

TERM SHEET

This term sheet summarizes the principal terms to be incorporated into Definitive Agreements with respect to proposal for investment in one or more SPVs being discussed between ICICI Prudential Real Estate AIF-I ("Investor") (including any other Funds/ Investment Portfolios managed by ICICI Prudential Asset Management Company Limited) and Sunshine Group ("Promoter"). This term sheet is a mere expression of interest and is not binding, and is subject to specific proposal and definitive documents to be considered, approved and executed by investment Manager of the Investor.

The intent of this document is to describe the key terms of the proposed agreement between Investor and Sunshine Group for residential development in Goregaon East, Mumbai.

Exclusivity: By signing this Term Sheet, Promoter undertake that they shall not, nor shall any of its relatives, agents and representatives initiate or participate in any discussion or negotiations with any person other than Investor relating to the Project until the sooner to occurrence of (i) the signing of the Definitive Agreements (as defined hereafter) or (ii) mutual termination of this Term Sheet or (iii) the expiry of 90 (ninety days) days from the date of execution of this Term Sheet.

Corporate and regulatory approvals: The transaction contemplated in this term sheet is subject to approval of the Investor's Investment Committee and legal, Financial and technical due diligence on the project /SPV. .

Confidentiality: The terms and conditions described in this Term Sheet, including its existence, shall be confidential information and shall not be disclosed to any third party except to each Party's advisors , counsel, Portfolio Manager's potential clients / investors and distributors. Provided however that if any of the Parties is required by law to disclose information regarding this Term Sheet or to file this Term Sheet with any regulatory body, it shall, at a reasonable time after making any such disclosure or filing, inform other Parties..






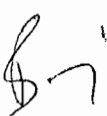
Objective	<p>Sunshine Housing and Infrastructure Private Limited ("SHIPL") is developing a ~5,67,521 sqft Slum Rehabilitation Residential project on a land partly owned by Govt of Maharashtra and partly owned by MCGM at Goregaon East ("The Project"). Presently Commencement Certificate till Plinth for Rehab building has been received and part plinth work of the rehab building has been completed..</p> <p>The Investor has in principle agreed to consider investing up to Rs 70 crs in the Project.</p>
Borrower	SHIPL
Promoter	<p>For the purpose of this Term Sheet, the following shall be individually /collectively defined as Promoter:</p> <ul style="list-style-type: none"> a) Mr Kashyap Mehta b) Mr Atul S Bharani
Investment	<p>The Investor has in principle agreed to invest Rs 70 crs. The investment shall be subject to:</p> <ul style="list-style-type: none"> • Legal, Financial, Technical Due Diligence on the Projects/Borrower to the satisfaction of the Investor • Definitive Agreements to be entered into amongst the Parties being concluded to the satisfaction of the Investor, and • Approval of the Investment Committee of the Investor
Investment Structure	<p>The investment shall be made by way of mutually agreed securities (such as secured optionally convertible debentures) or any other preferred securities or any combination of securities as advised by Investor's financial advisors, subject to the terms and conditions of this Term Sheet, Due Diligence and Definitive Agreements to be entered into amongst the Parties.</p>
Financial Terms	<p>Financial Terms of the Investment shall be as follows:</p> <ul style="list-style-type: none"> • Investment Amount: Rs 70 Crs • Tranches: Investment will be in 4 tranches, based on milestones as follows <ul style="list-style-type: none"> 1. Tranche 1- Rs.25cr to be invested upfront, 2. Tranche 2 - Rs.15cr upon completion of 3rd slab level of the rehab building 3. Tranche 3 -Rs.15Cr on issuance of revised LOI of FSI 4 4. Tranche 4-On issuance of revised IOA of FSI 4 • Tenor: 42 months. • Interest Coupon: The interest payable to Investor shall be 19.2% per annum, payable quarterly on the investment made. • Interest moratorium: Until 31 March 2017. Interest shall neither accrue nor






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	<p>shall be payable from investment date until 31 March 2017.</p> <ul style="list-style-type: none"> • Delay in Interest Payment: Penal interest at 1% per quarter (i.e. in addition to the existing interest coupon per quarter) shall be levied on delayed payments • Principal Payment: Principal Investment Amount repayment for each tranche will be paid in 4 quarterly tranches starting from the 33rd month of investment. • Redemption Premium: Rs. 6.65 Cr to be paid along with final repayment installment to be on Dec 2019. • Upfront Fee: 1% of investment amount • Prepayment: No prepayment permitted within 21 months of investment. • Prepayment Penalty: Nil, in case of prepayment after 21 months from project proceeds. However, in case of refinance, prepayment penalty shall be 1% of outstanding principal.
Security	<p>Investment shall be secured by the following:</p> <ul style="list-style-type: none"> • First and exclusive charge on Development Rights pertaining to the Property • First and exclusive charge on all sales receivables of the Project. • Creation of first pari passu charge over the commercial project being developed / to be developed by Mayurpankh Properties Private Limited under the aegis of Slum Rehabilitation /scheme having an aggregate saleable area of 90,000 square feet in Juhu ("Project Chambers"); • Creation of first pari passu charge over the residential project being developed / to be developed by Mayurpankh Fine Builders Private Limited under the aegis of Slum Rehabilitation /scheme having an aggregate saleable area of 99,538 square feet in Juhu ("Sangam Project"); • Personal guarantee of Promoters; • Corporate guarantee of appropriate entity (subject to restrictions under Section 185 of the Companies Act); • Non-disposal Undertaking of shares of Borrower held by the Promoter and their family members • Post-dated cheques to the extent of 2x of investment amount. <p>As and when units are sold, Investor shall cede charge in favour of home loan mortgage lender or the purchaser.</p> <p>The security shall be created within 30 days from the date of investment.</p> <p>Cost of creating above mentioned security shall be borne by the Promoters / SPV.</p>
Escrow Account	<p>Borrower will maintain an escrow account of the Project for depositing all Scheduled Receivables from the Project. All receivables will be deposited only in the escrow accounts. Initially the investor will keep a 5% sweep on the Escrow.</p>

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Conditions Precedent to Definitive Agreements and Disbursal of Funds	<p>Execution of Definitive Documents shall be subject to the prior approval of the Investment Committee of the Investor and satisfactory completion of legal, financial and technical due diligence by the Investor / its advisors, on underlying land and Project.</p> <p>The following conditions precedent are required to be complied with before execution of the Definitive Agreements. The following conditions are indicative and not exhaustive and would be set out more fully during due diligence process –</p> <p>Conditions Precedent to Tranche 1 Funding:</p> <ul style="list-style-type: none"> a) Title due diligence on Project land and associated documents, etc. b) Legal and financial diligence on Borrower 1 c) Technical Due diligence (including building plan approvals from MHADA & BMC) of the Project <p>Conditions Precedent to Tranche 2 Funding: On completion of 7th slab of rehab building.</p> <p>Conditions Precedent to Tranche 3 Funding: Approval Letter of 4 FSI from MAHDA and revised building plan approval based on 4 FSI from BMC.</p>
Conditions Subsequent to Disbursal of Funds	<p>The following conditions subsequent are required to be complied with after the disbursal of first tranche of funds within the time limits provided under each condition. These conditions subsequent are indicative and not exhaustive and would be set out in further detail in the Definitive Agreements:</p> <ul style="list-style-type: none"> • Creation and perfection of security on the investment to the satisfaction of the Investor within 30 days from the date of disbursement; • Appointment of internal auditor acceptable to the Investor within 60 days from date of disbursement; • Appointment of a Project Management Consultant, acceptable to the Investor, within 60 days from the date of disbursement.
Other Condition	SHIPL/Promoter shall give Right of First Refusal to I Pru in case they raise funding on the Sunshine Emerald Project at Santacruz.
Definitive Agreements	For the fulfilment of the objective, the Parties shall execute / ensure execution of the appropriate documents for investment to the satisfaction of the Investors.
Lien on Investors' Securities	<p>Securities issued to the Investor shall be free from all encumbrances or liens. Further, the Investor will not be required to pledge their holding of securities in SPV, or provide any guarantee or any other support to any third party, including but not limited to any lenders.</p> <p>The Investor will be entitled to transfer their securities inter-se or to any third parties at any time and on such terms as it may deem fit and without any restriction or restraint and without any consent / prior approval from the Promoters.</p>
Management of the SPV	<p>The Parties agree that management of the SPV shall be only in the manner provided hereunder and detailed in the Definitive Agreement.</p> <p>The management of the SPV shall be through the Board of Directors of the SPV.</p>

