

SWAMIH INVESTMENT FUND I

Date: July 23rd, 2020

To,
Mr. Sukhbir Singh Jaunpuria
Director,
SS Group Pvt Ltd
Plot No. 77, SS House,
Sector - 44, Gurgaon
Haryana- 122003

Sub: Sanction of Investment by way of subscription to Non-Convertible Debentures ("NCDs")

This is with reference to your request for financial assistance for funding of the project SS Leaf, Sector 85, New Gurgaon ("Project").

We are pleased to advise that Investment Committee of SWAMIH Investment Fund – I ("Fund") has accorded a final approval to invest up-to Rs. 110.00 Cr and an additional amount of up to Rs. 56.30 Cr (Additional Investment Amount) by way of subscription to NCDs proposed to be issued by SS Group Pvt Ltd. The Additional Investment Amount shall be made available, only later, on the basis of incremental internal approvals of the Fund after a review of the progress in the Project and solely at the discretion of the NCD Holders.

The investment proceeds shall be used solely for completion of the Project. The subscription to NCDs shall be subject to satisfactory completion of due-diligence, stipulated condition precedents and execution of the documents. An indicative but not exhaustive list of the key terms of the proposed investment are as provided in Annexure 1.

Nothing in this letter or its enclosure constitutes a commitment by the Fund to provide any financing. Provision of any financing shall be subject to receipt of all approvals / NOCs of other relevant financing parties / subscribers (including any necessary credit, legal, tax or regulatory approvals), legal documentation, stamping, registrations and satisfaction of conditions precedent and will be at the sole discretion of the Fund.

The terms provided herein are strictly confidential, for the sole use of the recipient and the information contained herein should not be disclosed, disseminated, or reproduced in whole or in part to any other party outside of the intended purpose.

Regards

Irfan A. Kazi
CIO – SWAMIH Investment Fund I



SS Group Pvt. Ltd.

Director



Investment Manager: SBICap Ventures Ltd., 202, Maker Tower 'E', Cuffe Parade, Mumbai 400 005. Tel: +91-22-22178486. Email: ahf@sbicaps.com
GSTIN: 27AAYTS8440C1ZX Website: www.sbicapventures.com
A wholly owned subsidiary of SBI Capital Markets Limited



ANNEXURE I: NON-BINDING AND INDICATIVE HEAD OF TERMS

The key non-binding and indicative but not exhaustive terms of the proposed investment are as follows:

