

## Term Sheet

Dec 21, 2020

The Term Sheet (the "Term Sheet") does not attempt to describe all terms and conditions pertaining to the transaction contemplated herein but is intended to outline key points around which the transaction could be structured. The terms and conditions of the Term Sheet remain subject to satisfactory due diligence, acceptable transaction structure and the execution of transaction documents on terms satisfactory to Lender.

The Term Sheet is 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.

<i>Issuer</i>	CCI Projects Pvt. Ltd. ("CCI")
<i>Facility Agent</i>	Ambit Finvest Private Limited ("AFPL") shall act as the Facility Agent for the issue
<i>Mortgagors</i>	Cable Corporation of India Ltd.
<i>Guarantors</i>	Mr. Hiten Khatau
<i>Debenture Trustee</i>	Catalyst Trusteeship Ltd.
<i>Issue Amount</i>	Issue of 1750 secured, unlisted, unrated, redeemable Non-Convertible Debentures (NCDs) of the Face Value of Rs. 1,00,000 each aggregating to Rs. 17.5 Crs, to be subscribed by the Debenture Holders
<i>Use of Proceeds</i>	The Issue amount would be utilized towards refinancing of existing term loan
<i>Value Date</i>	29 <sup>th</sup> January 2021
<i>Tenor</i>	18 Months from the date of first drawdown
<i>Investment Instrument</i>	The NCDs shall be issued by the issuer in dematerialized form and shall be freely transferable
<i>Facility Agent Fees</i>	0.5% of the Issue Amount plus applicable GST payable upfront to Facility Agent
<i>Distribution Fees</i>	Rs. 20 Lakhs payable upfront
<i>Coupon Rate and frequency</i>	12% p.a. payable monthly on the last date of the month via electronic transfer / post-dated cheques. In case of the due date being a Bank Holiday, the same would be payable on the immediately preceding day when Banks are open for business
<i>Yield to Investor</i>	IRR of 18% payable as follows: a) Coupon of 12% p.a. payable monthly b) Balance as Redemption Premium at the time of Maturity to get an IRR of 18%
<i>Redemption</i>	Bullet Repayment at the end of the Tenor
<i>Pre-payment</i>	Prepayment can be done with a prior notice of 5 working days without any prepayment charges
<i>Penal Interest</i>	Additional Penal interest of 2% p.a. would be applicable as per the below mentioned points:



	<p>a) In case of payment defaults: applicable on the defaulted amount from the date of default till the date of recovery</p> <p>b) In case of breach of any covenant (other than payment defaults): applicable on the outstanding amount from the date of default till the date the default is cured</p>
<i>Collateral Security</i>	<p>1) Exclusive first charge by way of Registered Equitable Mortgage of the below mentioned immovable properties:</p> <p>a) Temple Towers, 4<sup>th</sup> Floor, 672 Annasalai, Chennai – 600003, admeasuring super built up area of 4387 sq. ft.</p> <p>b) Chaudhary Residential Complex, Ground Floor, Block B, Chamiers Road, Chennai – 600035, admeasuring super built up 1150 sq. ft.</p> <p>The above mentioned properties are collectively referred to as <b>"Ready Properties"</b></p> <p>2) Exclusive first charge by way of Registered English Mortgage on the following 4 project units in Whitespring building, which is registered as a separate project under RERA under number P51800002287 (<b>"Project Properties"</b>):</p> <p>A) Flat No. 14 A on the 14<sup>th</sup> Floor in Wing A of the building known as Whitespring, admeasuring 889.32 sq. ft. carpet area and 1467.38 sq. ft. saleable area, and 871.91 sq. ft. terrace area</p> <p>B) Flat No. 14 B on the 14<sup>th</sup> Floor in Wing A of the building known as Whitespring, admeasuring 881.79 sq. ft. carpet area and 1454.95 sq. ft. saleable area, and 877.91 sq. ft. terrace area</p> <p>C) Flat No. 14 A on the 14<sup>th</sup> Floor in Wing B of the building known as Whitespring, admeasuring 889.32 sq. ft. carpet area and 1467.38 sq. ft. saleable area, and 877.91 sq. ft. terrace area</p> <p>D) Flat No. 14 B on the 14<sup>th</sup> Floor in Wing A of the building known as Whitespring, admeasuring 881.79 sq. ft. carpet area and 1454.95 sq. ft. saleable area, and 877.91 sq. ft. terrace area</p> <p>Along with a total of 8 car parking spaces allocated/to be allocated for the aforesaid units</p> <p>3) Exclusive first charge by way of registered English Mortgage on the Office Premises admeasuring 16374 sq.ft. located at Borivali (<b>"Office Property"</b>)</p> <p>4) Hypothecation of the receivables arising on the sale of unsold units of the Project Properties (<b>"Project Receivables"</b>)</p> <p>5) Personal Guarantee of Mr. Hiten Khatau</p>