	Investor shall have the right to appoint one Director (" Investor Director ") in the SPV.
Procedure for Project review Meetings	<p>At least one of the Investor Director, if appointed, shall always be part of the Board meeting. Quorum cannot be considered in absence of Investor director in such case. Subject to applicable laws, resolutions may be passed by circulation provided that the director nominated by Investor has voted in favour of the resolution. In the event the representative of Investor not present, the Meeting may be adjourned to next week, same day and place. At such adjourned Meeting, if up to 2 Hours from the time of the Meeting, the representative of Investor is not present, the Directors present would validly constitute Quorum for the Meeting.</p> <p>In the event the Investor has not nominated its representative on the Board of SPV, the Investor may appoint Observer to attend the Board Meeting.</p> <p>In the event the Investor has not nominated any representative to the Board of SPV, for any Affirmative Vote Item(s) prior written Consent of the Investor would be required before transacting or approving affirmative Vote Items at the Board Meeting of SPV. However any such Board Meeting where Investor Director is not present, no affirmative vote items will be taken up.</p>
Prior approval from the Investor	<p>Borrower and Promoters shall need a prior written approval of the Investor regarding certain key matters which shall be detailed in the Definitive Agreement. Some of the key matters are outlined below. The following are indicative and not exhaustive and would be set out more fully in the Definitive Agreements.</p> <p><u>In relation to Borrower:</u></p> <ul style="list-style-type: none"> • Issue any fresh equity (including preference shares, ESOP, convertible debentures, warrants or any other quasi equity instrument), to any person; • Disposal of shares by the Promoter; • Borrow funds in any form or issue guarantees; • Make any investments by way of deposits (other than in the ordinary course of business for a sum less than Rs. 25 lakhs per transaction and Rs 1 Cr cumulatively), loans or subscription to shares and debentures (excluding temporary deposits with the banks in the ordinary course of business) other than those specifically agreed in the Definitive Agreement • Change the capital structure of the Borrower; • Change the Accounting Year and Change in Accounting Policies / Standards; • Merge, de-merge or acquire with or into any corporation or enter into joint ventures; • Liquidate or dissolve the SPV. Any petition for voluntary winding up, reorganization proceeding under section 391 to 394 of the Act • Amend its Memorandum and Articles of Association; • Sale of residential units to related parties or Affiliates; • Sale of commercial units to related parties of Affiliates; • Sale of residential units at All in Price lower than Rs 17600psf on carpet in the Project • Enter into transactions with Affiliates ("Affiliates" defined as any entity where Promoter or any of his family members directly or indirectly have a Control), except as specifically agreed in the Definitive Agreement; • Sell assets of Project, other than in the ordinary course of business relating to sale of units in the Project; • Change/Appoint a statutory/internal auditor; • Any change in the nature and/or the scope of the business and activities of the SPV and/or commencement of any new line of business;

	<ul style="list-style-type: none"> The listing of any equity of either of the Borrower in any capital markets and the decision to undertake an IPO.
Event of Default	<p>Event of Defaults and its remedies shall be discussed and provided in the Definitive Agreement. Events of Default shall include (but not limited to) –</p> <ul style="list-style-type: none"> Breach by the Promoter of any covenant, representation, warranties or undertaking provided in the Definitive Agreements or the trigger of any other Event of Default detailed in the Definitive Agreement; Promoter's failure to obtain 4 FSI approvals within the agreed period of 9(Nine) months from date of investment; Failure to complete Conditions Subsequent; Stoppage of work on the Project due to any reason and if such work does not resume to normalcy within 4 months of such stoppage, Promoter's failure to develop the Project as per the development milestones highlighted in the Business Plan mutually agreed by the Parties; Promoter's failure to pay interest on Investment on timelines agreed Promoter's failure to repay principal on agreed principal repayment dates Cross Default: any trigger of any other Event of Default detailed in the Definitive Agreements relating to the Investor's investment in Borrower. <p>The cure period for certain curable Events of Default shall be provided in the Definitive Agreement.</p>
Consequences of Event of Default	<p>On the occurrence of an Event of Default (beyond Cure Period), the Investors shall have a right to claim returns of an IRR of 25% p.a ("Default IRR") and may trigger any of the following recourse available to them:</p> <ul style="list-style-type: none"> The Investor shall have an option to cause the Promoter to purchase the Investors' stake in the Borrower at such price that would enable the Investor to achieve the Default IRR. The Investor shall have a right to cause the Promoter to buy out the unsold saleable area at their expense at a price that enables the Investor to achieve the Default IRR. The Investors shall have the right to enforce the Security
Information rights	<p>The Promoters/ Borrower shall provide the following information as may be required by the Investor, it being understood that the full information requirements shall be as set out in the Definitive Agreements:</p> <ol style="list-style-type: none"> Audited annual financial statements with 120 days of the conclusion of each fiscal year; Unaudited annual financial statements with 45 days of the conclusion of each fiscal year; Half yearly financial statements within 45 days of the conclusion of each quarter; Unaudited monthly financial reports specified by the Investor with 7 working days of such request; Weekly sales and collection reports within 2 working days of end of each week; Detailed weekly cash flows and collection data; Proposed annual business plan for the fiscal year to be approved by the Investor in

