

Date: 26th October 2016

TERM SHEET

Issuer/ Borrower	Tanglin Developments Limited ("Tanglin")												
Promoter Group	Mr. V.G. Siddhartha ("VGS") and family												
Issue	Rated, Unlisted, Reedemable, Non-Convertible Debentures (NCD) secured by Pledge of shares												
Issue Amount	Upto Rs.25,00,00,000/- (Rupees Twenty Five Crores Only)												
Purpose	General Corporate Purpose and refinancing of the existing debt.												
RATING													
Credit Rating	A- (SO) by Brickworks Rating or any other SEBI registered Rating Agency												
Credit Rating Covenants	If the rating falls below A-(SO), same shall be considered as a "Mandatory Prepayment Event"												
INTEREST DETAILS													
Coupon	1.25 % payable annually												
Redemption premium	XIRR equivalent of 12.90 % p.a.p.q (i.e. equal to Annualised XIRR of 13.55% per annum) after taking into account Cash Coupon paid at the rate of 1.25 % p.a.												
Payment Schedule for interest	<ul style="list-style-type: none">At annual interval from the deemed date of allotmentLast Interest Payment Date shall be the Maturity Date												
Default Interest	In case of default in payment of any amount payment accruing due on the respective due dates, the defaulted amount thereof shall carry Default Interest, which shall be a rate of 2.00% per annum payable monthly in respect of any amounts which have not been paid on the respective due dates.												
SECURITY STRUCTURE													
Security	<p>The security to be provided shall comprise of</p> <ol style="list-style-type: none">Share Pledge 1 – Pledge of Equity shares of Coffee Day Global Limited "CDGL" ;Share Pledge 2 – Pledge of Equity shares of Listed Entity as acceptable to the debenture holderShare Pledge 3 – Pledge of Equity shares of SICAL Logistics Ltd "Sical".Corporate guarantee of CDEL;Corporate guarantee of Tanglin Retail Reality Developments Pvt. Ltd. "TRRDPL";Personal guarantee of Mr. V.G. Siddhartha;Charge over the designated account (where interest payout, redemption proceeds and the Cash Top-up Amounts are to be maintained) and amounts lying to the credit thereof from time to time, as well any permitted investments made using the amount available in the designated account. <p>Note:</p> <ul style="list-style-type: none">The Security mentioned under clause 1,2,3 and 4 above shall be created in the following manner: <table><tr><th>Particulars</th><th>Security Cover to be maintained</th><th>Timeline</th></tr><tr><td colspan="3">Security from the Deemed date of allotment till November 29, 2016</td></tr><tr><td>CDGL</td><td>2.5 Times of the Benchmark Amount</td><td></td></tr><tr><td>CDEL</td><td>Corporate Gurantee</td><td></td></tr></table>	Particulars	Security Cover to be maintained	Timeline	Security from the Deemed date of allotment till November 29, 2016			CDGL	2.5 Times of the Benchmark Amount		CDEL	Corporate Gurantee	
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Security from the Deemed date of allotment till November 29, 2016													
CDGL	2.5 Times of the Benchmark Amount												
CDEL	Corporate Gurantee												

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	Security from November 30, 2016 till February 27, 2017		
	CDGL	1.25 times of the Benchmark Amount	Release of 1.25 times on creation of Listed Entity pledge of shares of 1 time as mentioned below.
	LISTED ENTITY	1 time of the Benchmark Amount	To be created on or before 30-Nov-16
	CDEL	Corporate Gurantee	
	Security from February 28, 2017 till May 30, 2017		
	CDGL	1.25 times of the Benchmark Amount	
	LISTED ENTITY	1 times of the Benchmark Amount	
	Sical (Listed)	0.25 times of the Benchmark Amount	To be created on or before 28-Feb-17
	CDEL	Corporate Gurantee	
	Security from 31st May 2017 till Maturity		
	CDGL (unlisted)	1.25 times of the Benchmark Amount	
	LISTED ENTITY	1 times of the Benchmark Amount	
	Sical (Listed)	0.50 times of the Benchmark Amount	To be created on or before 31-May-2017
	CDEL	Corporate Gurantee	The Corporate Guarantee of CDEL shall be released if the Listed Collateral Value of 1.5 times of the Benchmark Amount is maintained.
	<ul style="list-style-type: none"> All other security shall be created as condition precedent; The security referred to hereinabove shall be created in favour of the Debenture Trustee for the benefit of debenture holders; The securities shall be free from any lock-in, charge or encumbrance of any kind <p>Notwithstanding anything stated above, at all times during the currency of the Issue, i) the CDGL Stipulated Security Cover shall be minimum of 2.5 times of the Benchmark Amount before creation of Stipulated Listed Entity Security and 1.25 times of the Benchmark Amount post creation of Stipulated Listed Entity Security.</p> <p>Later, ii) the Listed Entity Stipulated Security Cover shall be minimum of 1.00 time of the Benchmark Amount and</p> <p>iii) SICAL Logistics Ltd Stipulated Security Cover shall be minimum of 0.25 time the Benchmark Amount from February 28, 2017 till May 30, 2017 and 0.50 times thereafter till Maturity.</p>		
	Guarantor	The Personal Guarantor and Corporate Guarantors shall collectively be referred to as "Guarantor".	