	Overall collateral cover to be maintained at atleast 1.75x of the Issue Amount, at all times, during the tenor of the Debenture
<i>DSRA and DDR</i>	<ol style="list-style-type: none"> <li>1) Debt Service Reserve Account of Rs. 1.5 crs to be created upfront</li> <li>2) DSRA can be provided in the form of fixed deposit with escrow bank to be specified and controlled by the Debenture Trustee</li> </ol>
<i>Key Covenants</i>	<ol style="list-style-type: none"> <li>1) The Issuer and the Mortgagor agree that in case of occurrence of an Event of Default, the Debenture Trustee would have the right to take over the possession of the Immovable Properties in settlement of the outstanding NCDs due amount</li> <li>2) Any sale / lease / license of the currently unsold units that form part of the Project Properties / Ready Properties or release of any such currently unsold apartments from the charge and mortgage created shall be with the prior written NOC of the Debenture Trustee</li> <li>3) Fund raising through Private Equity or any Structured Finance would be compulsorily utilized for the partial / full repayment of the Issue Amount</li> <li>4) Proceeds from the sale of any of the Collateral Security would be mandatorily used towards partial / full repayment of the Issue Amount</li> </ol>
<i>Sale of Project Properties &amp; Ready Properties</i>	<ol style="list-style-type: none"> <li>1) The Issuer shall sell all of the Ready Properties for a minimum amount of Rs.3 Crs crores within 9 months from the date of first disbursement failing which it would tantamount to an Event of Default. The total proceeds from such sale should be utilized for the repayment of the Loan</li> <li>2) In case the amount realized from the sale of the Ready Properties is less than 3 crores then the Issuer shall deposit the shortfall amount immediately to the account of the Lender</li> <li>3) The Issuer shall achieve the minimum sales target by selling flats in the Project Properties as per following timelines starting from the date of first disbursement: <ol style="list-style-type: none"> <li>a. 0 - 6 months – 1 flats</li> <li>b. 7 - 12 months – Additional 2 flats</li> <li>c. 13 - 18 months – Remaining flats</li> </ol> </li> <li>4) In case the Issuer fails to achieve the sales target as per the timelines stipulated above, then it would be an Event of Default</li> </ol>
<i>Designated Bank Account</i>	<ol style="list-style-type: none"> <li>1) Issuer shall open a designated bank account ("Designated Bank Account") with a Bank (Designated Bank") to be operated on sole operating instructions of the Debenture Trustee for the benefit of all Debenture Holders</li> <li>2) In case of sale of the Immovable Properties, the collections from the purchaser would be compulsorily deposited in the Designated Bank Account and would be fully utilized towards the repayment of the outstanding amounts to the Debenture Holders. No amount would be released to the Issuer till the full repayment of the total outstanding amount to the Debenture Holders</li> </ol>