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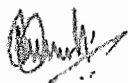
	<p>writing within 60 days of conclusion of each fiscal year;</p> <p>h) Material (major) contracts executed by the Borrower;</p> <p>i) Construction schedule and construction performance report on a monthly basis within 7 days of conclusion of each month;</p> <p>j) Copies of any reports submitted for the purposes of regulatory compliance and of notices received or reports or notices submitted to any governmental agency within 2 working days of submission;</p> <p>k) Details of any litigation (including any winding-up proceedings or notices under any enactment or regulation), proceedings or material dispute to which the SPV is a party that impedes or which is likely to adversely affect its business or assets or otherwise within 2 working days of becoming aware of any such litigation or potential litigation, etc;</p> <p>l) Such other financial and accounting reports and information as the Investor may reasonably request on a timely basis (such as monthly cash flows, sales reports, cost reports etc);</p> <p>Statutory registers and minutes of proceedings of all meetings within 7 days as and when requested by the investor.</p>
Legal and regulatory compliance	The operations and the activities of the SPV will be carried on in compliance with all applicable laws, regulations and guidelines in India.
Transaction costs	<p>The Investor shall bear all transaction related costs, irrespective of whether or not the transaction contemplated in this Term Sheet materializes. Such costs include –</p> <ul style="list-style-type: none"> • Professional fee payable to advisors for financial, legal and title due diligence • Legal fee payable to Law firm engaged by the Investor for transaction documentation • Advisory fee for capital structuring, if any • Any other reasonable transaction related expense incurred by the Investor. <p>The Borrower will bear Stamp duty payable on all transaction documents</p>
Auditors	<p><i>Statutory Auditor</i> The Borrower shall appoint any of the Big Four auditing firm/ other acceptable firm, for conducting its statutory audit.</p> <p><i>Internal Auditor</i> The Borrower may appoint any of the Big Four / other acceptable firm, for conducting its internal audit subject to the Investor's approval for the same.</p> <p><i>Special Auditor</i> The Investor, under special circumstance as deemed fit by the Investor; will have a right to appoint a Special Auditor, who will undertake a specific audit, at the discretion of Investor. The cost of such audit shall be paid by the project and will be recovered from the SPV. Further, it may be noted that such auditors shall have access to all the records and books of accounts maintained by Borrower</p>
Representations & Warranties	The Promoter shall give representations and warranties, as more properly defined in the Definitive Agreement.
Governing law	This Term Sheet and Definitive Agreements shall be governed by the laws of India.
Dispute Resolution	Any disputes and differences whatsoever which could not be settled by Parties through negotiations, after the period of thirty 30 days from the service of a "Notice of Dispute", will be finally settled by arbitration in accordance with the Indian Arbitration and

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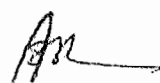
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	<p>Conciliation Act, 1996.</p> <p>Promoter shall be entitled to nominate one arbitrator and the Investor shall nominate one arbitrator, and the two arbitrators so nominated shall together appoint a third arbitrator who shall be the Chairman of the arbitral panel.</p> <p>The venue of the arbitration shall be Mumbai, India.</p> <p>The language of arbitration shall be English.</p>
Termination	The Term Sheet shall automatically terminate upon (i) the signing of the Definitive Agreements or (ii) mutual termination of this term sheet or (iii) the expiry of 90 (Ninety) days from the date of execution of this Term Sheet.
Indemnification	Each Party will indemnify, and hold harmless the other Parties from and against any material claim, liability, demand, loss, damage, judgment or other obligation or right of action which may arise as a result of Breach of this Term Sheet by such Party.
Binding Obligations	<p>In consideration of the Investor agreeing to evaluate the proposed transaction including undertaking a due diligence on the Project, the provisions relating to exclusivity, confidentiality and indemnity shall be binding. Except for the provisions in relation to exclusivity, confidentiality and indemnity, this Term Sheet shall be non-binding on the Parties.</p> <p>The rights and obligations of each Party with respect to the Objective shall be more fully set out in the Definitive Agreements, which shall supersede all prior agreements and understandings between the Parties. The Parties shall endeavour to incorporate the terms of this term sheet in the Definitive Agreements.</p>
Survival	The provision pertaining to Confidentiality and Indemnity shall survive the termination of this Term Sheet.

Signed for and on behalf of
Sunshine Housing and Infrastructure Private Limited

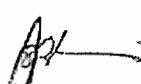


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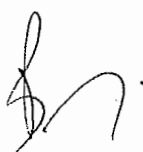
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Signed by **Promoters**

Name: Mr. Kashyap Mehta Mr Atul Bharani

Signed for and on behalf of
ICICI PRUDENTIAL AMC LIMITED, in its capacity as Investment Manager)



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Name:
Designation:

A
ARCHANA G.

Joseph N. Bawany

Place: Mumbai
Date: 11th July 2016