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Security Providers	Mr. V.G. Siddhartha, Issuer, Coffee Day Enterprises Limited (CDEL), Coffee Day Global Limited ("CDGL"), "TRRDPL", others as may be required to ensure appropriate security is offered as required by the Transaction Documents.
Benchmark Amount	Shall mean the amount on the basis of which the security cover provided by the Share Pledge 1, Share Pledge 2, Share Pledge 3 and the Cash Top-up Amounts, shall be tested, which shall on any day be the Unpaid Principal Amount as on the said date. Unpaid Principal Amount Shall mean such of the principal amount of the Issue, which have not been repaid.
Cash Top-up Amount	The amounts, if any, deposited into the Designated Account, from time to time, by way of cash top-up for restoration of the Stipulated Coffee Day Global Limited and/or the Stipulated Listed Entity Security Cover and/or Stipulated SICAL Logistics Ltd Security Cover shall include any Permitted Investments made using such amounts.
Security Cover/ Margin/ Valuation- Related to Share Pledge 1 – CDGL Shares	<p>The security providers shall create a pledge over such number of shares of Coffee Day Global Limited ("CDGL") held by them, the aggregate of which shares is at least equal to 2.5 times the Benchmark Amount of the Issue.</p> <p>The shares pledged in terms of the Share Pledge are referred to as the "Pledged Shares 1".</p> <p>The expected security cover ("Stipulated Unlisted Initial Security Cover") in relation to the Share Pledge 1, is 2.5 times of the Benchmark Amount. Subject to the terms of the Transaction Documents, the Stipulated Unlisted Security Cover shall be maintained throughout the tenor of the Issue.</p> <p>For determining the value of the shares of CDGL, the price per share shall be determined on the basis of an equity valuation of CDGL at Rs. 32,00,00,00,000/- (Rupees Three Thousand Two Hundred Crore only), the valuation shall be tested on quarterly basis and can be changed as acceptable to the Debenture Holder(s).</p> <p>Top-up: In the event that the shares of CDGL are dealt with by any of the shareholders of CDGL on the basis of the equity valuation lower than aforementioned equity valuation or CDGL issues additional shares on the basis of an equity valuation which is lower than the aforementioned equity valuation, the said lower equity valuation shall form the basis of the determining the price per share of CDGL and accordingly, the Issuer shall, within a maximum period of 5 (Five) calendar days from the date on which the shares of CDGL has been dealt with at a lower equity valuation as aforesaid, pledge such additional shares held by it in CDGL to ensure that the Stipulated Unlisted Security Cover is maintained.</p> <p>The Issuer and CDGL shall immediately inform the Debenture Trustee of the occurrence of any act which would trigger the top – up of the shares pledged pursuant to the Share Pledge 1. It is clarified that there would be no release of any shares which are subject of the Share Pledge 1 until the Issue is redeemed in full in accordance with the terms of the Issue or until the shares of Listed Entity are provided as security as given below.</p> <p>Share Pledge 1 shall be free from any encumbrances or lock-in requirements throughout the tenor of this Issue.</p> <p>Notwithstanding anything contained in this document, Stipulated Unlisted Security Cover shall come down to 1.25 times once Stipulated Listed Entity Security Cover which is 1.0 time is provided and maintained. Debenture Trustee shall release all excess CDGL Shares within 7 (Seven) business days of receipt of notice of creation of Stipulated Listed Entity Security Cover of 1.0 time.</p>
Security Cover/ Margin/ Valuation- Related to Share	The relevant Security Providers shall on or before November 30, 2016 create a pledge over such number of shares of stipulated Listed Entity held by the said

