidence of the facts therein (and shall, in absence of manifest error, in the Trustee's opinion, be conclusive and binding on all parties) notwithstanding that such certificate or report and/or engagement letter or other document entered into by the Trustee and/or the Issuer in connection therewith contains a monetary or other limit on the liability of the relevant expert or person in respect thereof. The Trustee shall not be responsible for any loss occasioned by acting on or refraining from acting in reliance on such certificate or report.

### 15 Replacement of Certificates

If any Certificate is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the specified office of the Registrar or any Agent upon payment by the claimant of such costs as

may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer and such Agent may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

## 16 Further issues

The Issuer may from time to time without the consent of the Bondholders create and issue further securities either having the same terms and conditions as the Bonds in all respects except for the first payment of interest on them and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Bonds) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Bonds include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Bonds. Any further securities forming a single series with the outstanding securities of any series (including the Bonds) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the written consent of the Trustee), be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Bondholders and the holders of securities of other series where the Trustee so decides.

## 17 Notices

All notices to Bondholders shall be validly given if mailed to them at the Issuer's expense at their respective addresses in the register of Bondholders maintained by the Registrar or published at the Issuer's expense in a leading newspaper having general circulation in Asia (which is expected to be the Asian Wall Street Journal). Such notices shall be deemed to have been given on the later of the date of such publications. Any such notice shall be deemed to have been given on the later of the date of such publication and the seventh day after being so mailed, as the case may be.

*So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream, Luxembourg or the Alternative Clearing System (as defined in the form of the Global Certificate), notices to Bondholders shall be given by delivery of the relevant notice to Euroclear or Clearstream, Luxembourg or the Alternative Clearing System, for communication by it to entitled accountholders in substitution for notification as required by the Conditions. Any such notice shall be deemed to have been given to the holders of the Bonds on the second day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.*

## 18 Agents

The names of the initial Agents and the Registrar and their specified offices are set out below. The Issuer reserves the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of any Agent or the Registrar and to appoint additional or other Agents or a replacement Registrar. The Issuer will at all times maintain (i) a Principal Agent, (ii) a Registrar outside the United Kingdom and (iii) an Agent having a specified office in Singapore where the Bonds may be presented or surrendered for payment or redemption, so long as the Bonds are listed on the Singapore Stock Exchange and the rules of that exchange so require (and such agent in Singapore shall be a Paying, Transfer and Conversion Agent and shall be referred to in these Conditions as the "**Singapore Agent**"). Notice of any such termination or appointment, of any changes in the specified offices of any Agent or the Registrar and of any change in the identity of the Registrar or the Principal Agent will be given promptly by the Issuer to the Bondholders in accordance with Condition 17 and in any event not less than 45 days' notice will be given.

## **19 Indemnification**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment unless indemnified and/or secured and/or pre-funded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer without accounting for any profit.

*Repatriation of proceeds outside India by the Issuer under an indemnity clause requires the prior approval of the Reserve Bank of India, in accordance with the extant applicable laws and regulations of India, including the rules and regulations framed under the Foreign Exchange Management Act, 1999.*

## **20 Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of this Bond under the Contracts (Rights of Third Parties) Act 1999.

## **21 Governing law**

The Bonds, the Trust Deed and the Agency Agreement and any non-contractual obligations arising out of or in connection with them, are governed by, and shall be construed in accordance with, the laws of England. In relation to any legal action or proceedings arising out of or in connection with the Trust Deed or the Bonds, the Issuer has in the Trust Deed irrevocably submitted to the courts of England and in relation thereto has appointed [●] at [●] as its agent for service of process in England. Nothing shall affect the right to serve process in any other manner permitted by law.

## ANNEXURE V

### INFORMATION REQUIRED IN THE ELECTRONIC INSTRUCTIONS

All Electronic Instructions shall contain the following information in respect of the Existing Bonds in respect of which it is submitted:

The name of the Accountholder or Existing Bondholder.

1. Confirmation that the Accountholder or Existing Bondholder consents to or does not consent to the Extraordinary Resolution and a further confirmation of its election of either Option A or Option B under the Proposed Exchange Offer.
2. The aggregate principal amount of the Existing Bonds held by an Existing Bondholder, which are the subject of the Electronic Instruction.
3. The name of the custodian for such Existing Bonds.
4. The name of a contact person.
5. Telephone number.
6. Clearing System Account Number.

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*Note:*

*Existing Bondholders who apply for a Voting Certificate to attend the Bondholder Meeting in person will be required to make such an application in the Electronic Instruction.*

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**Tabulation and Exchange Agent**  
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(44 (0) 1202 689644)

**Principal Agent and Paying Agent**  
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