

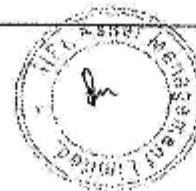


APPENDIX-I

S.No	Particulars	Details
1)	Issuer	Stonebricks Property Development Private Limited
2)	Holding Company	Shapoorji Pallonji Development Managers Private Limited (erstwhile known as Lucrative Properties Private Limited) wholly owned subsidiary of Shapoorji Pallonji and Company Private Limited
3)	Project SPV/Company	Ariisto Realtors Infrastructure Private Limited (ARIPL)
4)	Development Manager	Stonebricks Property Development Private Limited
5)	Project	Land area admeasuring 62,337 sq mtr of land situated at Bunder Pakhadi Road, of revenue village Kandivali, Netaji Nagar, Mumbai – 400 067.
6)	Debenture Trustee	IDBI Trusteeship Services Limited
7)	Investment Amount	Upto INR 160 crs to be invested as per the Investment Structure below
8)	Nature of Instrument	Unrated, unlisted Secured Zero Coupon Non-Convertible Debentures (NCD)
9)	Issue Price	At Par, Rs.1,00,000/- per NCD (Rupees One Lakh each)
10)	Agreed IRR/ Redemption Premium	The Debentures shall be redeemed such that Investor achieves 15% IRR on the Investment Amount. The Redemption Premium shall be payable by the Issuer along with the redemption as per schedule annexed in Appendix II.
11)	Redemption Moratorium	24 months from the date of first disbursement.
12)	Investment Structure	<p>The Investor will invest by way of subscription of unlisted unrated non-convertible debentures at par to be issued by the Issuer of various series (collectively the "Debentures").</p> <ul style="list-style-type: none"> • Series A – Rs. 40 Crores • Series B – Rs. 40 Crores • Series C – Rs. 40 Crores • Series D – Rs. 40 Crores <p>The Issuer (also acting as Development Manager "DM" in the Project) shall further subscribe to unrated unlisted secured Debentures of</p>



		<p>ARIPL for an equivalent amount of Rs. 160 Crs ("DM Funding") with primary security of 170,000 sqft of SBUA or equivalent carpet area and such other terms and conditions as agreed between the Issuer and Investors.</p> <p>The final investment structure is subject to approval of and changes recommended by the Investor's financial and legal consultants.</p>
13)	Purpose and disbursement towards subscription of Debentures	<p>Investment Amount will be disbursed towards subscription of the relevant series of the Debentures by the Investor, in one or more tranches, subject to due diligence and satisfaction of conditions precedent including creation of Security ("Closing"), as may be mentioned in the Transaction Documents (<i>as defined below</i>) to be executed between the parties.</p> <p>Proceeds realized by the Issuer from the issuance of the Debentures shall be utilized by the Issuer for making investment in securities issued by ARIPL. The proceeds shall be used by ARIPL towards site clearance, approvals in relation to the Project, rehab building construction, sales launch expenses and general corporate purposes. A breakup of utilisation of Investment amount shall be detailed in the Transaction Documents.</p>
14)	Maturity	The Debentures shall have a door to door tenor of 60 months
15)	Redemption Schedule	<p>Redemption of outstanding amount shall be as per the Appendix II of the term sheet.</p> <ul style="list-style-type: none"> • Series A: To be redeemed on the last day of the 33th month from the date of First Investment and; • Series B: redeemed on the last day of the 39th month from the date of First Investment, and; • Series C: To be redeemed on the last day of the 48th month from the date of First Investment; • Series D: redeemed on the last day of the 54th month from the date of First Investment, and; <p>If and only if no 'Put' or 'Call' option is exercised by the subscribers during the first 33/39/48/54 months for the series A/B/C/D respectively from the date of first Investment.</p>