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Pledge 2- Listed Entity shares	<p>Security Provider, wherein, the aggregate of which shares is at least equal to 1.0 time the Benchmark Amount of the Issue.</p> <p>The shares pledged in terms of the Share Pledge 2 are referred to as the “Pledged Shares 2”.</p> <p>The expected security cover (“Stipulated Listed Entity Security Cover”) in relation to the Pledged Shares 2, is 1.0 time of the Benchmark Amount, as reduced by the Cash Top-up Amount. Subject to the terms of the Transaction Documents, this security cover shall be maintained throughout the tenor of the Issue.</p> <p>Top-up Amounts: The Listed Entity Share Price shall be on any trading day, be the closing price of the Listed Entity shares as quoted on the National Stock Exchange “NSE” on the said day (if such quotes are not available, the closing price of the shares of Listed Entity quoted on the National Stock Exchange “NSE” on the immediately preceding trading day) (“Listed Entity Share Price”).</p> <p>The initial Listed Entity Share price shall be the Listed Entity Share Price on the day preceding the day on which the Share Pledge 2 is created (“Initial Listed Entity Share Price”).</p> <p>The sum of the Pledged Shares 2 multiplied by the Listed Entity Share Price on any day shall be the Listed Entity Collateral Value on the said day (“Listed Entity Collateral Value”).</p> <p>Pledged Shares 2 shall be free from any encumbrances or lock-in requirements throughout the tenor of this Issue post the creation of the pledge.</p>
Security Cover/ Margin/ Valuation- Related to Share Pledge 3- SICAL Logistics Ltd shares	<p>The relevant Security Providers shall i) on or before 28th February, 2017 create a pledge over such number of shares of SICAL Logistics Ltd (“Sical”) held by the said Security Provider, wherein, the aggregate of which shares is at least equal to 0.25 time the Benchmark Amount of the Issue and ii) shall additionally on or before 31st May, 2017 create a pledge over such additional number of shares of SICAL Logistics Ltd (“Sical”) held by the said Security Provider, wherein, the aggregate of which is at least equal to 0.50 time the Benchmark Amount of the Issue.</p> <p>The shares pledged in terms of the Share Pledge 3 are referred to as the “Pledged Shares 3”.</p> <p>The expected security cover (“Stipulated SICAL Logistics Ltd Security Cover”) in relation to the Pledged Shares 3, is 0.50 time of the Benchmark Amount, as reduced by the Cash Top-up Amount. Subject to the terms of the Transaction Documents, this security cover shall be maintained throughout the tenor of the Issue.</p> <p>Top-up Amounts: The SICAL Logistics Ltd Share Price shall be on any trading day, be the closing price of the SICAL Logistics Ltd shares as quoted on the National Stock Exchange “NSE” on the said day (if such quotes are not available, the closing price of the shares of SICAL Logistics Ltd quoted on the National Stock Exchange “NSE” on the immediately preceding trading day) (“SICAL Logistics Ltd Share Price”).</p> <p>The initial SICAL Logistics Ltd Share price shall be the SICAL Logistics Ltd Share Price on the day preceding the day on which the Share Pledge 3 is created</p>

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	<p>("Initial SICAL Logistics Ltd Share Price").</p> <p>The sum of the Pledged Shares 3 multiplied by the SICAL Logistics Ltd Share Price on any day shall be the SICAL Logistics Ltd Collateral Value on the said day ("SICAL Logistics Ltd Collateral Value").</p> <p>Pledged Shares 3 shall be free from any encumbrances or lock-in requirements throughout the tenor of this Issue.</p> <p>Notwithstanding anything contained in this document, once Listed Security Cover of 1.5 time is maintained after May 31, 2017 till Maturity, the Debenture Trustee shall release the Corporate Guarantee of CDEL within 7 (Seven) business days of receipt of notice of creation of 1.5 times of the Listed Security Cover.</p>
Top-up Mechanism	<p>Listed Entity Collateral Value and SICAL Logistics Ltd Collateral Value shall be together as "Listed Collateral Value".</p> <p>Stipulated Listed Entity Security Cover and Stipulated Sical Security Cover shall be together referred as Listed Security Cover and shall be equal to 1.25 times the Benchmark Amount less any Cash Top-up amounts from February 28, 2017 till May 30, 2017 and 1.50 time the Benchmark Amount less any Cash Top-up amounts from the creation of additional shares of 0.25 times of Pledged Shares 3 till Maturity.</p> <p><u>Top-up:</u></p> <p>Whether any additional shares held by the relevant Security Providers in Listed Entity and SICAL Logistics Ltd are required to be pledged in favour of the Debenture Trustee for the purposes of meeting the Stipulated Listed Security Cover shall be tested on each trading day and in the event that on any trading day the Listed Collateral Value is lesser than 1.25 time the Benchmark Amount from February 28, 2017 till May 30, 2017 and if the Listed Collateral Value is lesser than 1.5 time the Benchmark Amount from May 31, 2017 till Maturity, within a maximum period of 5 (Five) calendar days from the occurrence of the aforesaid event, the relevant security provider shall pledge such additional shares held by it in Listed Entity and/or SICAL Logistics Ltd. or such other Listed security so as to ensure that the Stipulated Listed Security cover is maintained. In the alternative, the Issuer may also deposit cash in the designated account to ensure that the Stipulated Listed Security Cover is being maintained.</p> <p>Notwithstanding anything stated above, at all times during the currency of the Issue, the Listed Entity Stipulated Security Cover shall be minimum of 0.90 times the Benchmark Amount and SICAL Logistics Ltd Stipulated Security Cover shall be minimum 0.20 time the Benchmark Amount till May 31, 2017 and 0.45 time the Benchmark Amount from May 31, 2017 till Maturity.</p> <p><u>Release :</u></p> <p>Whether any of the shares held by the relevant security provider in Listed Entity or SICAL which are subject to the Share Pledge 2/ Share Pledge 3 are to be released by the Debenture Trustee on account of the fact that the value of the Share Pledge 2 /Share Pledge 3, is in excess of the shares required to meet the Stipulated Listed Security Cover, Share Pledge 2 and Share Pledge 3 shall be tested on each trading day and in the event that on any trading day, the Listed Collateral Value is equal to or greater than 1.20 times the Benchmark Amount, less any Cash Top –up Amounts before February 28, 2017 and the Listed Collateral Value is equal to or greater than 1.40 times the Benchmark Amount, less any Cash Top –up Amounts before May 31, 2017 and is equal to or greater</p>

