

TERM SHEET

Date: 29.06.2017

Issuance of the Term Sheet shall not give rise to any binding obligation, whatsoever, on Reliance Nippon Life Asset Management Limited (RNLAM) including but not limiting to enter into any contract and for extending any financial assistance. Terms of such assistance(s) shall be at the absolute discretion of RNLAM and also subject to final internal approvals, due diligence by RNLAM and execution of the definitive documentation in favor of RNLAM.

Clause	Particulars
Issuer	BSCPL Infrastructure Limited (BSCPL)
Promoters / Guarantors	BSCPL- Mr Bollineni Krishnaiah and Mr Bollineni Seenaiah of BSCPL Infrastructure Ltd, will give personal guarantee
Lender / Arrangers / Advisors	Reliance Nippon life Asset Management Limited (RNLAM), in its capacity as the Portfolio Manager on behalf of its Portfolio Management Services (PMS) clients. RNLAM has right to nominate / assign Reliance Capital Ltd. and/or their affiliates including Reliance Yield Maximiser Alternative Investment Fund – Scheme 2 and Reliance Yield Maximiser Alternative Investment Fund – Scheme 3 and Scheme 4 for whole or part Investment herein
Projects (as per Promoters representation)	<p>Project – Bollineni Hillside Phase 2</p> <p>Phase 2 of Integrated Township of Bollineni Hillside at Sitaipakkam, Perambakkam, Chennai with a total saleable area of 665,575 of which 214,180 sq ft is sold. The receivables from area sold is Rs 24 crores</p> <p>The unsold area is 451,395 sq ft. Out of the total 499 units, 159 units are sold and 340 units are unsold</p> <p>Total land area is 379,678 sq ft. The Product configuration is 1 BHK, 2 BHK, 2.5 BHK and 3 BHK.</p> <p>Pending cost to complete the Project is Rs 52 crores. Currently the civil structure of the project is completed</p> <p>The project is housed under BSCPL.</p>
Investment	Total Rs 80 crores to be disbursed against Project by way of subscription to Senior, Secured, rated, redeemable non-convertible, to be listed debenture(s) (NCDs) in dematerialized form, to be disbursed in tranches linked to Milestones by Investor
Returns	<p>Option 2</p> <p>Regular Interest:</p> <p>Interest shall be payable at a rate of 18.5% per annum compounded monthly, payable quarterly</p> <p>If there is sufficient cash flows from the Projects, then the interest due can be paid with prior intimation from the Debenture Holder on the last business day of the month even before completion of the respective quarter during the tenure of the facility, without any prepayment charges</p>



Maximum Tenure of Investment	Series I – 36 months not later than 30 th September 2020 and/or Series II and Series III – 50 months not later than 30 th Sept 2021
Repayment of Investment Amount / Principal	Principal Repayment will be done in quarterly installments from 24th month from the date of first disbursement. Principal Repayment is subject to Mandatory Prepayment as explained below. If there are sufficient cash flows from the Projects, then Default Interest / Principal can be paid with prior written approval from the Debenture Holder on the last business day of the month even before completion of the respective quarter during the tenure of the facility, without any pre-payment charge. Principal Repayment is subject to Mandatory Prepayment as explained below
Purpose of Investment	Upto Rs. 80 crores, by way of Non Convertible Debentures, to be disbursed in tranches linked to Milestone, as follows <ol style="list-style-type: none"> 1. 40 crores to be used for retirement of existing lender (Indian overseas Bank) 2. Rs 24 crores to be used towards meeting Project related expenses 3. Rs 7 crores for General Corporate Purpose 4. Rs 6 crores for business development of new projects by SPV's in Real estate sector. 5. Rs 3 crores may shall remain undisbursed and may be disbursed at the sole discretion of the Debenture Trustee for meeting contingency requirement Amount shall be utilized for General Corporate Purpose as below (i) reimbursement of cost incurred by the Promoters for acquiring land by the issuer or (ii) development of other projects of the Issuer and/or (iii) any other activity authorized by the Memorandum of Association of the Company and Articles of Association of the Company However the issuer shall not utilize invested amount for investments in capital markets [Mechanism to be detailed in Definitive Agreements] Disbursement milestones to be detailed in Definitive Agreements. Facility shall remain available for drawdown up to 21 months from the First Closing Date
Security	<ul style="list-style-type: none"> • Exclusive First Charge by way of a simple mortgage (without possession of land/superstructure, and in case of default, • the Investor can take possession without intervention of the court) on underlying leasehold and development rights on land, unsold units and receivables of sold units of the Project and • Mortgage of 18.73 acres of land in OMR Chennai and the excess land beyond 6.5 Acres of land (Project 1 land) Personal Guarantee from Mr. B Krishnaiah and Mr. B Seenaiah • PDCs as per Repayment schedule and one blank undated cheque, each from the Issuer and guarantors DPNs from the Issuer • Special Power of Attorney pursuant to mortgage