	3) The amount to be invested by the Debenture Holders would be remitted to the above Designated Bank Account of the Issuer and would be utilized by the Issuer solely for the purposes specified in the "Use of Proceeds" clause above
<i>Cheque Requirements</i>	<p>Post Date Cheques (PDC) / Undated Cheques (UDC) as per the below mentioned points:</p> <ol style="list-style-type: none"> <li>1 UDC super-scripted in the format " Not Exceeding Issue Amount" (to be signed by the promoter)</li> <li>b) PDC's / NACH Mandate for the interest amounts</li> </ol>
<i>Conditions Precedent</i>	<ol style="list-style-type: none"> <li>1) Satisfactory completion of detailed legal, technical, financial, corporate DD and valuation</li> <li>2) Satisfactory CIBIL check in respect of the Issuer and the Directors of the Issuer</li> <li>3) KYC Documents, ITRs and Financials of the Issuer and the Guarantors</li> <li>4) Net worth certificate of the Guarantors</li> <li>5) Declaration by the independent CA stating that there are no income tax proceedings pending against the company or if there is, stating the details of such proceedings</li> <li>6) Appointment of Debenture Trustee, Designated Bank</li> <li>7) Execution of all NCD documents, Power of Attorney, Deeds and other ancillary documents including security documents</li> <li>8) Board and Shareholders resolution</li> <li>9) Creation of mortgage over Immovable Properties</li> <li>10) Other condition precedents as detailed in the definitive documents</li> </ol>
<i>Conditions Subsequent</i>	<ol style="list-style-type: none"> <li>1) Registration of the mortgage over Immovable Properties</li> <li>2) Registration of the charge with MCA within the time stipulated by ROC</li> <li>3) Filing of form PAS-3 with the ROC within the stipulated time under applicable law</li> <li>4) Crediting the debentures to the demat account of the Debenture Holders within 7 days of the payment of the Issue Amount by the Debenture Holders</li> <li>5) CA Certificates certifying the end use of funds as may be required by the Debenture Holders</li> <li>6) Other conditions subsequent as detailed in the definitive documents</li> </ol>
<i>Due Diligences</i>	<ol style="list-style-type: none"> <li>1) The Debenture Holders shall conduct a full due-diligence on the security and necessary credit checks</li> <li>2) The Debenture Holders shall have a right to appoint external consultants and the Issuer / Mortgagors shall extend all possible cooperation in completing the above diligence requirements</li> </ol>
<i>Other Terms</i>	<ol style="list-style-type: none"> <li>1) The Issuer / Mortgagors / Guarantors undertakes to arrange / execute all the necessary agreements, power of attorney, declarations, undertakings and other ancillary documents for the Facility as required by the Debenture Holders</li> <li>2) The Terms and Conditions outlined herein are to be read in consonance with the other transaction documents and</li> </ol>



	<p>agreements that would be executed between the Issuer and the Debenture Holders</p> <p>3) In case of occurrence of any "Event of Default" as specified in the terms of the Debenture Trust deed, the entire outstanding amounts of the Debenture would become due and payable irrespective of any agreed maturity and the Debenture Holders shall be entitled to enforce the collateral security without the necessity of any demand or notice to the Issuer</p> <p>4) The Issuer would not be allowed to undertake any fresh Borrowings or incur any liabilities without the prior written consent of the Debenture Holders</p>
<i>Exclusivity</i>	<p>The Issuer shall not approach any other financial institution in relation to this transaction for a period of 30 days from</p> <p>1) Date of execution of this Term Sheet or</p> <p>2) Approval by the Issuer on scope and quote of all due diligence agencies</p> <p>whichever is later</p>
<i>Confidentiality</i>	<p>The terms and conditions described in this Term Sheet shall be confidential and shall not be disclosed to any third party, save for the affiliates of the negotiating parties. If any party determines that is required by law to disclose information regarding this Term Sheet or to file this Term Sheet with any securities exchange, securities regulatory agency, or other regulatory body, it shall, in a reasonable time before making any such disclosure or filing, consult with the other parties regarding such disclosure or filing and seek confidential treatment for such portions of the disclosure or filing as may be requested by the other parties</p>

Note: Covenants, warranties, events of defaults, cross default and any other standard terms & covenants to be defined in definitive agreements

We hereby accept the above terms and conditions

For CCI Projects Pvt. Ltd.



Authorized Signatory