16)	Secured Obligations	<p>All amounts payable to the Investor and the Debenture Trustee in relation to the Debentures by the Issuer and/or any other obligors pursuant to the terms of the Transaction Documents, including:</p> <p>(a) the principal repayment on the Debentures, the Redemption Premium, Default Interest, prepayment charges (if any), costs, charges, expenses, commissions, fees, taxes etc and all other obligations and liabilities of the Issuer incurred under, arising out of or in connection with such Transaction Documents; and</p> <p>(b) in the event of any proceeding for the collection or enforcement after an Event of Default shall have occurred and be continuing, the expenses of enforcing the Security, or of any exercise of the Debenture Trustee and / or the Debenture Trustee of its right under the Security Documents, together with legal fees and court costs.</p>
17)	Default interest	<p>Additional redemption premium @ 2% per annum on face value of debenture to be redeemed, compounded quarterly, for defaulted/delayed period for the following events:</p> <ol style="list-style-type: none"> 1. In case any delay or default in making any payments in relation to the NCDs; 2. In case breach of any terms and condition of the NCDs. <p>The holders of the NCDs also reserve the right to call back the entire facility amount in case of event of default.</p>
18)	Project Escrow Account	<p><u>For Project</u></p> <p>The Company shall ensure that the entire sale proceeds / income arising from sale of the units of Project are deposited into an escrow account to be set up by the Company.</p> <p>Company shall ensure that upon deposit of the receivables of the Project in to the aforementioned escrow account, the Company shall forthwith transfer (i) an amount equivalent to 70% (seventy per cent) of such receivables in to a special segregated and irrevocable account to be opened and maintained by the Company in compliance with the Real Estate (Regulation and Development) Act 2016 ("RERA Account"); and (iii) the balance 30% (thirty per cent) of such receivables in to a separate sub-account of the aforementioned escrow account ("Project Escrow Account").</p> <p>The proceeds from the 70% Project RERA Account shall be utilised for all Project related costs including but not limited to construction, development, statutory, approvals, interest payment/redemption of debentures subscribed by lenders/DM towards infusion of additional loans for project finance, DM Fees and overheads.</p>



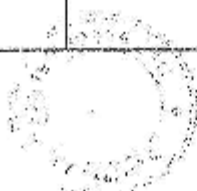
		<p>It is clarified that (i) payment of DM Fees and DM Overheads (ii) payment of interest to lenders for additional loans towards project finance and (iii) payment of interest to DM towards shortfall funding, if any shall be paid on priority over other project related costs in the waterfall of payments from the said 70% Project RERA Account.</p> <p>The proceeds from the Project Escrow Account (i.e. 30% Project RERA Account) shall be utilised for interest and principal repayment to the existing Lender subject to the ARIPL maintaining 1 month of working capital for construction cost of the Project, subject to the Company maintaining 1 month of working capital for construction cost of the Project.</p> <p><u>For Secured Units</u></p> <p>The Issuer shall ensure that the entire sale proceeds / income arising from sale of the units of Project are deposited into an escrow account to be set up by the Issuer.</p> <p>Issuer shall open a separate set of RERA Master Account, RERA 70% Account and RERA 30% Account which shall be utilised for collecting proceeds from sale of the Secured Units. The Existing Lender, which has a control of existing RERA Accounts shall provide its consent to the Issuer to allow utilisation of Project Cost to the extent required for withdrawal of amounts from the aforesaid Stonebricks RERA 70% Account, on priority over Project RERA accounts.</p> <p>In the event any amounts from the sale of Secured Units are deposited in Project RERA Accounts either by mistake or due to any impediment raised by applicable laws or for any reason, the existing Lender shall forthwith transfer the amounts to escrow accounts pertaining to the Issuer. The Issuer shall onward utilise such proceeds from sale of Secured Units towards redemption of Investor's Debentures.</p> <p>The Debenture Trustee shall have the first charge over all bank accounts opened in relation to the Project by the ARIPL/Issuer, save and except the RERA Account.</p>
19)	Security	<p>The Secured Obligations shall be secured by the following:</p> <p>(a) Charge by way of registered mortgage on the 170,000 sq. ft. of SBUA or equivalent Carpet Area ("Secured Units") forming part of Phase I of the residential portion of the project on land admeasuring 62,337 sq mtr situated at Bunder Pakhadi Road of revenue village Kandivali, Taluka Borivali, Mumbai Suburban</p>



		<p>District, situate lying and being at Netaji Nagar, Kandivali (West), Mumbai 400067 together with the building and structures thereon (both present and future).</p> <p>(b) First and exclusive Charge/assignment on all the rights, title, interest, claims, benefits, demands under all Project documents, save and except for Development Management Agreement (DMA), both present and future, including any benefits arising there from;</p> <p>(c) First and exclusive charge/pledge on the loans/advances/current assets of the Issuer (present and future), except for the loans/advances given by the Issuer to its Affiliates/Group Companies</p> <p>(d) First and exclusive charge on the Project Escrow Account to be opened by the ARIPL/Issuer pertaining to the Secured Units;</p> <p>(e) Pledge of 100% shares and other security issued by the Issuer;</p> <p>(f) Corporate Guarantee of Ariisto Realtors Infrastructure Private Limited</p> <p>(g) Letter of Awareness issued by Holding Company</p> <p>In the event the charge created over the Secured Units in favour of the Investor by the Issuer, diminishes on account of the reasons specified in clause 13.2.3 of the Development Management Agreement dated 3rd May, 2019 executed between the Company and the Issuer, then in that event the Investor shall provide a period of 3 (three) months (with a grace period of further 3 (three) months) to the Issuer to call upon the Company to cure the aforesaid without imposition of any further additional costs, penalties, etc. on the Issuer. In case within the aforesaid period, the diminishment of the Security is not cured by the Company, then in that event the Issuer will offer the alternate security to the Investor which is created in Issuer's favour by the Company in terms of clause 13.2.3 of the Development Management Agreement dated 3rd May, 2019 executed between the Company and the Issuer.</p>
20)	Call & Put Option	<p><u>Mandatory Redemption Option and Put Option of the Investor:</u></p> <p>At each Repayment Date, the Investor shall have the right but not the obligation to exercise a "put," by giving a 10 day notice before the end of each financial quarter. In the event a "put" option is exercised, debentures amount equivalent to the repayment due may be redeemed at the applicable redemption premium. It is clarified that the Investor shall not exercise any Put option(s) prematurely i.e. prior to any redemption date as per the redemption schedule contained in Appendix II, unless otherwise in case of an Event of Default as specified in Clause 20 & 34 herein.</p> <p><u>Call Option Voluntary Redemption Option of the Issuer:</u></p>



		<p>The Issuer shall, at any time after the expiry of 1 (one) year from the Date of Investment, have the right but not the obligation to redeem all or part of the Debentures at a price which allows the Investor to recover the Redemption Premium on the Investment Amount ("Voluntary Redemption Option").</p> <p>Detailed terms and conditions of the terms of exercise of the Put Option, Call Option, Mandatory Redemption Option and Voluntary Redemption Option shall be prescribed in the Transaction Documents.</p>
21)	Conditions precedent to Subscription	<p>Investment will be made by Investor subject to the satisfactory completion of each of the following in the Investor's sole discretion (the "Closing"):</p> <ul style="list-style-type: none"> (a) Conduct and completion of satisfactory, legal, accounting, technical and commercial due diligence and delivery of free and clear marketable title certificate in respect of the Project and the Mortgaged Area; (b) Receipt of a valuation certificate drawn up by a valuer nominated by the Investor; (c) Drawing up of a detailed project report and business plan to the satisfaction of the Investor; (d) Submission of net worth certificate from a reputed chartered accountant, in respect of the Promoters providing personal guarantee(s) or corporate guarantee(s) comprised in the Security; Receipt of a "No Encumbrance Certificate" in respect of the Mortgaged Area, in an agreed form; (e) No objection certificates from any other third party investors or lenders (if any) relinquishing their rights on the Project and its cash flows in a manner satisfactory to the Investor, allowing creation and perfection of the Security in favour of the Debenture Trustee (for the benefit of the Investor). (f) Execution of the definitive documents by the relevant parties in the form of a debenture trust deed, security documents and other ancillary documents ("Transaction Documents"); (g) Receipt of governmental and regulatory approvals, if any for the proposed investment; (h) Approval of Investor's investment committee to the Transaction; (i) Creation and perfection of Security, to the satisfaction of the Investor; (j) Obtaining saleable area and FSI certificate from architect for the Project to the satisfaction of Investor; and



