

**CONFIDENTIAL - INDICATIVE KEY TERMS**

<b>Instrument</b>	: Unlisted Un-Rated Non-Convertible Debentures ("NCD")
<b>Issuer</b>	: Redkite Capital Pvt Ltd ("Redkite")
<b>Sponsor</b>	: Mr. Naresh Jain
<b>Investors</b>	: Funds managed by SSG Advisers LLP ("SSG" or "Investor").
<b>Underlying Company</b>	: Tourism Finance Corporation of India ("TFCI")
<b>Debenture Trustee</b>	: Beacon Trusteeship Limited
<b>Registrar</b>	: Karvy Fintech Pvt Ltd
<b>Currency</b>	: Indian Rupee ("INR")
<b>Issue Amount</b>	: Upto INR 850 million (85 NCDs of face value INR 10.0 Million each) in one or more tranches.
<b>Issue Date / Deemed Date of Allotment</b>	: On or before [31 <sup>st</sup> March 2019]
<b>Use of Proceeds</b>	: The company shall use the proceeds of the NCD, exclusively for the purpose of acquiring not more than 13.7m shares (17% stake) of TFCI proposed open offer of TFCI ("Open Offer") to the extent not funded by margin amounts available in escrow account.
<b>Maturity</b>	: 4.5 years from the deemed date of allotment, subject to Put/Call Arrangement.
<b>Repayment</b>	: Bullet on Maturity
<b>Put/Call Agreement</b>	: <ul style="list-style-type: none"> <li>• Put Option – Any time after the expiry of one year or within 1 year, upon the share price of TFCI falling below 100, to the Sponsors or persons identified by him (to the extent permitted by extant regulations), at a value which will provide the Investors the Investor Returns.</li> <li>• Call Option – At any point, subject to Investors making the higher of (a) Investors Returns (b) 1.20x multiple on its entire investment</li> </ul>
<b>Permitted Indebtedness</b>	<p><i>Permissible Indebtedness:</i></p> <ul style="list-style-type: none"> <li>• Loans aggregating not more than INR 850m availed by Redkite from Centrum and SP Finance and other NBFCs, (including any loans availed to refinance these loans) and having pledge of [0.75m TFCI shares]. ("Secured Loans")</li> <li>• NCDs (not exceeding INR 1,000m), without any security over TFCI shares, taken from SSG for refinance of existing debt (SSG Subordinate NCDs)</li> <li>• Unsecured Indebtedness taken for the purpose of paying coupon on NCDs or Existing Loans or SSG Subordinate NCDs</li> </ul>
<b>Business Day</b>	: Any day when banks are generally open for business in Mumbai.
<b>Security</b>	: 1. On the expiry of 6 months of the date of allotment or within this period upon the occurrence of an event of default, security over such unencumbered assets of the Issuer as may be required by the Majority Debenture Holders to be created.
<b>Principal Redemption Schedule</b>	: At the end of every quarter, principal redemptions (as reduction from the



	face value of all NCDs issued) (Refer Annexure A)
<b>Redemption Premium</b>	: The above-mentioned redemption to be done along with the below mentioned redemption premium schedule (Refer Annexure A)
<b>Interest Service Reserve Account (ISRA)</b>	: Interest payable at the end of every quarter to be deposited in an ISRA account, no later than 7 Business Days from such scheduled payment date.
<b>Default Interest</b>	: In case of any default on repayment of the redemption amounts (principal or interest), interest to be computed @ 20% p.a. on the defaulted amount for the period of default.
<b>Representation and Warranties.</b>	: Standard representation and warranties for transactions of this nature including but not limited to: <ol style="list-style-type: none"> <li>1. binding obligations;</li> <li>2. non-conflict with other obligations;</li> <li>3. power and authority;</li> <li>4. validity and admissibility in evidence;</li> <li>5. taxes;</li> <li>6. no default;</li> <li>7. compliance with applicable law;</li> <li>8. no misleading information;</li> <li>9. financial statements;</li> <li>10. litigation;</li> <li>11. no immunity;</li> <li>12. solvency;</li> <li>13. shareholding and control;</li> <li>14. Sanctions, ABC and AML</li> </ol>
<b>Undertaking</b>	: Standard Undertakings customary for transactions of this nature including but not limited to: <ol style="list-style-type: none"> <li>1. No further indebtedness at Issuer except as permitted.</li> <li>2. Restriction on business, mergers, investments etc.</li> <li>3. Capital structure and business;</li> <li>4. Constitutional documents;</li> <li>5. Restricted payments - (without prior written approval from Investors) no dividend payments allowed from Issuer;</li> <li>6. Taxes;</li> <li>7. Continued listing of the Debentures on the BSE till the Final Redemption Date;</li> <li>8. Compliance with applicable laws, including RBI and SEBI (as applicable) and sanctions, ABC and AML;</li> </ol>
<b>Information Undertaking</b>	: The Issuer will provide Information Undertakings, including, but not limited to the following with respect to Redkite: <ol style="list-style-type: none"> <li>1. As soon as they become available, but in any event, within 120 days of the end of its financial year its audited financial consolidated statements;</li> <li>2. As soon as they become available, but in any event, within 45 days after the end of each quarter of each of its financial years its financial statements, certified by a director of the Issuer as fairly representing its financial conditions;</li> <li>3. Perusal rights to the minutes of shareholders and board meetings and meetings of any subcommittees of the board</li> <li>4. The ratings obtained by the Issuer from any credit rating agencies and any revision in the rating to be promptly disseminated to the Investors;</li> </ol>