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	<p>than 1.65 times the Benchmark Amount, less any Cash Top –up Amounts from May 31, 2017 till Maturity , the relevant Security providers shall be entitled to obtain a release of such part of the Pledged Shares 2 or Pledged Shares 3, or the Cash Top Up Amounts which are in excess of the collateral required within a maximum period of 5 (Five) calendar days from the occurrence of the aforesaid event to ensure that the stipulated Listed Security Cover is being maintained; provided however that the Cash Top-up Amounts shall be released only if the combined value of Listed Entity Share Price and SICAL Logistics Ltd Share Price is at least equal to 60% of the Initial Listed Entity Share Price/ SICAL Logistics Ltd Share Price.</p> <p>Cash Top-up: In the event that on any trading day, the combined value of Listed Entity Share Price/ SICAL Logistics Ltd Share Price is equal to or lesser than 60% of the initial Listed Entity Share Price and SICAL Logistics Ltd Share Price, notwithstanding anything to the contrary contained hereinabove, the Issuer will have to compulsorily provide a cash top-up so as to ensure that the stipulated Listed Security Cover is maintained, within a maximum period of 3 (three) Business Days from the day on which the Listed Entity Share Price/ SICAL Logistics Ltd Share Price has fallen as aforesaid. Save and except provided in the Transaction Documents any cash top-up made under this clause can be used for prepayment of the Issue without any prepayment premium.</p>
Issue details	
Issue Opening date	26 th October, 2016
Issue Closing date	26 th October, 2016
Paying date	26 th October, 2016
Deemed date of allotment	26 th October, 2016
Issue Price	Rs.1.0 lacs per NCD
Number of NCDs	2500 NCDs of Rs.1.0 lacs each
Redemption Price	Rs.1.0 lacs per NCD
Maturity Date	January 23, 2020
Repayment	<p>The principal amount shall, subject to any early payment, be repaid, by way of a bullet repayment, on the Maturity Date.</p> <p>The Issuer shall, at least 10 (Ten) calendar days prior to the scheduled Maturity Date (hereinafter the “Maturity Prefunding Date”), deposit such amounts in a designated account as is required to meet the payments due on the scheduled Maturity Date.</p>
Voluntary Prepayment	<p>The Issuer shall be entitled to make a prepayment in relation to the Issue in the following circumstances (hereinafter referred to as the “Prepayment Option”):</p> <ul style="list-style-type: none"> On the Maturity Prefunding Date and at any time thereafter until the scheduled Maturity Date, the Issuer shall be entitled to redeem the Issue in full by making payment of all amounts due thereon, including the Unpaid Principal Amount, accrued Cash Coupon and any other charges and fees payable (hereinafter the “Prepayment Option”) If the Issuer wishes to exercise the Prepayment Option, the Issuer shall provide a written notice to the Trustee (with a copy marked to the Debenture Trustee) (“Prepayment Notice”) confirming that the Issuer proposes to redeem the Issue, which Prepayment Notice shall be issued at least 1 (One) Business Day prior to the date on which the Issuer proposes to redeem the Issue pursuant to the exercise of the Prepayment Option.

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	Such Voluntary Prepayment is subject to payment of any such Redemption Premium to achieve the minimum XIRR of 13.55% per annum excluding any prepayment charges. However, there shall be no prepayment charges for the prepayment made on the Maturity Prefunding Date.
Designated Account Mechanism	<p>Shall mean an account opened by the Issuer with Karnataka Bank Limited ("Account Bank") for the purposes of payment of the amounts payable to the Debenture Holders in relation to the NCDs, which account shall be solely operated by the Debenture Trustee. (the "Designated Account")</p> <p>The Designated Account shall be charged in favour of the Debenture Trustee and the Issuer shall take all such actions and execute all such deeds so as to ensure that for so long as the NCDs are outstanding, no person other than the Debenture Trustee is entitled to operate the Designated Account.</p> <p>The Issuer shall deposit into the Issuer Cash Account/ Designated Account amount equivalent to:</p> <ul style="list-style-type: none"> ▪ The applicable Coupon on the date falling 3 days prior to the Interest Payment Date; ▪ The applicable final redemption amount on the date falling 10 days prior to Maturity Date. <p>The Issuer shall ensure that the Guarantor(s) shall in the event of the Issuer failing to or a shortfall in the amounts, deposit into the Cash Account/ Designated Account amount equivalent to:</p> <ul style="list-style-type: none"> ▪ The applicable Coupon on the date falling 2 days prior to the Interest Payment Date; ▪ The applicable final redemption amount on the date falling 7 days prior to Maturity Date
Operation of Designated Bank	<ul style="list-style-type: none"> ▪ Debenture Trustee will control the said account ▪ Debenture Trustee on behalf of the Debenture Holders will have first and exclusive charge on the said account ▪ All application money will be deposited in said account ▪ Debenture Trustee to allow Issuer to withdraw any amount from the said account only if stipulated Security cover is maintained ▪ Payment on redemption of NCDs
Prepayment charges	The Issuer would have a Prepayment Option, to prepay the Outstanding amount on the NCDs at a rate as may be mutually agreed between the Issuer and the Debenture Holders upto March 31, 2018 however post March 31, 2018 prepayment charges of 2.5% on the outstanding amount on the NCDs shall be applicable.
OTHER DETAILS	
Transaction Documents	<p>Shall mean the documents to be executed in relation to the Issue and shall mean and include:</p> <ul style="list-style-type: none"> ▪ Issue Agreement / Shelf Disclosure Document ▪ Debenture Trust Deed; ▪ Share Pledge Agreement in relation to the Share Pledge 1, Share Pledge 2 and Share Pledge 3 ▪ Power of Attorney in relation to the Share Pledge 1, Share Pledge 2 and Share Pledge 3 ▪ Personal Guarantee; ▪ Corporate Guarantees; ▪ Deed of Hypothecation; and ▪ Designated account <p>Such other documents as are required in connection with the Issue.</p>