	<p>Such other security as may be required by the Investor, to meet shortfall in Loan-to-value ratio and / or as an alternate security in case of impairment of any of the security already provided.</p> <p>Cost of creating the security shall be borne by the Issuer</p> <p>Loan-to-value ratio of 2.25 to be maintained at any time during the tenure of the loan. It can be reduced to 2 at sole discretion of Investor</p> <ul style="list-style-type: none"> • Security to be released only at the time of full exit of the investor subject to release of mortgage of 13.28 acres of land in OMR Chennai and which is land beyond 6.5 acres of.
<p>Mandatory Prepayment</p>	<ul style="list-style-type: none"> • All cash inflow in the form of sales proceeds/ / any other cash flow etc directly / indirectly from the Project charged to the Investor as mentioned under "Security" would be routed through the Escrow Account from the First Closing Date and would be utilized to service the Investment on the Coupon and/or Principal Payment date. <p><u>Working of Escrow Mechanism for Project :-</u></p> <ul style="list-style-type: none"> • 50% of all the cash flow would be retained in the Escrow Account and will be used to service interest on the Investment and part prepay the Investment on second last working day of the month • Balance 50% amount will be utilized by the Issuer / Promoter only towards meeting the project expenses charged to investors <p>Cash flows in Escrow account should be utilized to meet Construction and Project costs for this Project only</p> <p>Escrow mechanism shall be further detailed in Definitive Agreements.</p> <ul style="list-style-type: none"> • In case there is any Event of Default or Material Adverse Effect or if business is carried out in a prejudicial manner in the opinion of Investor, then 100% of the cash flows coming into the Escrow Accounts would be used to service the Investment and no overflows would be released to the Issuer • Any such mandatory prepayment would be adjusted towards the immediate next principal installment's falling due. No prepayment penalty would be levied in case of such mandatory prepayment. • Issuer can make Prepayments, over and above Mandatory Prepayment and schedule payments from Project cash flows without any Prepayment penalty
<p>Voluntary Prepayment</p>	<ul style="list-style-type: none"> • Prepayment shall be permitted in whole or in part, from any sources of funds, with prior written notice of 45 days, as follows. • In case of prepayment of the NCDs prior to the expiry of 18 (eighteen) months from



	<p>the First Closing Date out of any other source other than from the surplus cash flow from the Project, an additional interest/ additional redemption premium of 2% along with applicable service tax on the prepaid amount will be charged and the absolute returns on the entire Subscription Amount contributed by the Debenture Holders for 18 (eighteen) months are protected. The shortfall amount for the absolute returns on the entire Subscription Amount shall be paid over and above the additional interest/ additional redemption premium</p> <ul style="list-style-type: none"> Any time after 18 months from the First Closing date, without any Prepayment charges from any cash flows <p>Complete payment by way of bulk sale will not be permitted up to 18 months from the First closing date</p>
Cash Cover	<p>1 quarter's coupon payments from the end of 31st March 2017</p> <p>We will change the date accordingly depending date of documents subject to transaction closure and 1 quarter's principal installment payable, if due, during the next quarter, from the end of 21st month in the form of bank FDR / Liquid fund, which will be lien-marked to the Debenture Trustee.</p> <p>Cash Cover for Principal payment to be maintained only in case where Principal Payment is falling due within next 1 quarter</p> <p>If the Issuer is ahead of scheduled principal payment at least by one quarter, then the Issuer shall not be required to maintain cash cover for principal installment.</p>
Conditions Precedents for NCD (Indicative and would be fully defined in the Transaction documents)	<p>Following Condition Precedents are indicative, not exhaustive and would be set-out more fully during the Due Diligence process. The Condition Precedents should be complied with the satisfaction of the Investor</p> <ul style="list-style-type: none"> NOC from existing lender (Indian overseas Bank) in a format acceptable to Investor All approvals for both the Projects including Environment Clearance, full IOD, CC, civil aviation NOC, height clearance, connection report, and all other applicable approvals from applicable authorities should have been received. Such other condition as may be required considering the security and nature of transaction subject to discussion Title DD including but not limited to title search report, public notice, ROC search report, Sub-registrar searches, litigations etc on properties being provided as security, absence of any litigation for the Projects. Legal, Technical and Financial DD to the satisfaction of the Investor Independent Architect report on approvals received, FSI calculations and Valuation reports from Independent Valuer, Vetting of any Development Agreements, Shareholders' agreements, DSA/SHA / Partnership Deeds of Issuer / Co-obligor, Vetting of the existing loan documents, if any, MoA / AoA / Deeds of Issuer / Co-obligor Financial DD including vetting of sales done till date and consideration against same Net Worth certificate of - Mr Bollineni Krishnaiah the duly certified by CA, for period ended March 31 2016. Obtaining of a legal opinion from Transaction counsel appointed by the Investor on the validity and enforceability of the Definitive Agreements and corporate authority of the Issuer / Co-obligor and other relevant parties to execute the Definitive Agreements, in form satisfactory to Investors Satisfaction of all KYC requirements as may be required by the Investor Valuation certificate for the Project by valuer appointed by the Investor