	<ol style="list-style-type: none"> <li>5. Details of any material litigation, arbitration or administrative proceedings;</li> <li>6. Notice of any event of default or potential event of default.</li> <li>7. Such other information regarding the financial condition, business and operations of the Issuer and its unlisted subsidiaries as the Investor may reasonably request</li> <li>8. Information received by it as shareholder of TFCI</li> </ol>
<b>Events of Default</b>	<p>Standard Events of Default for transactions of this nature and applicable to the Issuer including but not limited to:</p> <ol style="list-style-type: none"> <li>1. A delisting event (or a proposal to delist) of TFCI</li> <li>2. Sponsor losing control over Redkite (will be documented as mandatory prepayment event)</li> <li>3. Payment Default</li> <li>4. Failure to comply with provisions of security</li> <li>5. Breach of representation &amp; warranties</li> <li>6. Failure to comply with obligations of the Issuer outlined in the final documentation of this facility</li> <li>7. Cross default for all borrowings of Issuer, subject to a minimum aggregate and per borrowing threshold amount</li> <li>8. Insolvency of Issuer</li> <li>9. Unlawfulness (illegality will be documented as a mandatory prepayment event)</li> <li>10. Security or collateral not in full force and effect</li> <li>11. Material adverse effect (to be defined in more precise detail in final documentation)</li> <li>12. Material litigation (to be defined in more precise detail in final documentation)</li> </ol>
<b>Conditions Precedents</b>	<p>As are customary for transactions of this nature including but not limited to:</p> <ol style="list-style-type: none"> <li>1. Constitutional documents and corporate authorisations including board and shareholders resolutions and certificates.</li> <li>2. Execution of documentation in a form and manner satisfactory to the Investor &amp; Issuer.</li> <li>3. Copies of all authorisations from Governmental authorities and/or third parties, if required in connection with the documentation.</li> <li>4. Payment of stamp duty, as applicable.</li> <li>5. BSE in principle approval</li> <li>6. Evidence of requisite amount required to fund increase in share price (being in the nature of interest on open offer price) due to delay in open offer</li> </ol>
<b>Conditions Subsequent</b>	<ol style="list-style-type: none"> <li>1. Security creation as stated above.</li> <li>2. Others – TBD</li> </ol>
<b>Costs and Taxes</b>	<p><b>Costs:</b> All costs, including but not limited to stamp duty, fees for due diligence, documentation and legal opinion, trusteeship expenses, rating agency fees, listing expenses, all reasonable out of pocket expenses related to travel/hotel etc., shall be borne by the Issuer.</p> <p><b>Taxes:</b> All payments made by the Issuer under this Issuance shall be paid</p>



	free and clear of all present and future taxes, levies, duties, imposts, withholdings, and deductions of whatever nature. Should such deductions be applied, Issuer shall gross up its payments such that the recipients shall receive the same after-tax return as if there are no such withholdings. Any value added tax or similar tax chargeable on amounts due to the Investors in connection with this Issuance shall be paid by the Issuer.
<b>Fees</b>	: 1% on actual drawdown amount
<b>Jurisdiction and Governing Law of definitive agreements</b>	: Indian law and subject to the jurisdiction of the courts and tribunals of Mumbai
<b>Confidentiality</b>	: The contents of this document and any attachment hereto are strictly confidential. Unless otherwise stipulated in this document, no part of this document may be released to any other person without the prior written consent of SSG
<b>Non-Definitive; Non-Binding</b>	: These indicative terms are not intended to be, and does not constitute, a legally binding agreement between the parties hereto, except this section and the sections headed "Confidentiality," "Fees" and "Costs and Taxes" which section shall be binding and governed by Indian law and subject to the jurisdiction of courts in Mumbai.  These indicative terms does not contain all the terms to be included in the definitive agreements. Notwithstanding anything to the contrary, any obligations of SSG to complete or provide funding for any transaction, whether contemplated herein or otherwise, are subject to the receipt of internal approvals, completion of due diligence to the satisfaction of SSG in its sole discretion, and the parties having negotiated, approved, executed and delivered the appropriate definitive agreements.

Signed and Accepted on behalf of  
Redkite Capital Pvt. Ltd.

*M. Jain*  
*ach* Director

Redkite Capital Pvt Ltd (Redkite)  
As Issuer  
Authorized Signatory



*[Handwritten Signature]*

SSG Advisors LLP  
On behalf of Investors  
Authorized Signatory



**Annexure A: Principal & Redemption Premium Schedule:**

**Inputs**

Face Value of NCDs	10,000,000
Number of NCDs	85
Total Issue Amount	850,000,000
IRR Compounded Quarterly	18.00%
Tenure years	4.5
Issue Date	28-Feb-19

**Principal Redemption and Redemption Premium Schedule**

Month	Principal Redemption per NCD		Redemption Premium per NCD
	Amount	% of Face	
31-May-19	420,000	4.200%	33,699
31-Aug-19	410,000	4.100%	43,699
30-Nov-19	390,000	3.900%	58,767
29-Feb-20	375,000	3.750%	72,541
31-May-20	365,000	3.650%	87,459
31-Aug-20	350,000	3.500%	102,459
30-Nov-20	330,000	3.300%	117,541
28-Feb-21	315,000	3.150%	128,836
31-May-21	305,000	3.050%	148,699
31-Aug-21	290,000	2.900%	163,699
30-Nov-21	275,000	2.750%	173,767
28-Feb-22	260,000	2.600%	183,836
31-May-22	255,000	2.550%	198,699
31-Aug-22	245,000	2.450%	208,699
30-Nov-22	230,000	2.300%	218,767
28-Feb-23	220,000	2.200%	223,836
31-May-23	210,000	2.100%	243,699
31-Aug-23	4,755,000	47.550%	5,698,699
<b>Total</b>	<b>10,000,000</b>	<b>100%</b>	



*[Handwritten signature]*

