

INDICATIVE TERM SHEET

Below is an Indicative Termsheet purely for discussion and negotiation purposes only based on preliminary information provided to Indostar Capital Finance Ltd. (Indostar). Issuance of the Indicative Termsheet shall not give rise to any binding obligation, whatsoever, on Indostar including but not limiting to enter into any contract and/or for extending any financial assistance. Sanction of such assistance(s) shall be at the absolute discretion of Indostar and also subject to final internal approvals, due diligence by Indostar and execution of the definitive documentation in favour of Indostar.

Particulars	Details
Lender or Investor	Indostar Capital Finance Ltd. (IndoStar) along with a group of Lenders/Investors.
Facility	Senior Secured Redeemable Non Convertible Debenture(s) in dematerialized form (NCD)
Facility Amount	Amount not exceeding Rs 150 crs Indostar would be the Lead Arranger and would be underwriting Rs 150 crs Total Group Exposure of IndoStar on Alliance Group shall not exceed Rs 514 crs at any point Total Exposure of IndoStar on any single entity of Alliance Group shall not exceed Rs 308 crs at any point
Issuer(s) /Borrower(s)	1) Alliance Infrastructure Projects Pvt. Ltd. (AIPPL) i.e. flagship company of the Alliance Group and/ or 2) Alliance Business Parks Pvt Ltd (ABPPL), 100% SPV of AIPPL
Pallavaram Project	Residential Project called "Alliance Galleria Residences" which is being developed on land admeasuring 8.96 acres of land in Velan Nagar, Old Pallavaram, Chennai, East. The project is being developed by Alliance Business Parks Private Limited (ABPPL), 100% SPV of AIPPL. The Pallavaram Project comprises of blocks namely Claudius, Magnus, Augustus, Atrium and Taurus which will have 2 Basement + Stilt +14 habitable floors each. The Pallavaram Project has a total saleable area of 15,51,480 sqft. It has been represented to the Lenders that the Pallavaram Project has received all critical approvals and



sanctioned building plan approvals upto 2 Basement + Stilt +10 habitable floors for each of the blocks. The construction status of the towers are as follows:-

Name	Block	Planned	Current construction status
Claudius A	Block 2	2B+S+14	2B+Stilt +10 th habitable floor completed
Magnus A & B	Block 3 Part-1	2B+S+14	2B+Stilt +10 th habitable floor completed
Magnus C&D	Block 3 Part-2	2B+S+14	2B+Stilt has been completed
Augustus	Block 6	2B+S+14	2B+S+6 th habitable floor completed
Atrium	Block 5	2B+S+14	Excavation completed
Claudius B	Block 4	2B+S+14	Excavation in progress
Taurus	Block 1	2B+S+14	Construction has not started

Padur Project

Land parcel admeasuring 12.78 acres at Padur, Chennai which has been acquired by Urbanrise Constructions LLP (50% owned by Mr. Manoj Sai Namburu and 50% owned by Mr. Suneel Bommireddy) for a consideration of approximately Rs 81 crs. The Alliance Group will develop an affordable housing project on this land parcel in phases. The Padur Project will have a potential saleable area of 20,91,000 sqft. It has been represented to the Lenders that no approvals have been received for the Padur Project till date but plans will be submitted to local DTCP Office (MLPA) within one month.

Existing Facilities

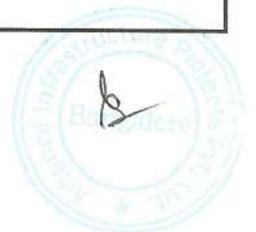
- An existing NCD facility of Rs 175 crs availed by ABPPL, of which Rs 139 crs has been issued to and subscribed by the Lender in 11 series, and the o/s as of May 7th, 2018 is Rs 125.62 crs and the undisbursed amount is Rs 36 crs.
- An existing NCD facility of Rs 25 crs availed by AIPPL which is totally undisbursed.