Particular	Details														
Issuer/Company/Developer	SS Group Pvt Ltd														
Land Owning Entities / Landowner(s)	<table><tr><th>S.NO</th><th>ENTITY NAME</th></tr><tr><td>1.</td><td>Shiva Profins Pvt Ltd</td></tr></table>	S.NO	ENTITY NAME	1.	Shiva Profins Pvt Ltd										
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Co-Obligor(s)	<table><tr><th>S.NO</th><th>ENTITY NAME</th></tr><tr><td>1.</td><td>Shiva Profins Pvt Ltd</td></tr><tr><td>2.</td><td>Sukhbir Singh Trust</td></tr><tr><td>3.</td><td>Mr. Sukhbir Singh Jaunpuria</td></tr><tr><td>4.</td><td>Mrs. Dayawati</td></tr><tr><td>5.</td><td>Mr. Ashok Singh Jaunpuria</td></tr><tr><td>6.</td><td>Mr. Sushil Singh Jaunpuria</td></tr></table>	S.NO	ENTITY NAME	1.	Shiva Profins Pvt Ltd	2.	Sukhbir Singh Trust	3.	Mr. Sukhbir Singh Jaunpuria	4.	Mrs. Dayawati	5.	Mr. Ashok Singh Jaunpuria	6.	Mr. Sushil Singh Jaunpuria
S.NO	ENTITY NAME														
1.	Shiva Profins Pvt Ltd														
2.	Sukhbir Singh Trust														
3.	Mr. Sukhbir Singh Jaunpuria														
4.	Mrs. Dayawati														
5.	Mr. Ashok Singh Jaunpuria														
6.	Mr. Sushil Singh Jaunpuria														
Investor	SWAMIH Investment Fund I (SWAMIH or "Fund")														
Promoter	Mr. Sukhbir Singh Jaunpuria, Mrs. Dayawati, Mr. Ashok Singh Jaunpuria, Mr. Sushil Singh Jaunpuria														
Project	Residential Project named "SS Leaf" spread across 11.093 acres with total 11,68,877 sq ft located at Sector 85, New Gurgaon, Haryana - 122003														
Project Land	<p>Land Extent: ~11.093 Acres (88 Kanals 15 Marla) as defined below:</p> <p>Out of all that piece and parcel of Licensed Land admeasuring 11.093 acres(88 Kanals 15 Marla) having License no. 81 of 2011 dated 16.09.2011 comprised in all the pieces and parcel of land admeasuring 11.093 Acres (88 Kanals and 15 Marla) bearing Rectangle No. 13 Killa no.1(2-8), Rectangle No. 14 Killa No. 5(3-1), 2/2(0-14), 7(4-4), 8/1(4-9), 8/2(3-11), 9/1(2-0), 9/2(6-0), 10(8-0), 11(8-0), 12/1(4-19), 12/2(2-8), 12/3(0-13), 13(8-0), 14/1(4-8), 18/1(4-0), 19(8-0), 22/2(5-7),22/1(2-13), Rectangle No 27 Killa no 2/11(6-0) situated in revenue estate of Village Badha, Tehsil Manesar, District Gurgaon, Haryana</p>														
Existing Lender	India Infoline Housing Finance Ltd ("IIFL")														
Object of the Issue	The Issuer shall use the proceeds from the issue of the Debentures towards completion of the Project only including certain costs towards completion of the project. The usage of funds shall be detailed in the definitive documents. However, it is to be noted that no part of funding shall be used towards any kind of payment to Existing Lenders in the Company or to the Promoters.														
Type of Instrument	Unrated Senior Secured Non-Convertible Debentures														
Issue Amount	Initial Investment Amount: Up to Rs. 110.00 Crore Additional Investment Amount: Up to Rs. 56.30 Crore														

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Director

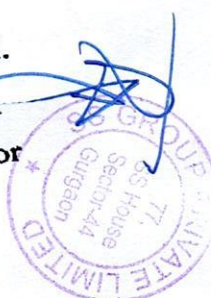
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Particular	Details
	Additional Investment Amount shall be based on additional incremental approvals of the Investor, review of Project performance going ahead and solely at the discretion of the Fund. (Initial Investment Amount plus Additional Investment Amount is referred to as Issue Amount).
Tenor	Up to 4 years from the Date of Allotment
Issue Price	Rs 1,00,000/- per NCD or any such amount in multiple of Rs. 1,000 only.
Repayment	Any project cash inflow, as directed by the Investor, shall be used for construction or to redeem the NCDs at the Redemption Price.
Redemption Price	The NCDs will redeemed at an amount equal to the Issue Price plus the amount of Committed Return and Additional Return (If Applicable)
Redemption Schedule	100% by the end of the Tenor
Committed Return	12.00% IRR for redemption from project cash flows (receivables from sold and unsold units of the project).
Put Option	The Investor shall have Put Option any time during the investment tenure or on the occurrence of an Event of Default.
Step-in rights	The Investor shall have step-in rights including but not limited to change of developer, appointing a development manager or sole selling agent or marketing agents, reset of sales price at regular intervals to improve sales velocity and bulk inventory sales in case of Event of Default as detailed in the definitive documents. Appropriate documentation in this regard, if required to be entered into along-with transaction documentation.
Right to Appoint Director	The Investor reserves the right to appoint a Nominee Director / Board observer at any time during investment period.
Right of conversion	The Investor also reserves the right to covert debt into equity in case of an Event of Default.
Project Monitoring Consultant	Investor shall appoint a suitable Project Monitoring Consultant and a Financial Consultant to monitor the progress of the Project, usage of funds and monitoring of Escrow Account(s). The cost of such consultants will be borne by the Issuer. Such consultants shall be stationed and operating from the Company's site office
Event of Default	Events of Default shall be defined in definitive documents and shall be linked to the repayment, collections and/or construction milestones, compliances and covenants as may be stipulated in the definitive documents.
Security	<ul style="list-style-type: none"> • First Charge mortgage over the <ul style="list-style-type: none"> ○ Project Land ○ All structures and construction on the Project Land excluding units sold and proportionate share in common area of units sold • First Charge on development rights / FSI in respect on the Project Land • First Charge on Receivables of all Units Sold and all rights of Developer over the Sold units / Agreement to Sell, including any revenue share towards landowner in respect of the Project