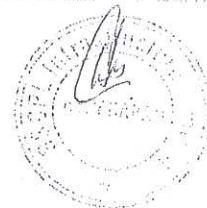
	<ul style="list-style-type: none"> • Appointment of Auditor and PMC / Lender Engineer to the satisfaction of the Investor. PMC shall be responsible for vetting the Budgeting Project cost one-time and thereafter monitoring the schedule & cost on a monthly basis. The cost for such agencies shall be borne by the Company • A detailed Project Report and Business Plan is prepared to the satisfaction of the Investor for the real estate business and reduction of loan at BSCPI level • Creation and perfection of all Security backed by suitable legal opinion on the transaction per se and soundness of the Security structure • Investor shall appoint appropriate parties (finance firm, architect, legal counsel) for due diligence process which are acceptable to it and all costs for this purpose shall be borne by the Issuer / Co-obligor • Such other condition as may be required considering the security and nature of transaction
<p>Conditions Subsequent</p> <p>(Indicative and to be detailed in Definitive Agreements)</p>	<p>Following Condition Subsequent are indicative, not exhaustive and would be set-out more fully during the Due Diligence process. The Condition subsequent should be complied to the satisfaction of the Investor</p> <ul style="list-style-type: none"> • Perfection of the charge in favor of Security Trustee and filing of forms within 14 days of First Closing date. • CA Certificate for utilization of the investment amount • Issuer to sell units as per agreed Sales schedule with the Investor (Note: Quarterly sales milestones to be agreed and incorporated in agreements) • The construction activity should adhere to the milestone and should be as per approved municipal plans for the Project as fully detailed in the Definitive Agreement • Minimum Selling price to be at least Rs.4,000 psf for the unsold units on saleable area in the Project. This Selling prices are on saleable area basis, including PLC, Club membership, Parking charge, etc. If sold at a lower price, the Issuer and / or Co-obligor shall deposit the shortfall by way of unsecured subordinated loan in the Escrow Account • NOC to be obtained for Sale of all unsold units of the Mortgage Property • Sales value for the Units sold shall be collected as per the Payment Milestone • Total Projects cost (excluding land cost), including Approval, Fungible FSI, Construction, Development, Admin, Selling, Marketing, Overheads, HR, Brokerage and other costs (Excluding Finance cost) to be incurred henceforth for completion of the Project to be capped at Rs. ___ for Project I and Any cost overrun above these amounts shall be borne by the Promoters from sources of funds other than Project cash flows. • In case of any deficit in cash flows from the project for meeting working capital requirement / construction costs for the Projects and / or make repayment hereof to the Investor, the same shall be funded by Promoters from their own sources. • Project I and should be completed in all-respect, and available for sale and handed-over for possession within 12 months from the date of disbursement • Auditors certificate for Project costs and Means of Finance of the Project, to be provided on a quarterly basis • Such other conditions as may be required considering the security and nature of transaction
<p>Key Covenants</p>	<ul style="list-style-type: none"> • All obligations of the Promoters, Issuer, and Guarantors hereof, would be joint &



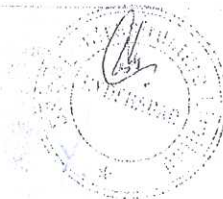
(Indicative and to be detailed in Definitive Agreements)