Total exposure of Existing Facilities will not exceed Rs 187 crs which includes current outstanding and the undisbursed portion

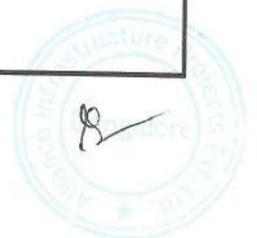
Consolidated Lenders Facility

Amount not exceeding Rs 337 crs which includes:-

- Existing Facilities with exposure of Rs 187 crs (including the undisbursed amounts)
- Proposed NCD Facility of Rs 150 crs



Promoters/Guarantors	<ul style="list-style-type: none"> • Mr. Manoj SaiNamburu • Mr. Suneel Bommireddy
Purpose	<ul style="list-style-type: none"> • Rs 50 crs - Project expenses of the Padur Project • Rs 100 crs - DSRA, deal expenses and general corporate Purposes <p>The above facility shall be disbursed in three tranches as follows:-</p> <p>Tranche 1 - Rs 25 crs to be disbursed in multiple series on completion of Tranche 1 condition precedents</p> <p>Tranche 2 - Rs 50 crs to be disbursed in one or more series on completion of Tranche 2 condition precedents.</p> <p>Tranche 3 - Rs 20 crs to be disbursed in one or more series on completion of Tranche 3 condition precedents.</p> <p>Tranche 4 - Rs 25 crs to be disbursed in one or more series on completion of Tranche 4 condition precedents.</p> <p>Tranche 5 -30 crs To be disbursed as per the condition for Tranche 4</p> <p>CA Certificate with respect to end-use to be provided within 30-days of each disbursement</p>
Facility Fee	<p>A fee @ 2.0% of the Facility Amount (the "Fees") plus applicable GST shall be payable by the Borrower to the Lender on or before the first disbursement</p>
Rate of Interest	<ul style="list-style-type: none"> • The rate of interest for the loan shall be 13.75% p.a. payable monthly on a floating rate basis, linked to SBI Bank 1 year MCLR (the "SBI MCLR"). The difference between 13.75% p.a. and SBI MCLR (the "Spread") shall be fixed on the Effective Date. • As on date, SBI Bank MCLR is 8.15 % p.a. and so Spread is 5.60 % p.a.; • The Rate of Interest shall be reset on the first day of every calendar quarter, as SBI MCLR prevailing on such day + Spread. • The Spread shall be fixed for the tenor of the facility
Principal Repayment	<p>Door to Door 48 months from the date of first disbursement under Tranche 1 of the Facility</p> <p>24 equal monthly instalments from 25th to 48th month.</p>



The above repayment schedule would be subject to Mandatory Prepayment as provided below

Security

Common Security for the Consolidated Lenders Facility

The Facility shall inter-alia be secured, by the following:

- Exclusive charge on all rights, title and interests of the Alliance Group in the Padur Project i.e. mortgage of land and/or development agreement, Charge of and Escrow of all the receivables including from sold and unsold units.
- Exclusive charge on all rights, title and interests of the Alliance Group in the Pallavaram Project i.e. mortgage of land and/or development agreement, Charge of and Escrow of all the receivables including from sold and unsold units.
 - As on March 31, 2018:-
 - Total unsold saleable area in the Pallavaram Project is min. 10,67,915 sqft and the receivables from sold area is min. Rs 129 crs. Pending cost (excluding interest cost and including all cost to be incurred to finish the sale towers) is max Rs 409 crs.
- Personal Guarantee from the Promoters i.e. Mr. Manoj Sai Namburu and Mr. Suneel Bommireddy
- Guarantee from Urbanrise Constructions LLP
- Mortgage of 100% interests in the firm Urbanrise Constructions LLP
- Pledge of 100% of the entire share capital (on a fully diluted basis) of ABPPL, in demat form (free from all restrictive covenants, lien or other encumbrance under any contract, arrangement or agreement including but not limited to any shareholders agreement), together with all accretions thereon.

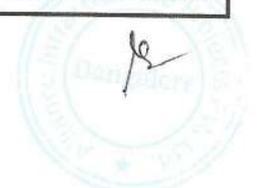
Security for AIPPL Facility

Corporate Guarantee from ABPPL

Security for ABPPL Facility

Corporate Guarantee from AIPPL

Such other security as may be required by the Investor / Consolidated Lender, to meet shortfall in Facility -to-value ratio and / or as an alternate security in case of impairment of any of the security already provided. Facility-to-value ratio of 2 to be maintained at all times