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Covenants and Undertakings	<p>The Issuer shall provide the covenants and undertakings as mutually agreed between the Issuer and the Debenture Holder(s) / Debenture Trustee, including but not limited to the following:</p> <p>Information Covenants:</p> <ul style="list-style-type: none"> ▪ The Issuer shall provide to the Debenture Holder(s) or their nominees', annual (audited) financial statements of the Issuer and Corporate Guarantors within 180 (One Hundred and Eighty) calendar days following the closure of the preceding financial year. ▪ The Issuer shall provide to the Debenture Holder or their nominees, on an annual basis, net worth statements of the Personal Guarantor. ▪ The Issuer shall provide to the Debenture Holder or their nominees, quarterly financial information regarding the EBITDA for CDGL in such format as is agreed between the Debenture Holder and the Issuer) within 30 (Thirty) calendar days from the board meeting of the Issuer at which such financial information has been considered. ▪ The Issuer and the Corporate Guarantors should file audited financial of F.Y:- 2015-16 with ROC within prescribed regulatory timeline. <p>Certified Covenants:</p> <ul style="list-style-type: none"> ▪ The Issuer shall ensure that the persons comprising the Promoter Group maintain a minimum shareholding of at least 51% of its equity share capital (taken on a fully diluted basis) in Borrower. ▪ CDEL Shall maintain, either by itself or through its subsidiaries (in which it holds at least 51% (Fifty One Percent) of the equity share capital), a minimum shareholding of at least 51% (Fifty One Percent) of the equity share capital (taken on a fully diluted basis) in each of its direct and indirect subsidiaries, namely Tanglin, CDGL and Coffee Day Trading Limited. ▪ The Issuer shall ensure that there is no direct or indirect Change in Control of the Issuer and shall not approve any transaction or take any corporate action which will result in a Change in Control of the Issuer without the prior written consent of the Trustee. ▪ The Issuer shall not change its existing line of business without approval of Debenture Holder(s). <p>The definitions for the capitalized terms used herein shall be as set out in Key Terms below.</p>
Representation and Warranties	<p>Representations, warranties, covenants and defaults considered standard for an Issue of this nature, including but not limited to:</p> <ul style="list-style-type: none"> ▪ Status, binding obligation, power and authority ▪ Non-conflict with other obligations ▪ Validity and admissibility in evidence ▪ Insolvency ▪ No misleading information ▪ No proceedings pending or threatened ▪ Compliance with applicable law ▪ Financial indebtedness ▪ Good title to assets ▪ No material change in shareholding of the Issuer ▪ Transaction documents, disclosures, authorization and other documents
Mandatory Prepayment Event	<p>Any of the following shall constitute a Mandatory Prepayment Event:</p> <ol style="list-style-type: none"> 1. Failure on the part of the Issuer to deposit the amount required for meeting payment of Cash Coupon, in the Designated Account, on or prior to at least 3 (Three) calendar days prior to the date it becomes due. 2. Failure on the part of the Issuer to deposit the amount required for