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Particular	Details
	<ul style="list-style-type: none"> • First charge on all assets pertaining to the Project including receivables, bank accounts, documents, authorizations pertaining to the Project insurance policies etc. • Promissory Notes, as applicable • Corporate Guarantee of Shiva Profins Pvt Ltd • Guarantee from Sukhbir Singh Trust • Personal Guarantee of Mr. Sukhbir Singh Jaunpuria, Mr. Ashok Singh Jaunpuria, Mr. Sushil Singh Jaunpuria and Mrs. Dayawati • Pledge of Minimum 60% of equity shares of Shiva Profins Pvt Ltd. In case JDA is not registered prior to 1st Investment date, Pledge of 100% equity shares of Shiva Profins Pvt Ltd to be provided by Issuer. • Non-disposable and No-Encumbrance Undertaking from Promoters and Sukhbir Singh Trust towards shares of M/s SS Group Pvt Ltd without prior approval of SWAMIH Investment Fund - I • Registration of charge with ROC • Registration of charge with Central Registry (CERSAI) • Up to 5% of collections from receivables from the Project is proposed to be shared with the Existing Lender. <p><i>Existing Lender(s) to give unconditional NOC to the Investor on the above securities to create charge. Existing Lender to continue hold second charge on the existing securities. Existing Lender to not increase any debt obligations on the Issuer / Company.</i></p> <p><i>SBICAP Trustee Company Ltd is proposed to be appointed as common trustee and all the original title documents shall be kept in the custody of SBICAP Trustee Company Ltd. for the benefit of SWAMIH Investment Fund I and Existing Lender.</i></p> <p><i>The Security Structure mentioned above is indicative and shall be finalized in consultation with the Legal Counsel.</i></p>
Key Conditions Precedent	<ul style="list-style-type: none"> • Issuer to settle All NCLT (total of 11 Cases) cases in relation to the delayed possession. • Issuer to apply to RERA for getting all correct details uploaded on RERA website. • Issuer to register Joint Development Agreement with Shiva Profins Pvt Ltd. • Issuer to execute definitive unit sharing agreement with Shiva Profins Pvt Ltd along with extension of timelines. • Articles of Association of SS Group Pvt Ltd to be modified suitably to provide suitable provisions for securing the funds and appointment of Nominee Director/observer and other provisions of the proposed investment.

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 Director

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Particular	Details
	<ul style="list-style-type: none"> Promoter/Issuer to comply with provisions of the section 165 of the Companies Act, 2013 prior to the funding. Issuer to submit application for making changes / corrigendum to EC prior to 1st date of investment. Issuer to submit application for renewal of license under the BOCW Act and Haryana Building and other construction workers Rules. Issuer to submit Application for renewal of permits and licenses under the contract labour (Regulation and Abolition) Act, 1970 and Contract Labour Central Rules, 1971. Inter-Creditors Agreement to be executed with existing Lender – India Infoline Housing Finance Ltd ceding 1st charge in favor of SWAMIH Investment Fund I. Modification of charge to be filed by existing lender ceding 1st charge on the project. Undertaking from all the existing unsecured lenders loans confirming the seniority of the NCDs and that no payment shall be made towards the unsecured loans till the NCD's are fully redeemed and the dues towards these loans are subordinate to the NCD's. Execution of all definitive agreements including but not limited to Debenture Trust Deed, Escrow Agreement, Security creation documents and any other documentation in relation thereto. Opening of Escrow Account for routing all proceeds, from the designated RERA account. Issuer to close all existing Collection accounts of the Project and shall route all the sales proceeds from designated Escrow Account by SWAMIH Investment Fund I. Issuer to obtain NOC from existing lender/debenture holder/Preference shareholder for providing security/change in constitution/additional borrowing/ extending the Corporate Guarantee or Pledge of shares, wherever applicable. NOC from State Bank of India for additional borrowing. Indemnity/Representation/Warranties/Undertaking from Company/Promoters: <ul style="list-style-type: none"> To bring in funds whenever required to meet any shortfall for project completion or debenture redemption Not to repay unsecured loans from project cashflows or investor disbursement(s) All potential refunds on account of customer cancellations to be paid only from project receivables (maximum capped at Rs 7.5 crores or 10 units, whichever is lower) or own funds and not from SWAMIH fund. This would be a recurring limit basis units being cancelled, being rebooked and collections being made. Further,

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Particular	Details
	<p>the business plans milestones shall be net off any such cancellations.</p> <ul style="list-style-type: none"> ○ To raise demands to all customers in line with agreed payment terms on go forward basis. ○ Tax related indemnities/representations/warranties (as applicable). ○ Title related indemnities/representations/warranties (as applicable). ○ Indemnities indemnifying SWAMIH Investment Fund – I, from any adverse liability from existing litigations with homebuyers/Creditors/Contractors of the project or other group projects. ○ All project inflows to be routed through Designated Escrow Account going forward. ○ Penalty (if applicable) for non-compliance with applicable RERA rules (if any) to be borne by the Promoters. <ul style="list-style-type: none"> • Issuer/Shiva Profins Pvt Ltd/Promoters undertakes to not to cancel/transfer bookings from the project to other group projects as a settlement of homebuyer's complaints for more than 5 units at any given point unless such units are re-booked with collections of minimum 30% payment or original amount collected, whichever is higher, from such re-booking. Issuer/Shiva Profins Pvt Ltd/Promoters to take prior written consent from SWAMIH Investment Fund – I before any such transfer/potential cancellations in the project. • Undertaking-cum-Indemnity to be taken from developer and preference shareholder (Sukhbir Singh) that no preferential treatment/conversion into equity shares/redemption would be allowed to preference shareholders and no further equity or preference shares can be issued without prior consent of the SWAMIH Investment Fund I. • Issuer to open escrow accounts as required under RERA Act along with Escrow mechanism in control of the Fund prior to date of 1st Investment. • Latest Audited financial statements of Issuer/Shiva Profins Pvt Ltd to be submitted and updated at MCA. • Certificate from Company Secretary stating that the Project Land along with units constructed thereon (other than units sold & IIFL's 2nd Charge) is free from charges and all sort of encumbrances. • Completion of title due diligence by search at Registrar of Assurances and no adverse findings. • and verification of the original title deeds. • Issuer to submit acknowledgement of Intimation/Reminder letters to customers (total 32) for registration of Booked units where more than 10% of the payments are received as per RERA guidelines.



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Particular	Details
	<ul style="list-style-type: none"> Submission of Business Plan for the Project sales and construction in the form and manner as acceptable to SWAMIH.
Key Conditions Subsequent	<ul style="list-style-type: none"> Issuer to obtain following NOC's/approvals as required <ul style="list-style-type: none"> To obtain renewal of DTCP license within 3 months from the date of 1st Investment. To obtain Corrigendum for EC & CTE within 6 months from the date of 1st Investment date for corrections of BUA to 1.21 lacs sqmtr. To obtain renewal of Power Assurance NOC within 3 months from the date expiry. To get all the correct details uploaded on RERA website within 1 month from the date of 1st Investment. To submit quarterly progress reports on RERA web portal within 1 month from the date of 1st Investment Issuer to infuse equity contribution aggregating to Rs 2 Crs in four equal tranches of Rs 0.5 Cr/quarter within 4 quarters from the date of 1st investment. Issuer to issue intimation letters to all existing home buyers for depositing all future payments to designated Escrow account within 1 month from the date of 1st Investment date. Issuer to issue Intimation letters to all existing lenders (Banks/NBFC's/HFC's) of homebuyers for depositing all future payments in to designated Escrow account setup by the Fund within 1 month from the date of 1st Investment date. The Issuer shall provide the requisite information and access to SWAMIH or a consultant appointed by SWAMIH in consultation with the Company to carry out half yearly/annual environmental and social monitoring and review of the project and ensure compliance with specified recommendations made by SWAMIH. The Developer shall submit to SWAMIH Investment Fund a project level Environment, Health, Safety and Social (EHSS) Policy along with the implementation framework covering and not limited to workers' safety, PPE Usage, material storage, construction debris management and storage, site cleanliness, access and lighting, designated eating and rest areas for construction workers and dwelling units for workers residing at site within two months of date of 1st investment. The Developer shall submit a copy of the NOC issued by the Central Ground Water Authority for ground water withdrawal from the four borewells installed at the project site within two months of date of 1st investment. The Developer shall obtain renewal licenses under the BOCW Act, 1996 and Haryana Building and Other Construction Workers (Regulation of