	during the tenure of the Facility
Release of the Padur Project	The Padur Project shall be released at any time on repayment of all outstanding amounts under the proposed Rs 150 crs Facility at that given point of time.
Mandatory Prepayment	<p>All cash inflow in the form of sales proceeds/ lease deposits/ lease rentals/ any other cash flow from the Pallavaram and Padur Projects would be routed through their respective Escrow Accounts i.e. "Pallavaram Project Escrow Account" and "Padur Project Escrow Account".</p> <p>On a daily basis, 30% of the cash flows from the Pallavaram Project Escrow Account and Padur Project Escrow Account will be transferred to the corresponding Master Escrow Accounts i.e. "Pallavaram Project Master Escrow Account" and "Padur Project Master Escrow Account".</p> <p>On a daily basis, 70% of the cash flows from the Pallavaram Project Escrow Account and Padur Project Escrow Account will be transferred to the corresponding RERA accounts i.e. "Pallavaram Project RERA Account" and "Padur Project RERA Account".</p> <p>On the basis of self-declaration and certificates as stipulated under the RERA, all applicable amounts in the Pallavaram Project RERA Account and Padur Project RERA Account will be transferred to the respective Master Escrow Accounts i.e. "Pallavaram Project Master Escrow Account" and "Padur Project Master Escrow Account".</p> <p>Balance in above mentioned Master Escrow Accounts would be utilized only for:- a) Servicing the Consolidated Lender's Facility i.e. for mandatory prepayment of principal and for DSRA Replenishment and or interest servicing and b) Project Expenses</p> <p>Till the Consolidated Lender's Facility is repaid completely, the cash flows from projects mentioned under 'Security' shall be used only for the purpose mentioned above and shall not be used for any another purpose including but not limited to dividends, loans and advances.</p>



Working of Escrow Mechanism:-

Padur Project

After the first disbursement of the proposed Facility and till the time the cumulative cash inflow into the "Padur Project Master Escrow Account" is Rs 50 crs

- On a daily basis 20% of the balance in "Padur Project Master Escrow Account" would be transferred to the "NCD Main Escrow Account"
- The balance 80% cash flow the Padur Project Master Escrow Account would be transferred on a daily basis into the Padur Project Expenses Account and shall be used for the project expenses of the Padur Project.

After the cumulative cash inflow into the "Padur Project Master Escrow Account" exceeds Rs 50 crs or after end of 1 year from first disbursement of the proposed Facility whichever is earlier

- On a daily basis 40% of the balance in "Padur Project Master Escrow Account" would be transferred to the "NCD Main Escrow Account"
- The balance 60% cash flow the Padur Project Master Escrow Account would be transferred on a daily basis into the Padur Project Expenses Account and shall be used for the project expenses of the Padur Project.

After the cumulative cash inflow into the "Padur Project Master Escrow Account" exceeds Rs 150 crs or after end of 2 years from first disbursement of the proposed Facility whichever is earlier

- On a daily basis 50% of the balance in "Padur Project Master Escrow Account" would be transferred to the "NCD Main Escrow Account"
- The balance 50% cash flow the Padur Project Master Escrow Account would be transferred on a daily basis into the Padur Project Expenses Account and shall be used for the project expenses of the Padur Project.

Pallavaram Project

After the first disbursement of the Existing Rs 175 crs Facility till the time the cumulative cash inflow into the "Pallavaram Project



Master Escrow Account" is Rs 100 crs

- On a daily basis 30% of the balance in "Pallavaram Project Master Escrow Account" would be transferred to the "NCD Main Escrow Account".
- The balance 70% cash flow from the Pallavaram Project Master Escrow Account would be transferred on a daily basis into the Pallavaram Project Expenses Account and shall be only used for project expenses of Pallavaram Project.

After the cumulative cash inflow into the "Pallavaram Project Master Escrow Account" exceeds Rs 100 crs and is less than Rs 220 crs or after end of 1 year from first disbursement of the Existing Rs 175 crs Facility whichever is earlier

- On a daily basis 45% of the balance in "Pallavaram Project Master Escrow Account" would be transferred to the "NCD Main Escrow Account".
- The balance 55% cash flow from the Pallavaram Project Master Escrow Account would be transferred on a daily basis into the Pallavaram Project Expenses Account and shall be only used for the project expenses of the Pallavaram Project

After the cumulative cash inflow into the "Pallavaram Project Master Escrow Account" exceeds Rs 220 crs and is less than Rs 380 crs or at the end of 2 years from first disbursement under the Existing Rs 175 crs Facility whichever is earlier

- On a daily basis 55% of the balance in "Pallavaram Project Master Escrow Account" would be transferred to the "NCD Main Escrow Account".
- The balance 45% cash flow from the Pallavaram Project Master Escrow Account would be transferred on a daily basis into the Pallavaram Project Expenses Account and shall be only used for the project expenses of the Pallavaram Project.