		<p>(k) Any other condition as may be mentioned in Transaction Documents post completion of the due diligence exercise.</p> <p>(l) Execution of DMA to the satisfaction of Investor</p> <p>Additional Conditions Precedent and Conditions Subsequent for any series of the Debentures may be stipulated based on the advice of legal consultants and will be mutually discussed and finalised.</p>
22)	<p>Key Obligations of the Company/Company ((Indicative. Detailed list draw-up in the final documentation))</p>	<p>(a) In addition to other obligations of the Company set out in this Term Sheet, the Company shall obtain all statutory permissions, authorizations, approvals etc. from the competent authorities as required for development and occupancy of the Project at the stipulated time according to the applicable rules, and ensure that the Project adheres to all norms and conditions stipulated by the competent authorities and applicable law.</p> <p>(b) The Company shall procure/obtain insurance for the Project (including earthquake, fire, terrorism etc.) for the tenure of the Debentures.</p> <p>(c) The Company shall take all necessary steps required for obtaining required permissions, sanctions, approvals, consents or no-objection certificates from any government authority for undertaking the construction and development of the Project, including but not limited to, approval from the labour commissioner, consent for conversion of zoning and land use, approval of master plan and building plans, occupation certificate, etc. in an expeditious manner, such that the Project is developed and eligible for occupation within the timelines prescribed in the Business Plan.</p> <p>(d) The Company shall send notices, agendas and explanatory statements of all its board meetings, committee meetings and shareholders meetings to the Investor for every board meeting, committee meeting and shareholders meeting to be held where any decisions in relation to the Project are proposed to be taken up/decided.</p> <p>(e) The Company shall provide monthly update / MIS on the status of the Project's construction as well as sales and cash collections and residual value calculation.</p> <p>(f) The Company shall pay all government demands payable by it, such as, income tax, corporate tax, municipal tax (including property tax) and all other taxes, cesses, duties, levies, revenues and any other statutory dues payable to the Government of India, the state government or any local or other authority. The Company has represented that at present, no arrears of</p>



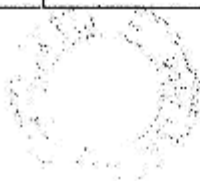
		<p>taxes, revenues, cesses, duties, levies and other dues, which are payable, are due and outstanding and/or payable.</p> <p>(g) In case of any land acquisition by the government or any land authority of the Project, all amounts due and payable to the Investors in respect of the Debentures shall be forth with repaid by the Promoter and the Company without any delay protest or demur.</p> <p>(h) No change in control / shareholding or dilution of equity or voting or economic interest in the Company shall be permitted until the redemption of all Debentures.</p> <p>(i) No change in approved Project plans or specifications shall be made by the Company unless mutually agreed between the Investor and the Company.</p> <p>The Company shall obtain a 'Conditional NOC' from the Investor to issue allotment letter / to sell any and all units of the Project and shall inform the buyer(s) of the same and all monies received from the buyers will be directly deposited in the above escrow account as specified in Point 21 (in case of home loan the same must be informed to the lending bank).</p>
23)	Business Plan	<p>The Issuer, Company and the Investor shall jointly take decisions on the key material issues pertaining to the Project, which deviate from the initial business plan to be approved at the time of Closing. The business plan shall be reviewed annually. A detailed mechanism with respect to the same shall be part of the Transaction Documents</p>
24)	Financial Covenants	<p>The Transaction Documents will contain customary financial covenants (the terms of which will be defined in the Transaction Documents) including, but not limited to:</p> <p>(a) Limitations on incurring indebtedness beyond the permitted indebtedness, liens, restrictions on investments, asset sales, capital expenditure, change in nature of business, mergers, acquisitions etc.</p>
25)	Reserved Matter	<p>The Issuer shall ensure that the Issuer shall not take any corporate action (including passing a resolution) in respect of the following activities, without the prior written consent of the Investor or without an affirmative vote of the director (if any) nominated by the Investor on the Board of the Company:</p> <p>(a) any change in the control or ownership in the Company;</p> <p>(b) declaring or paying any dividend to any security holders of the Company, or making any distribution in any manner whatsoever.</p>



