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Annexure 1 : Term Sheet

Issuer / Company	S.D Corp Pvt Ltd
DSRA Guarantor	Shapoorji Pallonji and Company Private Limited ("SPCPL")
Issue Size	Rs 140 Crore as elaborated below in tranches
Tenure of the Instrument	Rs 90 crore– 15th April 2020 Rs 50 crore– 15th April 2019
Sole Arranger	Aditya Birla Finance Limited
Instrument	Unlisted, Redeemable, Non-Convertible Debenture ("NCD")
Purpose of the issue	Refinance of existing debt and General corporate purposes
Rating	"AA+ (SO)" by CARE
Security	a) First and exclusive charge by way of hypothecation over the Escrow Account and the monies lying to the credit thereof from time to time. b) First and exclusive charge by way of hypothecation over the DSRA, the Permitted Investments and the DSRA Account and the monies lying to the credit thereof from time to time, and Unconditional and Irrevocable DSRA guarantee from SPCL to cover Interest and principal and / or other dues payable to the investors / or Debenture Trustee anytime during the tenure of the NCDs or / and on Maturity with regards to this NCD.
Contractual Security	Charge on Debt Service Reserve Account (DSRA) (DSRA can be in form of Fixed deposit account also) & Escrow Account
Revolving DSRA Guarantee	SPCL to provide unconditional and irrevocable Revolving DSRA Guarantee to ensure timely payment of Interest, Principal and / or any other dues payable to Investors and / or Debenture Trustee anytime during the tenure of the NCD or / and on Maturity with regards to this NCD. All scenario under Event of Default shall be covered in DSRA Guarantee DSRA Guarantee to be executed shall be acceptable to Investors / Debenture Trustee. An external opinion on enforceability of DSRA Guarantee, DSRA& Escrow Account shall be opined from a reputed legal counsel acceptable to Investors.
ESCROW Account	All Interest, Principal, dues, expenses related to this NCD issuance shall be routed and paid through designated Escrow Account only. Escrow Account shall be opened prior to Pay-In-Date.
Debt Service Reserve Account (DSRA)	DSRA A/c shall be opened prior to Initial Pay-In date. Initial DSRA has to be funded within three working days from initial Pay-In Date

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	"Minimum Amount in DSRA" means Interest payable in next three months and Principal due and payable in next 15 days.
Waterfall Mechanism	• Interest, Principal due as per the Terms of this Issue • Funding of DSRA account as required in "Minimum Amount in DSRA" • Any other dues related to NCD Once all the dues related to NCD are fulfilled, surplus amount can be transferred to an external "operating account" as instructed by Issuer
Mechanism of Funding	**Servicing of Interest:** • Escrow Account shall be funded by the Issuer at least T-3 business days prior to the Due Date, wherein Due Date is "T"day. • Incase Escrow Account is not funded by the Issuer on T-3 business day, Debenture Trustee will liquidate the DSRA and fund the Escrow Account by T-1 business day. • On T-2 business day itself, Debenture Trustee will issue the notice to Issuer to replenish the DSRA by T-1 business day. • Incase Issuer is unable to replenish the DSRA by T-1-business day, Debenture Trustee will inform DSRA Guarantor "SPCPL" to replenish the DSRA by "T"day12.00 pm. • SPCPL shall arrange the funds and replenish the DSRA by given timelines. **Servicing of Principal:** • Issuer shall fund the "DSRA" with next payable Principal at least15 days prior to Due Date of payment of principal, wherein Due Date is "T" day. • Incase Issuer is unable to fund the DSRA by T-15 days, Debenture Trustee will inform DSRA Guarantor "SPCPL" to fund the DSRA with next payable Principal within 5 business days after T-15 days. • Debenture Trustee will liquidate the DSRA with payable Principal and transfer the same to Escrow Account latest by T-2 business day. • Payment of Principal along with Interest (as per Servicing of Interest Mechanism above) shall be done on T day. **In case of Event of Default / Early Redemption Situations:** • Debenture Trustee will issue the notice immediately to Issuer and DSRA Guarantor informing the Outstanding Dues i.e. Interest and Principal both, payable due to occurrence of Event of Default / Early Redemption. Date of such notice shall be termed as "T" day(date of funding the amount in DSRA- wherein DSRA is to be funded 15 days for principal and 1 quarter for interest) • Issuer shall fund the "Escrow" with Outstanding Dues within T+5 business days from the date of such Event of Default. • Incase Issuer is unable to fund the Escrow Account within 5 business days, Debenture Trustee will inform DSRA Guarantor "SPCPL" on T+6 day for replenishing the DSRA with Outstanding Dues by T+12