After the cumulative cash inflow into the "Pallavaram Project Escrow Account" exceeds Rs 380 crs or at the end of 3 years from first disbursement under the Existing Rs 175 crs Facility whichever is earlier

- On a daily basis 60% of the balance in "Pallavaram Project Escrow



Account" would be transferred to the **"NCD Main Escrow Account"**.

- The balance 40% cash flow from each of the Pallavaram Project Master Escrow Account would be transferred on a daily basis into the Pallavaram Project Expenses Account and shall be only used for the project expenses of the Pallavaram Project.

The balance in the NCD Main Escrow Account will be used to part prepay the Consolidated Lenders' Facility on every Wednesday or for interest servicing of Consolidated Lenders' Facility. Any mandatory prepayment would be adjusted towards the immediate next principal instalment/s falling due on the Consolidated Lenders' Facility. No prepayment penalty would be levied in case of such mandatory prepayment.

On Event of Default

- In case there is any Event of Default or any part of DSRA is utilized, then 100% of the cash flow coming into any Escrow Account will be used to service the Consolidated Lenders' Facility or to replenish the DSRA and no overflows would be released to the Borrower till Event of Default is cured or DSRA is replenished irrespective of the time frame allowed for replenishing the DSRA.

RERA Compliance

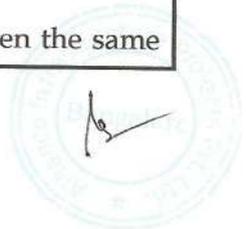
It is represented to the Lender that no applications have been submitted to RERA Authority for registration of the Padur Project.

RERA Registration of Projects offered as Security shall not be submitted without prior written approval of the Lender, so as to enable the Lender to assess the applications with respect to representations made to the Lender about the Projects.

DSRA

DSRA to be maintained for next 2 months' interest payment obligation at any time during the tenure of the Facility in the form acceptable to Lender. Of the total DSRA requirement i.e. next 2 months interest obligation, 1 months interest obligation will be maintained as undisbursed amount initially and the balance would be in the form of bank deposit of a bank acceptable to the Lenders.

In case any part of the DSRA is utilized at any point, then the same



	<p>shall be replenished within 15 days through the Escrow mechanism. In case the cash flows in the Escrow Accounts are not adequate to replenish the DSRA, then the Borrower/ Guarantor shall make good the shortfall within 15 days of occurrence of such shortfall.</p>
<p>Voluntary Prepayment</p>	<p>Voluntary Prepayment (over and above mandatory prepayment defined above) shall be permitted in whole or in part with prior written notice of 30 days.</p> <p>Such Voluntary Prepayment is subject to compliance of applicable RBI norms. Any amount prepaid shall be deemed cancelled and become unavailable for redrawing.</p> <p>Voluntary Prepayment to be in multiples of Rs 5 crs and there would be no prepayment penalty for such prepayment.</p>
<p>Conditions Precedent to disbursement of Tranche I</p>	<ul style="list-style-type: none"> • Legal DD including Title Search, ROC search, Litigation search, Independent Architect report and Valuation Report • The Borrower and the Guarantors should not be classified as special mention accounts (SMA) by any of their existing lenders • Undertaking from Borrower that no further secured or unsecured debt would be raised on the assets or cash flows of the projects provided to Lenders as security without prior written approval of Lenders. • Borrowers to provide all relevant confirmation, undertaking and covenants as applicable under RERA Act in such form and manner as the Lenders may require. • Receipt of No Objection Certificate (NOC) from trustee of Existing Facilities for creation of <i>pari passu</i> charge on the assets and cash-flows of the Pallavaram Project to be charged to Lender in the form and manner required by the Lenders prior to any disbursement by Lenders. • Statutory Auditor Certificate providing list of accounts opened/maintained by the Borrowers, Urbanrise Constructions LLP and other mortgagors (if any) in the form and manner as may be required by the Lender • Statutory Auditor Certificate providing debt profile of the Borrowers, Urbanrise Constructions LLP and other mortgagors (if any), in the form and manner as may be required by the