	<p>or purchasing, redeeming, buyback or reduction of its share capital or otherwise making any payment in respect thereof (except as required by applicable law), until the redemption of all the Debentures;</p> <p>(c) amending the Memorandum of Association and / or Articles of Association of the Company;</p> <p>(d) making any changes in Business plan as may be approved by the Investor;</p> <p>(e) appointing, re-appointing or changing the civil contractor or the design architect for the Project;</p> <p>(f) authorizing, creating or issuing shares / securities, including rights issue of any class or series of shares and the valuation in respect of all fresh issues buybacks, splits, issuance of convertible debt instruments, bonuses, splits, debt restructuring involving conversions into equity etc, and modification of the capital structure or shareholding pattern of the Company;</p> <p>(g) undertaking any merger, acquisition, spin-off or consolidation or reorganization of the Company;</p> <p>(h) authorizing the liquidation, dissolution or winding up of the Company under this transaction;</p> <p>(i) undertaking the sale, lease, license or transfer of any of the assets / units of the Project or Mortgaged Area.</p> <p>(j) creating or permitting to exist any lien, security interest or other charge or encumbrance of any kind on the Project, the cash flows of the Project and other securities offered by the Company and / or the obligors to the Investor, except for creation of security interest in favour of the Debenture Trustee for the benefit of the Investor;</p> <p>(k) entering into any related party transaction in relation to Project and / or the Mortgaged Area comprised in the Security;</p> <p>(l) payment of commission to directors, managers or other persons for furnishing guarantees, counter guarantees or indemnities;</p> <p>(m) undertaking guarantee obligations on behalf of third party or any other company;</p> <p>(n) incurring any financial indebtedness in any manner including by way of borrowing or issue of debentures, whether secured or unsecured from any person bank / financial institution in relation to the Project and / or the Mortgaged Area comprised in the Security;</p> <p>(o) changing its statutory auditors;</p> <p>(p) making loans and advances and corporate investments by way of debentures or shares, other than investments in mutual funds, bank fixed deposits and other similar instruments;</p>
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		any other matters as may be provided in Transaction Documents
26)	Event of Default	<p>The following events shall be deemed to be events of default under the Transaction Documents:</p> <ul style="list-style-type: none"> (a) The Issuer fails to redeem the Debentures at the Redemption Premium on the relevant date upon put option exercised by the investor; (b) The Issuer fails to pay any other amounts which are due and payable to the Investor (c) The Company becomes disentitled to develop the Project; (d) Any breach of the Transaction Documents, Any change in the Promoter's control or ownership in the Company; (e) Cross default under any other Group / Promoter loan / borrowing / Guarantee. <p>All other events of default as are customary to transactions of this nature shall be finalized and incorporated in the Transaction Documents.</p>
27)	Consequences of Event of Default	<p>Upon the occurrence of an Event of Default, the Investor shall have the following options (in the cumulative and not alternative) and the Investor may exercise any one or more option or postpone any option or partly exercise at a time and partly at latter date as per its sole discretion:</p> <ul style="list-style-type: none"> (a) Exercise the option to purchase the Investment at the price not less than the Redemption Price ("Default Put Option"); (b) Invoke the Guarantees to pay the Redemption Price; (c) Invoke the Security; or <p>Any other condition as mentioned in the Transaction Documents based on advice of legal consultants.</p>
28)	Guarantees	<p>Notwithstanding the conversion, exercise of the Default Put Option or transfer of assets or otherwise, the Debenture Trustee, for the benefit of the Investor may invoke personal guarantee/corporate guarantee for full Redemption Price or any Difference at any time in case of an Event of Default, till the Investor receives the entire Redemption Price by any mode as provided in this Term Sheet.</p>
29)	Information Rights	<p>Investors shall be entitled to all information relating to the Project including following:</p> <ul style="list-style-type: none"> (a) Access of books of accounts relating to the Project. (b) Access to all original approvals, permissions, sanctions etc. (c) Access to all contracts, agreements, etc. (d) Access to the bank account for the Project.