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	day. • On T+13 day, Debenture Trustee will liquidate the DSRA and fund the Escrow Account for clearing the Outstanding Dues by T+13 day.
DSRA Maintenance	DSRA can be parked into Permitted Investments which shall include fixed deposits with banks, mutual fund investments and such other investments approved by Investor / Debenture Trustee
Final Maturity	As mentioned under the redemption schedule
Coupon	9.25% per annum payable quarterly
Frequency of Coupon	Quarterly
Call option	Issuer has the option to exercise the call 15 days before the maturity of the debentures with a prior intimation to the debenture holders by giving a notice of 5 days in advance.
Arranger Fee	0.38% flat+ applicable taxes
Issue Price	Rs.1,00,00,000/- per NCD (Rupees one crores each)
Redemption Value	Rs.1,00,00,000/- per NCD (Rupees one crores each)
Financial Covenants	• Total Debt raised by the Issuer (excluding the Group ICDs) at all times shall not exceed more than Rs. 3,500 Crores for the existing projects. • At any point of time, Interest due and payable in next three months and Principal due and payable in next 15 days should be maintained in DSRA account on ongoing basis till final Redemption of NCD. • Any ICD/internal loan/other funding raised by S.D Corp from the SPCPL Group should be subordinate in all respects to the NCD • No pledge/charge to be created over the shares of the Issuer without the consent of the debenture holders. The above covenants to be tested on annually on audited Balance Sheet of Issuer.
Rating Action	The current issue is rated as AA+ (SO) by CARE. In case of a rating migration, the following actions shall take place from the date of press release on rating agency's Website. • Downward Rating Migration by one notch to AA (SO) the coupon rate shall increase by 25 bps from the original coupon. • Downward Rating Migration by two notches to AA- (SO) the coupon rate shall increase by 50 bps from the original coupon. • Downward Rating Migration to A+ (SO) or below, the debenture holders can exercise the right for a mandatory prepayment (on outstanding principal, Interest due, default interest and any other obligation due), or 100 bps increase in coupon from the original coupon. Issuer has to mandatory redeem the debentures within 30 days upon receipt of written notice to this effect from the debenture trustee. The revised Coupon rate shall be applicable from the date of the press release by the Credit Rating Agency.

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	In case of multiple rating agencies, lowest rating available shall be considered for the above purpose. In the event the credit rating of the Debentures is re-instated back to AA+(SO) by the rating agency the applicable coupon rate shall be revised back progressively to the original level.
Date of allotment	Within 5 business days from Pay-in date
Interest on Application Money	The interest on application money shall be payable by the company at coupon rate from the date of pay inupto and including one day prior to the Deemed Date of Allotment calculated on actual/actual day count basis, in case the Deemed Date of Allotments is after the pay-in date.
Documentation	The Disclosure Document shall cover the disclosure requirements of Securities &Exchange Board of India (SEBI), if applicable.
Penal Interest/Liquidated Damages	In the event of any default in the regular payment the NCD on the due dates or any other default not cured within the stipulated period as stated above, additional interest of 1% per Annum payable monthly shall become due and payable over the monies due for the period of default.
Computation of Interest	Interest payable on the Debentures shall be calculated on the basis of actual number of days elapsed in a year of 365 or 366 Days as the case may be.
Listing	Unlisted
Event of Default	**EOD Consequences** The Debentures along with accrued interest shall become due and payable within T+12business days upon receipt of written notice from Debenture Trustee to the DSRA Guarantor of happening of any of the following events except payment default/ DSRA replenishment / DSRA requirements which is payable immediately on default: **EOD Occurrence** 1. As per Schedule I 2. Breach in terms mentioned in Financial Covenants, Key Covenants, Mechanism of Funding, DSRA, Waterfall Mechanism, DSRA, Escrow Account or any other term set out in this Term Sheet. Parent shall retain management control and 50% ownership during the tenure of the NCD.