several basis

- Promoters not to dilute its stake in the Issuer till Investment is repaid in full
- To provide progress reports containing details of progress in construction on a monthly basis
- Nominee Director with affirmative rights can be appointed in the Event of Default, in material adverse effect and if business is carried on prejudicial to the interest of the Investor not otherwise
- To provide on line view access of the escrow account and to provide copy of escrow account for the Projects, within 7 days of end of every month
- Issuer will provide TDS certificates for TDS done on a quarterly basis, within 30 days of end of each quarter
- Issuer / Co-obligors to provide monthly data on the sales status of the Projects with details of area sold, buyer, price at which transaction has been undertaken, etc., amounts collected,
- Right to assign/ transfer/ sell down the Investment without any approval from or intimation requirement to the Issuer / Co-obligors
- Non-compete clause to be discussed and elaborated in the Definitive Agreement
- No further debt to be taken by Issuer / Co-obligors on the Projects without the consent of Investor BHS 2 project
- In case of any proceedings against Issuer and / or Co-obligors by any government agency or government ministry or court, and such proceedings culminating in a decision against the Issuer and / or Co-obligors, which in the sole opinion of the Investor is of a serious nature and detrimental to its interest, Investor will have the right to seek mandatory prepayment of the Investment in whole.
- Issuer shall be liable to carry out the valuation on half yearly basis by an independent valuer, to the satisfaction of Investor.
- Issuer shall be liable to disclose various risks relating to leverage, realization, reputation, strategic risk, extra-financial risk, including environmental, social, corporate governance risk to the Investor.
- If there is any interest tax levied by the Government of India or any other authority under the Interest Act, 1974 or any other law, Issuer shall pay such tax on behalf of the Investor
- Sale of NCDs to the Promoters
 - At any time when the Debenture Outstandings remain due (i) after completion of 36 months from the First Closing Date, or (ii) in case of Event of Default or Material Adverse Effect or potential Event of Default or if affairs of the Company are being carried out in a manner, prejudicial to the interest of the Debenture Holders, to be determined at the sole discretion of the Debenture Trustee the Debenture Holders shall have a right to sell to the Promoters or any of them ("Put Option"), the outstanding NCDs or any part thereof ("Put Option NCDs") and Promoters shall purchase or shall cause the purchase of the Put Option NCDs by their nominee or affiliate, at a price which provides the Debenture Holders with the returns as per the terms of the Transaction Documents within a period of 15 (fifteen) days from the date of the Put Notice
- Take prior approval of investors for following.
 - Merge de-merge with or into or acquire any other entity



	<ul style="list-style-type: none"> - Transfer full or part of the rights of the Issuer and / or Co-obligors accruing from the Projects to any other entity - For raising any further debt beyond a threshold level (to be provided in the Definitive Agreement) / equity we will fix the threshold limit after discussing with your office. Will be defined at the time of execution of documents - We can peg it around Rs 2000 crores for BSCPL Infrastructure limited. - Please clarify - Liquidate or dissolve any petition for voluntary winding-up, reorganization proceeding under section 391 to 394 of the Act - Amend its Memorandum and Articles of Association in any manner which will adversely affect the Projects and/or the interest of the Investor
<p>Default Interest</p>	<p>Without prejudice to any other rights and remedies available to Investors pursuant to the terms of Transaction Documents, if any of the Automatic Trigger Event (defined below) occurs (irrespective of whether the Investor has or has not called any Event of Default) the Issuer shall be liable to pay default interest compounded and payable on monthly basis, which will be 2% per month higher than applicable Interest Rate on the default amount under the Investment whether the same has become due (the "Default Interest")</p> <p>Default Interest shall be payable from the date of occurrence of the Automatic Trigger Events and/or from date of occurrence of any Event of Default and will be applicable till the date the Automatic Trigger Event or Event of Default is cured to the satisfaction of the Investor (the "Default Interest Period")</p> <p>"Automatic Trigger Event" shall include the following :-</p> <ul style="list-style-type: none"> • failure to pay amount when due • failure to create security within stipulated timelines • borrowing beyond limits permitted under transaction documents <p>Threshold limit can be fixed at Rs 2000/ crores as per your suggestion any deviation in operation of the Escrow Account acceptable</p> <ul style="list-style-type: none"> • If required Cash Cover is not reinstated / replenished in time • failure to pay TDS on interest on a quarterly basis and file TDS return within time limits under Income Act or rules there under <p>(Above Automatic Trigger Event is indicative and would be detailed in Definitive Agreements)</p> <p>"Event of Default" is as defined in this "Indicative Term sheet"</p> <p>The Issuer shall irrevocably agree and confirm that the Investor shall not be required to give any notice or intimation before charging any Default Interest on occurrence of the Automatic Trigger Events, irrespective of whether the Investor has or has not called any Event of Default.</p>
<p>Event of Default (Indicative and would be fully defined in the Transaction documents)</p>	<p>Breach of covenants by Issuer and/or Co-obligors and/or Promoters and other such conditions customary for Investment of this nature, including :-</p> <ul style="list-style-type: none"> • Automatic Trigger Events • Defect in Security /Title of the Projects • Non-payment of principal or interest on pre-agreed dates • Non-maintenance of Security Cover