Lenders

- Undertaking from Borrower and security providers that the details of project including estimated cost of project, land cost, construction cost etc. status of construction, approvals, litigations, encumbrances etc. as represented to the Lenders herein shall in all respects conform to the details proposed to be registered/ registered with RERA Authority and in the event any modification/change is required/proposed, the same shall not be made/provided without prior written consent of the Lenders
- Borrower shall disclose/reflect the charge of Lenders / Debenture Trustee in the details of the Projects with the RERA Authority and same shall also be reflected on the website/webpage of the Mortgagors in the manner as prescribed under RERA
- Compliance Certificate from the Auditor and Management Declaration by the Directors of each of the Borrowers in respect of Section 185 and 186 of Companies Act, 2013
- All letters of intent/allotment, MOUs, sale deeds/agreement to sale, conveyances deed or any proposed document/agreement/letters/instruments proposed to be executed in relation to booking/allotment/sale of any unit in the Project to be vetted and approved by the Lenders upfront;
- Undertaking from Borrower that for booking/allotment/lease/sale of any unit in projects mentioned in Security charged to the Lenders, the Borrower shall obtain prior written NOC for such booking/ allotment/sale/ lease and undertake that all such proceeds will be deposited only in the respective project Escrow Account charged to the Lenders.
- Undertaking from Borrower that for sale of any unit in projects mentioned in Security charged to the Lenders through any kind of subvention scheme e.g.:-20:80 scheme or any other deferred payment scheme, the Borrower shall obtain prior written NOC for such sale.
- Undertaking from Borrower to incorporate a clause in the sale agreements for projects mentioned in Security charged to the Lender about the charge created in favour of the Lenders for



the Facility and instructing them to make all payments directly to the respective project escrow account.

- All regulatory and corporate approvals usual and necessary to the transaction
 - Minimum Selling price (all inclusive Quarterly average) for unsold inventory in the Padur Project will be Rs 3,700 / saleable sqft
- Borrower shall agree and undertake to achieve the Quarterly sales milestones with respect to Project as under:-
 - Minimum 100,000 sqft (saleable area) to be sold in the Padur Project in each quarter after the first year from the first disbursement
- Pledge of 100% shares of ABPPL in dematerialized form
- Requisite constitutional documents / articles shall be amended and resolutions/ authorizations shall be passed in the form and manner as the Lenders may require to record the rights of the Lenders with respect to projects mentioned under Security.
- Creation of all securities related to projects mentioned under Security including opening of Escrow Accounts and execution of the escrow agreements with bank acceptable to Lenders.
- Execution of all the documents, in form and substance satisfactory to the Lender.
- Filing of forms with ROC and other statutory authorities to record the charge of the Lender

Additional Conditions Precedent and Conditions Subsequent related to security creation of projects mentioned under Security shall be incorporated in the definitive agreements post legal and Technical Due Diligence.

**Conditions
Precedents to Tranche
II**

- Receipt of revised MOEF approval for the Pallavaram Project for the entire built up area corresponding to a saleable area of 15,51,480 sqft

**Conditions
Precedents to Tranche
III**

- Receipt of payment advice from Local DTCP office for the Padur Project

Condition Precedents

- Receipt of all approvals for the Padur Project for min 20 lakhs



<p>to Tranche IV and V</p>	<p>sqft saleable area including Planning Approval, Building Permit approval, commencement certificate, MOEF and RERA registration</p> <ul style="list-style-type: none"> • Auditor certificate with respect to the receivables from the Sold Units and the data with respect to the Unsold Units for the Padur Project in such form and manner as the Lender may require
<p>Conditions Subsequent</p>	<p>The Borrower shall adhere/comply with the following conditions post first disbursement under the Facility:</p> <ul style="list-style-type: none"> • CA certificate for end-use to be provided within 30 days from the date of first disbursement under the Facility; • Filing of necessary forms with Ministry of Company Affairs, Registrar of Companies, Central Registry under CERSAI (in respect of equitable mortgage as applicable) or other statutory body/authority as applicable to Security, not later than 30 days from the date of first disbursement under the Facility;
<p>Events of Default</p>	<ul style="list-style-type: none"> • Non-payment/ delay in payment of principal and/or Interest to Lender • Failure to achieve the Sales Milestones • If all approvals, including but not limited to building permit approval, MOEF approval and Commencement certificate are not achieved for entire potential of Padur Project i.e. for min 20 lakh saleable sq ft within 12 months of first disbursement under Tranche 1 of the Facility. • Breach of representation, warranty or covenant under the Documentation; • Any related-party transactions affecting the rights of the Lender adversely; • Cross Default • Any instance of project cash flows not being routed through the Escrow Account • Any such event elaborated in the documents
<p>Additional Interest</p>	<p>Without prejudice to any other rights and remedies available to Lender pursuant to the terms of Transaction Documents, if any of the Automatic Trigger Event (defined below) occurs (irrespective of</p>



