



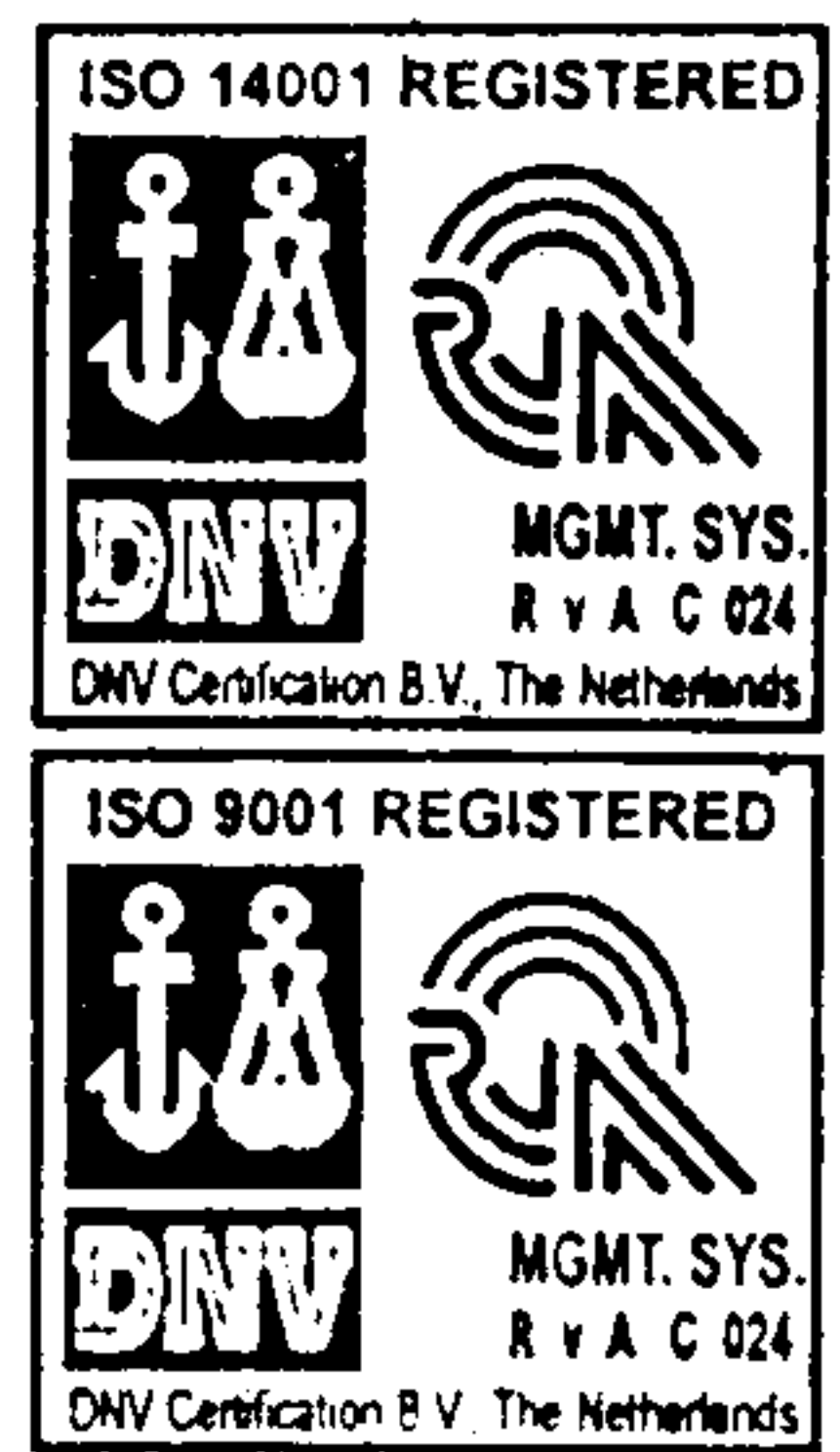
# Punjab Alkalies & Chemicals Limited

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CIN: L24119CH1975PLC003607



PACL:SEC:2015:1002

SPEED POST / E-MAIL

18.11.2015

The Deputy General Manager,  
Corporate Relationship Department,  
Bombay Stock Exchange Limited,  
1st Floor, New Trading Ring,  
Rotunda Building, P.J. Towers,  
Dalal Street, Fort,  
MUMBAI-400 001.

Sub.: **One Time Settlement (O.T.S.) with Financial Institutions and Banks**

Dear Sir,

We would like to inform you that:

1. The Corporate Debt Restructuring (CDR) Empowered Group had earlier in December, 2012 approved the Proposal of the Company for One Time Settlement (O.T.S.) of the outstanding Term Loans and Non-Convertible Debentures and Sanctioned Working Capital Facilities as on 1<sup>st</sup> April, 2012 on 100% principal basis with a cut-off date of 15<sup>th</sup> November, 2012. As per the sanctioned OTS scheme, the Company was to make the payment of final tranche on 1<sup>st</sup> April, 2015.
2. The CDR Cell has, vide their letter dated 29<sup>th</sup> October, 2015, informed that the CDR Empowered Group has on 29<sup>th</sup> September, 2015, inter-alia, approved the terms of the said terminal payment i.e.
  - (i) Outstanding (as on 1<sup>st</sup> April, 2015) amount of terminal payment of OTS amount shall be converted into Equity and Fully Convertible Debentures (FCDs),
  - (ii) Equity conversion shall be by issuance of fresh equity of 66,05,246 shares as per applicable SEBI norms with a lock-in period of one year from the date of approval,
  - (iii) The balance outstanding terminal OTS payment is to be converted into Fully Convertible Debentures (FCDs) bearing a coupon rate equivalent to Base Rate of respective Banks/Lenders and shall be converted into equity on 1<sup>st</sup> July, 2020,
  - (iv) PACL shall issue Non Convertible Debentures (NCDs) to CDR Lenders to the extent of Mark to Market Loss in respect of fresh Equity issued by PACL and these NCDs shall bear a coupon rate equivalent to Base Rate of respective Banks/Lenders and shall be repaid from 1st July, 2020 in six equal monthly installments and
  - (v) Working Capital Banker i.e. Punjab National Bank (PNB) shall continue the working capital facilities by restoring working capital limits at 55% of the original level and Punjab & Sind Bank shall consider sharing working capital limits on merits as and when the need arises in line with PNB.

This is for your information, please.

Thanking you,

Yours faithfully,

For PUNJAB ALKALIES & CHEMICALS LIMITED

  
COMPANY SECRETARY &  
SR. GEN. MANAGER (CO. AFFAIRS)