	<ul style="list-style-type: none"> • Sales schedule is not met for two consecutive quarters after moratorium period is over • Default on any secured obligation by Issuer / Co-obligors or Promoter Group company • Cross-default resulting in NPA on any other group loan will be treated as an EOD • Draw down of Cash cover and failure to reinstate the same within 15days thereof • Any instance of Issuer's and / or Co-obligors' share of cash flows from Projects not being routed through the Escrow Account • Insolvency liquidation, suspension of payment of debts, winding up, illegality, cessation of business by the Issuer/Guarantors/ Co-obligors • Bankruptcy, CDR proceedings filed with respect to the Issuer /Guarantors/ Co-obligors • Breach of representation, warranty or covenant under the Documentation • Cross Default resulting in NPA (Means in respect of loan availed by the Issuer or Co-obligors or any of its Group Company from Investor/s or its Group Company) • Illegality, cessation of business of the Issuer / Co-obligors • Any risk/threat to Security or any dilution in security • Breach of any of the terms of the Transaction Documents by the Issuer or Co-obligors or Guarantors • Change in control of the Issuer / Co-obligors without prior approval • Any instance of Projects cash flows not being routed through the Escrow Account • Any such event elaborated in the documents as regards compliance submissions etc • Any related-party transactions affecting the rights of the Investor adversely, or • Issuer / Co-obligors not maintaining Business Plan as covenanted
<p>Consequences of Event of Default (Indicative and would be fully defined in the Transaction documents)</p>	<p>The consequences of Event of Default will include but not be limited to the following</p> <ul style="list-style-type: none"> • Enforcement of Security and any other recourse under law against Issuer, Co-obligors and Promoters • Director with affirmative rights can be appointed in the Event of Default, in material adverse effect and if business is carried on prejudicial to the interest of the Investor not otherwise • Right to sell without any restrictions and/or right to purchase at highly discounted price under Purchase Option Agreement (Such price to be discussed and agreed at the time of documentation) • Right to appoint Selling & Marketing agent at the Cost of the Issuer / Co-obligors • Right to replace Statutory Auditor of the Issuer / Co-obligors • 100% of inflows into Escrow Account to come to Investors • Promoters would not withdraw funds from the Issuer / Co-obligors, by buyback of shares, dividend payment or in any other manner till the repayment of Investor • Issuer/Promoters name should not be appearing in CIBIL/RBI defaulters list
<p>Documentation</p>	<ul style="list-style-type: none"> • Debenture Subscription Agreement with the Issuer • Security Documents including Debenture Trust Deed • Unconditional and irrevocable personal guarantee of Promoters, Corporate Guarantee of Issuer and Guarantee of Co-obligors • As BSCPL is the issuer and Reliance informs that corporate guarantee of BSCPL is



	<p>required.</p> <ul style="list-style-type: none"> • Post dated cheques as per the Repayment Schedule and one undated cheque, Demand Promissory Notes. • Any other documents specified by the Investor
<p>Representations and Warranties</p> <p>(Indicative and would be fully defined in the Transaction documents)</p>	<p>Standard representations & warranties for financings of this nature include the following:</p> <ul style="list-style-type: none"> • Completeness and accuracy of financial statements and all other information furnished, • Full disclosure and no misleading information • All required approvals related to the Projects have been or will be obtained by the Borrower • No defaults under other agreements by any of the parties related to the transaction, • No events of default in subsistence by any of the parties related to the transaction, • No material violation of law or material agreements by any of the parties related to the transaction • Compliance with laws and regulations and there is no conflict with any other obligations, except as disclosed by the borrower • Compliance with taxation laws in all material respects, except as disclosed by the borrower
Indemnification	Promoters to Indemnify and keep the Investor indemnified against any liability, loss expense whatsoever, at any stage during the transaction
Default Interest	In case of any default, default interest shall be levied on the Default Amount due to the Investors under the Facility at a rate of 2% per month compounded and payable on monthly basis over and above the agreed return on the default amount. This default interest will be levied from the date of default to the date of cure of any such default.
Transaction Expenses	Relevant taxes, duties, levies, Due diligence, rating & listing costs are to be borne by the Issuer / Co-obligors. Title, limited Legal, Technical, Financial Due diligence, rating, listing and Investment documentation cost would be borne by the Issuer / Promoters
Validity & Exclusivity	Till 30 th September 2017
Governing Law	To be governed by laws of India and courts of Maharashtra, Tamil Nadu and Karnataka to have non-exclusive jurisdiction, at the discretion of Investors.