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Particular	Details
	<p>Employment and Conditions of Service) Rules, 2005 within one month from the date of 1st investment.</p> <ul style="list-style-type: none"> The Developer shall provide workers accommodation in line with BOCW Act, 1996 requirements ensuring proper dwelling units with adequate ventilation, power and water supply, bathrooms and sanitary facilities within two months from the date of 1st investment. All applicable Labour Permits/ Licenses shall be obtained/renewed as specified under The Contract Labour (Regulation and Abolition) Act, 1970 and Contract Labour (Regulation & Abolition) Central Rules, 1971 and Copies of the permits shall be submitted to SWAMIH within one month of 1st investment. The Developer shall submit the application and get registered under the Inter-State Migrant Workers Act within three months from the date of 1st disbursement and ensure that its Contractors obtain license for engaging inter-state migrant workers under the Inter-State Migrant Workers Act within one month from the date of 1st investment Contractors All risk policy/Project Insurance of all mortgaged properties in favor of the Fund, against loss or damage for risks and contingencies as the Fund deems fit, with an insurer acceptable to the Fund, for not less than the full replaceable value of the mortgaged properties within 1 months from the date of 1st investment.
Cash flow distribution	<p>From the date of 1st investment:</p> <ul style="list-style-type: none"> 100% of the Project collections will be routed through the designated Escrow Account. Investor will have the discretion to use the project cash inflows for construction or redemption of NCDs Cashflows of maximum up to 5% to be shares with existing lender – IIFL. The sharing would be done on a monthly basis post receipt of reconciliation MIS indicating the new sales made and collections done from the sold & unsold units. Detailed cash flow distribution mechanism will be captured in Definitive Agreements
Disbursement Schedule	<ul style="list-style-type: none"> The NCD's shall be issued in tranches once in any given quarter based on progress of the Project as certified by Investor's Project Monitoring Consultant from time to time and as detailed during final documentation. Investor reserves the right to reduce Issue Amount or Additional Investment Amount at the end of every year on the basis of an internal review of the progress of the Project and compliance with the agreed business plan.

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Particular	Details
	<ul style="list-style-type: none"> Additional Investment Amount may be funded, solely at the discretion of Investor, only after the project performance parameters are achieved. These would be detailed in the transaction documents.
Covenants	<p>Sales Collection</p> <p>The Issuer shall abide by the Sales collections detailed during final documentation and incase the Issuer is not able to meet the committed collections during any given period, the Issuer shall be obliged to reduce the sales price or do bulk inventory sales at a discount as per the directions of the Investor.</p> <p>Minimum Sale Price and Sales</p> <p>Minimum selling price for the Project is Rs. 5,250 psf on saleable area basis (all-inclusive except any applicable taxes,). In case the issuer desires to sell below the minimum selling price, the promoters/director shall infuse equity to the extent of differential amount into the Escrow Account prior to issue of NOC for release of charge for registration of flats or for mortgage finance to be taken by unit-buyers.</p> <p>Issuer to ensure that on an ongoing basis (quarterly) sales in Project should be as per the Business Plan agreed.</p> <p>Other Covenants</p> <ul style="list-style-type: none"> No additional debt to be availed by the Issuer without prior written consent of the investor. Undertaking towards balance project cost and that any shortfall for making payment of any amount outstanding in respect of the NCD's or meeting cost of the project due to cost over-run shall be met by the Promoters through infusion of funds in the Issuer in a manner as acceptable to Investor. Any sale proceeds from the project shall not be used to repayment of any other loans of Issuer/unsecured loans/payment of inter-company dues/advancing loans to any party. Issuer will have to achieve business plan milestones, net off any future cancellations/refunds. Issuer must obtain approval from SWAMIH Investment Fund I prior to launching / registering with RERA any development over and above the current sanctioned plan on the Project Land. Issuer must obtain SVL's prior approvals before launching any sales scheme / discounted rates/barter scheme etc. in the Project SS Leaf. Developer to undertake to not to engage into any barter sale with supplier/vendor. Indemnity/Representation/Warranties/Undertaking from Issuer/Company/Promoters:

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Particular	Details
	<ul style="list-style-type: none"> To not to cancel/refund any unit without prior written NOC from SWAMIH Investment Fund I To raise demands to all customers in line with agreed payment terms on go forward basis. To not to make any further advances to any other group company from project receivables till the exit of the Fund. Issuer to bear any potential liability from on-going litigations with contractors/homebuyers/labourer's from project receivables/own sources and not from SWAMIH fund. All bills/PO's/expenses/payment documents to be vetted by the PMC Agency before making such payments to the vendors/suppliers. Any liability / delayed possession interest to be paid by the Issuer to the customers under RERA or any consumer forums shall made by infusion of equity / Promoters' contribution and the Issuer and Promoters shall keep the Investor indemnified against such dues. Execution of contracts with various vendors for completion of the Project. Promoters should regularize status of non-compliant companies with MCA. The Issuer shall provide the requisite information and access to SVL/SWAMIH or a consultant/PMC appointed by SVL/SWAMIH for monthly/quarterly monitoring of the Project expenses/construction progress/Bills/accounts/Sales MIS/Bank Account statements etc. No cancellation refund shall be paid on the units sold to related party.
Negative Covenants	The Definitive Documents will have standard negative covenants.
Representation & Warranties	The Definitive Documents shall contain customary representation and warranties, conditions, covenants, and indemnities.
Additional Return	<p>1% IRR as penal rate over and above the Committed Return, in the event, that the Investor determines, there has been a breach of any of the covenants, terms/conditions and/or business plan milestones as provided in the Transaction Documents. Such Additional Return shall be calculated from the date of occurrence of such breach, up to the actual date on which such breach is cured to the satisfaction of the Investor.</p> <p>3% IRR as default rate over and above the Committed Return on occurrence of an Event of Default or redemption from any external means of finance (either debt, mezzanine, equity apart from sales collections of this project or group cash flows).</p>
Documentation	Documentation shall be in form and substance customary for transactions of this nature like DTD, mortgage deed and any such document as required by legal counsel.
Costs & Expenses	All costs, expenses, charges, fees and all out of pocket expenses (including without limitation stamp duty, registration fees, inspection charges, Project Monitoring Consultants fee and charges, audit fees, Security creation costs

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Particular	Details
	<p>etc.) shall be the account of and/or borne, paid or reimbursed by the Company whether or not the NCDs or any part thereof are issued.</p> <p>Cost/Fee, if any, payable to the advisor, financial consultant, broker, investment banker, placement agent, syndication agent for the purpose of intermediation in the proposed investment shall be included in the total project cost to be funded from the investment proceeds. However, the maximum amount to be funded from the investment proceed shall be lowest of the below:</p> <ol style="list-style-type: none"> 1) 0.5% of the Investment Amount 2) Rs 50 lacs 3) Fee as agreed between the Issuer and the intermediary <p>Any cost/fee in excess of as provided above shall be paid by the Issuer directly and such excess shall not form part of project cost.</p>
Assignment	The NCDs' so issued will be fully marketable. The Investor reserves right to assign the NCDs' to any other financial institution without any intimation to or permission of the Issuer / Company.
Non- Exhaustive	This document is not exhaustive and captures only the broad terms of the transaction contemplated herein. Other terms, such as protective provisions, covenants, event of default etc. shall be stipulated in Definitive Agreements.
Validity of the term sheet	This Term sheet shall be valid for 15 days from date of issue.

We shall be initiating documentation as per the process of *SWAMIH Investment Fund I*.

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Director

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