		<p>(e) Access to all corporate documents/filings of the Company and the Project</p> <p>(f) Right to communicate with any person involved in the Project.</p> <p>(g) Periodical reports in such format as may be informed by the Investor.</p> <p>(h) Monthly meeting and update on the progress of buildings in which Investors flats are located</p> <p>Any other information relating to the Project as may be required by the Investor.</p>
30)	Auditors	<p>(i) A firm of Chartered Accountants (as mutually agreed between the Investor and the Company), recommended by the Investor, will be appointed as the internal auditors of the Company and the internal audit report pertaining to the Project will be provided to Investor on a quarterly basis. Such firm will check the compliance status and verify the balance cashflow / receivable cover available to the Investor from the Project.</p>
31)	Representations and Warranties	<p>The Transaction documentation will contain customary representations, warranties of the issuer, terms and conditions including, but not limited to, governmental approvals, authorisation to enter into the Transaction, litigation, compliance with law and any other representations and warranties deemed customary and necessary by the Investor.</p> <p>Confirmation that there are no dues and/or pending payments on the Mortgaged Area/Project.</p> <p>Confirmation that there are no outstanding litigations on the Project land;</p> <p>Compliance with existing governing laws including any approval of the regulatory/governmental authority, shareholder and/or Board approvals;</p> <p>Confirmation that all the applicable approvals and Licenses, if any, are valid and subsisting. The approvals and licenses shall be in full force and effect and shall have been delivered by the ARIPL to the Investor/Debenture Trustee.</p> <p>Confirmation that all statutory dues including any penal interest thereon in respect of all approvals/ licenses are paid.</p> <p>All corporate approvals have been obtained by the Issuer</p>



32)	Indemnity	The Investor shall have a right to be indemnified by the Issuer, for any losses, damages or the like suffered or incurred by it owing to a breach of the representations, warranties, or covenants of respective Party, described in this Term Sheet and/or the Transaction Documents, as the case may be.
33)	Expenses	All expenses in respect of the due diligence and preparation of Transaction Documents and other incidental and ancillary expenses including stamp duty shall be borne by the Issuer.
34)	Confidentiality	Each Party shall keep confidential the existence and terms of this Term Sheet, provided however the Investor may disclose the terms hereof as it may deem necessary and desirable to actual or potential lenders, co-investors and Board members or as necessary to consummate the Transaction.
35)	Governing Law	This Term Sheet shall be governed by the laws of Republic of India and any disputes arising there from shall be subject to the jurisdiction of appropriate courts and tribunals at Mumbai.





APPENDIX-II
REDEMPTION SCHEDULE

Year	Repayment Dates	Quarter	Principal Repayment (Rs. Cr)	Put exercised in the period	Series to be redeemed
Year 3	30-Jun-21	9	10	6.25%	Series A
	30-Sep-21	10	10	6.25%	Series A
	31-Dec-21	11	10	6.25%	Series A
	31-Mar-22	12	10	6.25%	Series A
Year 4	30-Jun-22	13	10	6.25%	Series B
	30-Sep-22	14	10	6.25%	Series B
	31-Dec-22	15	10	6.25%	Series B
	31-Mar-23	16	10	6.25%	Series B
Year 5	30-Jun-23	17	20	12.50%	Series C
	30-Sep-23	18	20	12.50%	Series C
	31-Dec-23	19	20	12.50%	Series D
	31-Mar-24	20	20	12.50%	Series D
Total			160		