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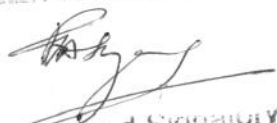
	<p>meeting payment of amounts due on the scheduled Maturity Date being the principal amounts and the Redemption Premium, in the Designated Account, on or prior to at least 10 (Ten) calendar days prior to each scheduled Maturity Date.</p> <ol style="list-style-type: none"> 3. Breach of any condition or covenants of the Issuer under any of the Transaction Documents, including failure in effecting Top-up of the shares which are subject of the Share Pledge 1, Share Pledge 2 or the Share Pledge 3 within the stipulated timelines. 4. Any or all of the representations and warranties provided by the Issuer or any other security provider as set out in any Transaction Document, is untrue, incomplete, incorrect or misleading or breach by the Issuer or any other security provider of any covenant or undertaking contained in the Transaction Documents. 5. Any of the Transaction Documents failing to provide the security interests, rights, title, remedies, powers or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests failing to have the priority contemplated under the Transaction Documents, or the security interests purported to be created thereby being jeopardized or endangered in any manner whatsoever, including on account of the security interest becoming unlawful, invalid or unenforceable, or any other obligations purported to be secured thereby or any part thereof shall being disaffirmed by or on behalf of the Issuer or any other party thereto. 6. It is or becomes unlawful for the Issuer to perform any of its obligations under the Transaction Documents, or if the Transaction Documents or any part thereof ceases, for any reason whatsoever, to be valid and binding or in full force and effect. 7. The Issuer repudiates a Transaction Document to which it is a party or evidences an intention to repudiate Transaction Documents to which it is a party. 8. Any event or any series of events occur, which, in the opinion of the Debenture Trustee, might have a material adverse effect and the same remains uncured for a period of 7 (Seven) business days from the date on which the Debenture Trustee has issued a notice to the Issuer in this regard. 9. Any financial indebtedness (other than under this Issue) of the Issuer is not paid when due and the applicable cure period has lapsed without the Issuer making payment of the overdue amount in full; provided however that to the extent any such dues are being contested in good faith by the Issuer, the same shall not be considered to be a Mandatory Prepayment Event. 10. Any creditor of the Issuer becomes entitled to declare any financial indebtedness of the Issuer before its specified maturity as a result of an event of default (however described). 11. Any security provider ceasing or threatening to cease to carry on its respective business. 12. Failure of the Issuer to provide shares of Listed Entity/ SICAL Logistics Ltd acceptable to the Debenture Holders 13. The Listed Entity Shares/ SICAL Logistics Ltd Shares are delisted by National Stock Exchange ("NSE") or Bombay Stock Exchange ("BSE") as may be applicable or any action is taken by NSE or BSE to delist the Listed Entity Shares/ SICAL Logistics Ltd Shares or any action is taken by NSE or BSE which may result in the suspension of trading of the Listed Entity Shares/ SICAL Logistics Ltd Shares for 5 (five) consecutive trading days. 14. The Issuer: (i) is unable or admit inability to pay its financial
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	<p>indebtedness as they fall due; or (ii) suspend making payments on any of its financial indebtedness, by reason of actual or anticipated financial difficulties.</p> <p>15. Any corporate action, legal proceedings or other procedure or step is taken in relation to the Issuer (including the making of an application, the presentation of a petition, the filing or service of a notice or the passing of a resolution) in relation to:</p> <ul style="list-style-type: none"> ▪ the suspension of payments, a moratorium of any indebtedness, winding-up, insolvency, dissolution, administration or reorganisation of the Issuer with an intention of winding up or liquidating or declaring insolvent the Issuer (by way of voluntary arrangement, scheme of arrangement or otherwise); or ▪ a composition, compromise, assignment or arrangement or re-scheduling of any financial indebtedness with any creditor of the Issuer; or ▪ the appointment of a liquidator, supervisor, receiver, administrative receiver, administrator, compulsory manager, trustee or other similar officer in respect of the Issuer or any of its assets. <p>16. Any legal proceedings or other procedure or step is taken in relation to the Guarantor (including the making of an application, the presentation of a petition, the filing or service of a notice) in relation to:</p> <ul style="list-style-type: none"> ▪ the insolvency or administration or winding up of the Guarantor with an intention of declaring insolvent the Guarantor; or ▪ the appointment of a liquidator, supervisor, receiver, administrative receiver, administrator, compulsory manager, trustee or other similar officer in respect of the assets of the Guarantor. <p>17. Any legal proceedings have been taken or commenced for recovery of any financial indebtedness of the Issuer.</p> <p>18. Any expropriation, attachment, sequestration, distress or execution affects any asset of any of the security providers.</p> <p>19. Any Governmental Authority having condemned, nationalized, seized, or otherwise expropriated all or any part of the material assets of any security provider or having assumed custody or control of the business or operations of any security provider or having taken any action for the dissolution of any security provider or any action that would prevent any security provider or their respective officers from carrying on its business or operations or a substantial part thereof.</p> <p>20. Any governmental authority takes any action to prevent Issuer from conducting any of its businesses or carrying out its operations in any manner.</p> <p>21. Any material clearances of the Issuer is revoked, terminated or suspended.</p> <p>22. The credit rating for the Debentures, falling below A-(SO).</p> <p>23. Any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the Issuer / promoters funds or revenues or any other act having a similar effect being committed by the management or an officer of the Issuer / the Promoter Group.</p> <p>24. Non-compliance by the Issuer of any timelines as laid out in Transaction Documents with respect to the Issue, including but not limited to filing of Disclosure Documents, dematerialized credit of Debentures in demat account of the Debenture Holders.</p> <p>25. Failure to maintain security cover as set out in the Transaction Documents.</p> <p>26. Creation of pledge by the security providers (including Promoter & Promoter Group and including its associate and subsidiary companies) over more than 80% of their shareholding in CDGL.</p>
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	<p>The Issuer shall promptly notify the Debenture Trustee in writing upon becoming aware of any Mandatory Prepayment Event and any event which may constitute (or, with the giving of notice, lapse of time, determination of materiality or satisfaction of other conditions, would be likely to constitute) an Mandatory Prepayment Event and the steps, if any, being taken to remedy it.</p> <p>Upon occurrence of a Mandatory Prepayment Event, the Debenture Trustee shall notify the Debenture Holders immediately of the same, in the form mutually agreed between the Debenture Holders and the Debenture Trustee. In any event the Debenture Holders, if it deems appropriate, shall be entitled to issue a notice to the Debenture Trustee confirming the occurrence of a Mandatory Prepayment Event. In the event that the Debenture Holders so determine, the Debenture Trustee shall issue a notice of occurrence of the Mandatory Prepayment Event to the Issuer (in the format as mutually agreed) ("Mandatory Prepayment Notice"), and the consequences set out in the Clauses hereinafter shall follow. For the sake of abundant caution, it hereby clarified that upon the occurrence of the events identified as Mandatory Prepayment Events 1 under Clause below, the occurrence of the said event will <i>ipso facto</i> result in the consequences set out in the clauses below and no separate Mandatory Prepayment Notice is required to be issued by the Debenture Trustee for the same.</p> <p>Upon receipt of the Mandatory Prepayment Notice or upon occurrence of the events identified as Mandatory Prepayment Events 1 under the Clause below, the Issuer shall be required to cure the said Mandatory Prepayment Event within the cure period identified for the same in terms of Clause below, including by way of redemption of the Debentures, and making payment of Issue Amount due thereon, together with accrued Cash Coupon, the Redemption Premium and all other amounts accrued or payments outstanding under the Transaction Documents, failing which an event of liquidation shall be deemed to have occurred (such event being hereinafter referred to as "Event of Liquidation") and the consequences set out in Consequences of a Liquidation Event shall follow.</p>
Cure Period	<p>The cure period available with the Issuer for curing a Mandatory Prepayment Event, shall be as follows:</p> <ol style="list-style-type: none"> 1. For the Mandatory Prepayment Event identified under Paragraph (1) or Paragraph (2) above or failure of the Pledgors to make available additional security for complying with the security cover requirements, there shall be no cure period available (the Mandatory Prepayment Events identified in this sub-para is hereinafter referred to as "Mandatory Prepayment Events 1"); 2. For the Mandatory Prepayment Events identified under Paragraph 5, Paragraph 6, Paragraph 7, Paragraph 9, Paragraph 10, Paragraph 12, Paragraph 14, Paragraph 22 or Paragraph 25 or a Mandatory Prepayment Event occurring on account of the Issuer pursuing a voluntary winding up, the Issuer shall have a cure period of 2 (Two) business days from the date on which the relevant event has occurred (the Mandatory Prepayment Events identified in this sub-para is hereinafter referred to as "Mandatory Prepayment Events 2"); 3. For all other Mandatory Prepayment Events, the Issuer shall have a cure period of 5 (Five) Business Days from the date on which the relevant event has occurred (the Mandatory Prepayment Events identified in this sub-para is hereinafter referred to as "Mandatory Prepayment Events 3").
Consequences of a Liquidation Event	<p>Upon the occurrence of an Event of Liquidation, the following consequences shall follow. If the Event of Liquidation occurs on day 'T' then the consequences of such Event of Liquidation under the Transaction Documents shall be as</p>