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Key Covenants	• SP Group at all points in time shall exercise management control and each maintain minimum shareholding of 50% during the tenure of the NCD. • No change in the shareholding of the Issuer without permission of Investor. • Issuer will not borrow against its Assets as Security during the tenure of the NCD over the borrowing cap mentioned without prior permission of Investor. • Issuer cannot borrow any External Debt / Internal Debt except as detailed under Financial Covenants. • Cross default with existing financial obligations of the Issuer / subsidiaries / DSRA Guarantor. Breach of any material covenant triggers an accelerated redemption option
Information Covenants	**Annual basis** • Submission of Annual Report within 180 days of the year ending • Consolidated financials of SPCPL if required to be prepared by law, to be submitted within 180 days from the end of financial year • Order book • Provisional or audited financial information on a half yearly basis within 30 days at the end of the quarter
Governing Law and Jurisdiction	The Debentures and documentation will be governed by and construed in accordance with the laws of India and the parties to submit to the jurisdiction of the courts in Delhi.
Issue Opening Date, Issue Closing, Deemed Date of Allotment	To be decided mutually
Information Memorandum to prevail	In case of inconsistency between this terms and conditions and clauses in Information Memorandum, the Information Memorandum shall prevail.

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Schedule I

Events of Default

The Trustee at its discretion may, and if so required in writing by the holders of not less than 25% in principal amount of the NCD then outstanding or if so directed by an Extraordinary Resolution shall (subject to being indemnified and/or secured by the NCD holders to its satisfaction), give notice to the Issuer that the NCD are, and they shall accordingly thereby become, due and repayable at their Early Redemption Amount if any of the events listed below (each, an "Event of Default") has occurred.

Each of the following events shall be an Event of Default:

a) Default is made in any kind of payments in respect of the NCD when due or any other default not cured within the stipulated time, the Issuer shall be liable to pay additional interest at 1% Per Annum Payable Monthly over and above the coupon rate from the due date and shall be payable till such default is cured.

b) The Issuer does not perform or comply with one or more of its other material obligations in relation to the NCD or the Debenture Trust Deed

c) the Issuer is (or is deemed by law or a court to be) insolvent or bankrupt or unable to pay (in the opinion of the Debenture Trustee) a material part of its debts, or stops, suspends or threatens to stop or suspend payment of all or (in the opinion of the Debenture Trustee) a material part of (or of a particular type of) its debts, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all or (in the opinion of the Debenture Trustee) a material part of (or all of a particular type of) its debts (or of any part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer;

d) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any material part of the property, assets or revenues of the Issuer and is not discharged or stayed within 60 days in an appropriate court of law;

e) an order is made or an effective resolution passed for the winding-up or dissolution, judicial management or administration of the Issuer, or the Issuer ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganization, merger or consolidation on terms approved by an Extraordinary Resolution of the NCD holders.

f) an encumbrance takes possession or an administrative or other receiver or an administrator is appointed of the whole or (in the opinion of the Trustee) any substantial part of the property, assets or revenues of the Issuer (as the case may be) and is not discharged within 60days or as allowed under applicable statutory rules;

g) Cross Default by the Issuer and its subsidiary or associate company which have not been stayed by an appropriate Court of law within a period of 30 days. Cross default by the guarantor or its subsidiary or associate company which has not been stayed by an appropriate Court of law within a period of 30days.

h)

i) the Issuer commences a voluntary proceeding under any applicable bankruptcy, insolvency, winding up or other similar law now or hereafter in effect, or consent to the entry of an order

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for relief in an involuntary proceeding under any such law, or consent to the appointment or taking possession by a receiver, liquidator, assignee (or similar official) for any or a substantial part of its property or take any action towards its reorganization, liquidation or dissolution; which have not been stayed by an appropriate Court of law within a period of 30days

j) It is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the NCD or the Debenture Trust Deed.

k) Any step is taken by governmental authority or agency or any other competent authority, with a view to the seizure, compulsory acquisition, expropriation or nationalization of all or (in the opinion of the Trustee) a material part of the assets of the Issuer which is material to the Issuer;

l) Any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs.

If any Event of Default or any event which, after the notice, or lapse of time, or both, would constitute an Event of Default has happened, the Issuer shall, forthwith give notice thereof to the Debenture Trustee in writing specifying the nature of such event of default or of such event.

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