whether the Lender has or has not called any Event of Default) the Borrower shall be liable to pay additional interest which will be 4 % p.a. higher than applicable Interest Rate on the entire outstanding amounts under the Facility whether the same has become due or not (the "Additional Interest").

Additional 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 Lender (the "Additional Interest Period").

"Automatic Trigger Event" shall include the following :-

- Failure to pay any amount when due;
- Borrowing beyond limits permitted under transaction documents under Pallavaram and Padur Projects
- Any deviation with respect to Escrow Mechanism
- If required DSRA is not reinstated/replenished in time
- Proof of payment of TDS on interest and other charges paid towards Facility, on a quarterly basis within 30 days of from the end of each quarter.

"Event of Default" is as defined in this Term Sheet.

- The Borrower shall irrevocably agree and confirm that the Lender shall not be required to give any notice or intimation before charging any Additional Interest on occurrence of the Automatic Trigger Events, irrespective of whether the Lender has or has not called any Event of Default.

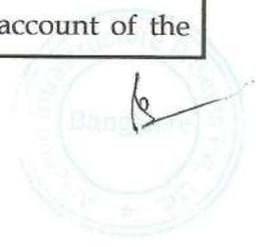
Remedies in the Event of Default

Upon the occurrence of an Event of Default, the Lender may exercise, inter alia, any one or more of the following rights:

- All cash flow from the projects mentioned in Security charged to Lender would be utilised towards prepayment of the Consolidated Lenders Facility.
- Charge Additional Interest at 4.00% per annum on the entire outstanding amounts under the Facility;
- Accelerate the maturity of the Facility and all other amounts payable under the Transaction Documents;
- Enforce the Security;



	<ul style="list-style-type: none"> • Exercise any other right that the Lenders may have under the Transaction Documents or under the law; • Enforce any covenant or undertakings given by the Borrower and/or any other parties under the Transaction Documents • Disclose the details to CIBIL/RBI and/or seek any rights available to the Lender under applicable laws. • If any Event of Default is not cured within 30 days, then the Lender have the unconditional right but not obligation to buy part or all of the unsold project assets at a pre agreed price per sqft. If such purchase option is exercised by the Lender then the identified units would be transferred to the Lender or its nominee at the agreed rates without and dispute or demur and in such form and manner as the Lender may require, in compliance with RERA.
Documentation	<ul style="list-style-type: none"> • Debenture Trust Deed • Security Documents • Unconditional and irrevocable personal guarantees • Unconditional and irrevocable Corporate guarantee • Repayment cheques covering the Facility Amount and Interest • Any other document specified by the Lender
Jurisdiction	<p>Facility made available in terms hereof, shall be governed and shall be construed in accordance with the laws of India and the competent courts at Mumbai shall have the exclusive jurisdiction and the Borrower hereby submits to the same. However the submission to the jurisdiction of the courts referred above shall not (and shall not be construed so as to) limit the right of Lender to initiate proceedings against the Borrower in any other court of competent jurisdiction and nor shall the initiation of proceedings in any one or more jurisdictions by Lender preclude the taking of proceedings by Lender in any other jurisdiction (whether concurrently or not) if and to the extent permitted by applicable law.</p>
Other Conditions	<p>All costs on account of Legal due diligence, Titles search report, Technical and Valuation Report, documentation and any other cost incurred for the purpose of this Facility would be to the account of the Borrower. All taxes incl. service tax would be to the account of the</p>



Borrower.

Accepted by

Name:- Kamalakar M Shet

Designation:- Director



Authorized Signatory

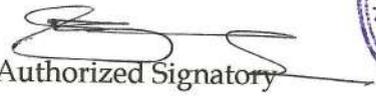
Alliance Infrastructure Projects Private Limited



Accepted by

Name:- Kamalakar M Shet

Designation:-



Authorized Signatory

Urbanrise Constructions LLP