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follows:

1. T: Event of Liquidation is triggered and Debenture Trustee sends notice for enforcement of Share Pledge 1 and/or Share Pledge 2 and/or Share Pledge 3
2. T+0 (working days): The amounts required to be paid for redeeming the Debentures, is to be credited into the Designated Account by Issuer and/or the Guarantor;
3. T+1 (working days): The liquidation of listed Pledged Shares start, if the redemption amounts, have not been credited in the Designated Account, by Issuer and/or the Guarantor;
4. T+3 (working days): The liquidation of Pledged Shares 1 start, if the redemption amounts, have not been credited in the Designated Account, by Issuer and/or the Guarantor.
5. T+10 (working days): In the event that the Debentures have not been redeemed by this day, it will be deemed that an event of default has occurred with respect to the Debentures.

In relation to the enforcement of security interest as set out above, time is of essence.

1. All amounts recovered by the Debenture Trustee on exercise of the security enforcement shall be forthwith transferred to the Designated Account; and
2. The Debenture Trustee shall apply all funds credited to the Designated Account towards discharge of all the obligations in the manner set out in the Transaction Documents.

For the sake of abundant caution it is hereby clarified that, notwithstanding anything to the contrary contained in the Transaction Documents, in the event that all payments due on the Debentures have not been paid as on the scheduled Maturity Date, the same shall constitute an event of default, without any further delay or time.

Upon the occurrence of an Event of Liquidation and for so long as an Event of Liquidation is subsisting, the Debenture Trustee, shall be entitled to exercise any or all (or a combination) of the powers mentioned below:

1. exercise any other right that the Debenture Trustee and / or Debenture Holders may have under the Transaction Documents or under Law;
2. invoke the Personal Guarantee and require the Personal Guarantor to make payment of all the required Payments;
3. invoke the Corporate Guarantee(s) and require the Corporate Guarantor(s) to make payment of all the required Payments
4. sell / transfer / alienate / realize the amount out of the Pledged Shares 1 in any manner as the Debenture Trustee deems fit;
5. sell / transfer / alienate / realize the amount out of the Pledged Shares 2 in any manner as the Debenture Trustee deems fit;
6. sell / transfer / alienate / realize the amount out of the Pledged Shares 3 in any manner as the Debenture Trustee deems fit;
7. appropriate all amount lying in the Designated Account or permitted investments made therefrom towards the payments due to the Debenture Holders; and
8. exercise any other rights set out in the Transaction Documents.

In addition to the remedies specified above, in the event that the Issuer has defaulted in making payment of any dues in respect of the Debentures and the same has not been rectified within a maximum period of 30 (Thirty) days from

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	<p>the date of default, the Debenture Trustee shall be entitled to appoint a nominee director on the board of directors of the Issuer and the Issuer shall do all such acts and deeds as are necessary for facilitating this.</p> <p>All expenses incurred by Debenture Trustee / Debenture Holders, including in connection with: (i) preservation or enforcement of the security; and (ii) collection of amounts due under the Transaction Documents, shall be borne by the Issuer.</p>
Restricted Payments	<p>Issuer shall not:</p> <p>In case of an Event of Default (as identified in the Debenture Trust Deed) and/or Event of Liquidation, Issuer shall not pay any dividends or make any distributions in respect of equity till such time the Event of Default and/or Event of Liquidation is subsisting</p>
Taxes, duties, costs and expenses	<ul style="list-style-type: none"> ▪ Relevant taxes, duties and levies shall be borne by the Borrower. ▪ All charges / fees (if any) and any amounts payable by the Borrower to the Lender as mentioned herein do not include any applicable taxes, levies including service tax etc. and all such impositions shall be borne by the Borrower additionally. However TDS, if applicable, may be deducted out of the payment due and paid as interest on the Issue. ▪ Such TDS deducted shall need to be deposited by the Borrower and TDS certificate would need to be submitted to the Lender as per the requirement of the Lender.
Governing Law and Jurisdiction	<ul style="list-style-type: none"> ▪ The Transaction Documents shall be governed by and construed in accordance with the laws of India. ▪ If the parties to the Transaction Documents cannot settle any disputes arising in connection with the interpretation, performance, termination of the Transaction Documents or the Issue, through consultations and negotiations, then such matter shall be finally settled by arbitration under the Arbitration and Conciliation Act, 1996, as may be amended, or its re-enactment. ▪ Subject to the aforesaid, for all matters for which the courts of law would have jurisdiction, the courts of law at Bangalore shall have exclusive jurisdiction.
Account Opening	<p>All cash flows relating to the transaction have to be routed through the said account.</p>
Key Terms	<p>“Equity” shall mean the paid up equity share capital, redeemable or irredeemable preference share capital, compulsory convertible debentures, free reserves; provided that if any of the redeemable preference share capital has a tenure which is lesser than the tenure of the Debentures, the same shall not fall within the definition of Equity.</p> <p>“Financial Indebtedness” means any indebtedness for or in respect of:</p> <ul style="list-style-type: none"> i) moneys borrowed; ii) any amount availed of by acceptance of any credit Issue; iii) any amount raised pursuant to the issuance of any notes, bonds, shares (whether redeemable or otherwise), debentures, loan stock or any other similar securities or instruments; iv) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with generally accepted principles of accounting in India, be treated as a finance or capital lease; v) receivables sold or discounted (other than any receivables to the extent that they are sold on a non-recourse basis); vi) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; vii) any derivative transaction entered into in connection with protection against or benefit from fluctuation in price (and, when calculating the value of any

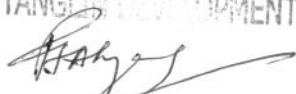
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	<p>derivative transaction, only the marked to market value shall be taken into account);</p> <p>viii) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;</p> <p>ix) the amount of any liability under an advance or deferred purchase agreement if one of the primary reasons behind the entry into such agreement is to raise finance;</p> <p>x) the amount of any liability under any contractual obligation which has become due and payable;</p> <p>xi) any put option, guarantees, keep fit letter(s), letter of comfort, etc. by whatever name called, which give or may give rise to any financial obligation(s); or</p> <p>xii) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (xi) above.</p> <p>“Control” as to any Person shall mean</p> <p>i) ownership or control of 51% (Fifty One percent) or more of the total equity share capital or voting capital or the like of the said Person, whether by shareholding or contract or otherwise; or</p> <p>ii) the power or right to, directly or indirectly</p> <p>A. direct or cause the direction of the management and policies of such Person; or</p> <p>B. direct or cause the direction of the policy decisions exercisable by that Person; or</p> <p>C. appoint and / or remove the majority of the directors on the board of directors of that Person, by virtue of ownership of voting securities or partnership interests, by contract or otherwise and the terms “controlling” and “controlled” and “Change in Control” shall be correspondingly construed.</p>
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Thanking You,

For TANGLIN DEVELOPMENTS LTD.



Name: Philip Athyal
Designation: Authorized Signatory