

**Head of Terms- Arun Excello Homes Private Limited**

<b>1.</b>	<b>Facility</b>	Unlisted Non-Convertible Debentures ("Facility")
<b>2.</b>	<b>Enhanced Facility Amount</b>	INR 10,00,00,000 (Rupees Ten Crores Only)
<b>3.</b>	<b>Use of Proceeds</b>	Proposed facility is for General Corporate Purpose
<b>4.</b>	<b>Tenor</b>	In line with the tenor of existing facility of INR 50 Cr in Sundaram Alternative Opportunities Series - High yield secured debt fund
<b>5.</b>	<b>Interest Rate</b>	14.50% per annum payable monthly
<b>6.</b>	<b>Processing Fees</b>	2% of the Facility Amount payable during initial drawdown
<b>7.</b>	<b>Repayment</b>	Repayment in line with existing facility of INR 50 Cr in Sundaram Alternative Opportunities Series - High yield secured debt fund
<b>8.</b>	<b>Security Structure</b>	<ul style="list-style-type: none"> <li>Exclusive first charge by way of Equitable Mortgage with Registered MODT on the project, to an extent of 1.5x asset cover</li> <li>Exclusive first charge by way of Hypothecation of receivables of the Projects through escrow arrangement</li> <li>Personal Guarantee of Promoters</li> <li>Corporate guarantee of Arun Excello Constructions LLP</li> <li>Demand Promissory Note, Affirmative step in rights in case of default</li> </ul> <p>At all times, security shall provide a hard assets cover of at least 1.5x the value of the Facility outstanding and a cash flow escrow of at least 2x times the Facility outstanding.</p>
<b>9.</b>	<b>Pre-disbursement Conditions</b>	<p>For Tranche 1, The Investee and Obligors (as applicable) shall:</p> <ul style="list-style-type: none"> <li>Confirm and produce all necessary documents to show that Investee's project(s) are RERA compliant.</li> <li>Execute all the documents, in form and substance satisfactory to the Investor</li> <li>Ensure completion of Legal (Title) and Commercial Due Diligence to the satisfaction of the Investor</li> <li>Hand over the post-dated cheques to the Investor/Trustee</li> <li>Creation of ISRA equivalent to 2 quarters</li> <li>Comply with any other conditions as may be required by the Investor after Due Diligence</li> </ul> <p>For the remaining tranches, the Investee shall comply with the milestones set above in the Drawdown section for respective tranches, to the satisfaction of the Investor.</p>



10.	<b><i>Post disbursement conditions</i></b>	<p>The Investee shall do the following within 15 days after 1<sup>st</sup> disbursement or as specified below :</p> <ul style="list-style-type: none"> <li>• Creation and registration/perfection of security through the registered mortgage along with submission of original title deeds</li> <li>• Mention in demand notice (to end customers) that cheques will be issued in favor of "Escrow A/c No ....."</li> <li>• Comply with any other conditions as may be mutually agreed by the Parties in the Definitive Agreements</li> </ul>
11.	<b><i>Prepayment Charges</i></b>	<p>Prepayment of the Facility from the project cash flows (sale receipts) shall not attract any prepayment penalty. However prepayment from any other source (permitted after moratorium period) shall attract a penalty of 2% of the amount being prepaid.</p> <p>Any amount of Mandatory Prepayment so made shall be adjusted towards the next installment due from the Investee.</p> <p>The Investee shall submit a CA Certificate certifying source of funds for the prepayment within 7 days of the prepayment.</p>
12.	<b><i>Transaction Costs</i></b>	<p>The Investee shall bear the cost of legal due diligence, security valuation, documentation and stamp duty charges etc.</p>
13.	<b><i>Other terms and conditions</i></b>	<p>In addition to the terms and conditions contained in this letter, the Agreement shall contain other rights, terms and conditions, including but not limited to Financial/ Affirmative/ Negative/ Information Covenants, Representations &amp; Warranties, Indemnities, and Events of Default &amp; Remedies as maybe relevant and applicable.</p>
14.	<b><i>Jurisdiction</i></b>	<p>The Agreement shall be subject to the exclusive jurisdiction of the Courts at Chennai.</p>
15.	<b><i>Validity</i></b>	<p>This offer is valid for a period of 7 days from the date of this term sheet. Once accepted, the term sheet will be valid for 30 days within which the Parties will enter into Definitive Agreements and conclude the transaction. This period may be extended with mutual agreement.</p>



Nothing contained in this letter shall constitute any obligation or liability on the part of the Investor to make available to the Investee, or any right or entitlement on the part of the Investee to avail from the Investor the credit facility described above till the Binding Agreements are executed.

For ARUN EXCELLO HOMES PVT. LTD

Authorised Signatory

For Sundaram Alternate Assets Ltd

For Arun Excello Homes Private Limited

Place:

Place:

Date:

Date: