



Indicative Term Sheet

Purpose: The purpose of this document ("the indicative Term Sheet") is to outline the terms and conditions of a potential Non-Convertible Debenture issuance by the issuer proposed to be subscribed to by the investor. This indicative Term Sheet does not constitute a final offer, is not exhaustive and may be subject to change

Borrower / Issuer / Company	Campus Student Communities Private Limited (CSCPL)
Debenture Trustee	MILESTONE TRUSTEESHIP SERVICES PVT. LTD
Debenture Holders	Karvy Capital Limited – A/c Demeter Portfolio
Debenture Holder Representative ("DHR")	Karvy Capital Limited
Type of Instrument	Rated, Secured, Redeemable, Taxable Non-Convertible Debentures ("NCDs" or "Debentures")
Mode of Issue	Private placement in Demat form.
Issue Size	Additional Green shoe Part 2 Amount of Rs. 3.0 crore in single tranche. This is in addition to Rs. 28.5 crores including Greenshoe and Additional Greenshoe disbursed earlier.
End use	Issue proceeds will be utilized for the following purposes: 1. Capex for purchasing equipments for rendering catering services to Jain University Trust for the following campuses: <ul style="list-style-type: none"> Jain University – School of Engineering & Technology Jain Vidyaniketan 2. Working capital for the catering business No part of the proceeds would be utilized directly/indirectly towards equity capital markets or property acquisition.
Eligible Investors	As permitted under applicable law.
Interest Rate	Coupon rate of 15.60 % per annum
Issue open date	03.01.2019
Issue close date	04.01.2019
Deemed Date of Allotment	04.01.2019
Interest Type	Fixed
Day Count	"Actual/ Actual" basis
Interest Payment Frequency	Quarterly
Maturity Date	31.01.2021
Principal Repayment	Half Yearly installments as per the repayment schedule attached.

For Campus Students Communities Pvt. Ltd

Director



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CIN - U74999KA2016PTC094959
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Issue Price	At Par
Face Value per NCD	Re 20,000 /- (Rupees twenty thousand Only)
Minimum Subscription Amount	Rs 20,000/- (Rupees twenty thousand only)
Listing	The NCDs issued under this document are unlisted.
Depository	National Securities Depository Ltd. (NSDL) or CDSL
Record Date	7 Business Days prior to each Coupon Payment Date and redemption date.
Default Interest Rate	In the event of a payment default or any other Event of Default, of the amounts due under this Issue, the Issuer shall pay an additional interest rate of 2% (Two per cent per month over and above the applicable Coupon rate from the date of the occurrence of the payment default on the outstanding principal amount of the Debentures until such default is cured or the Debentures are redeemed pursuant to such default, as applicable
Prepayment Penalty	Any Pre-payment shall attract a pre-payment penalty of 2% p.a. on the principal prepaid, except when the principal is required to be pre-paid to the trustee in compliance with any other terms under the agreement.
Call Option	Call option by the promoters or early redemption by the company at the end of twelve months from deemed date of allotment such that the Investor XIRR does not go below the agreed XIRR. Pre-payment penalty shall not be applicable on exercise of call option
Call Option Notification Time	One month from time of exercise of option / early redemption.
Security	<ol style="list-style-type: none"> 1. Pledge of the shares such that cover of minimum 2.0X times is maintained on the NCD issue and the shares pledged should constitute minimum 51% of the total issued and paid up equity share capital of the Company. 2. Escrow of the entire existing and future hostel fees of CSCPL and Fly Homes. 3. Debt Service Reserve Account (DSRA) equivalent to interest due for 1 quarter and principal due in the following half-year to be created in the form of Fixed Deposit of an equivalent amount and kept as lien with the Trustee. 4. Undated Cheques for all the outstanding principal and interest repayment. <p>In case part prepayment of Principal by the Issuer, release of Security shall be at the absolute discretion of Trustees in consultation with the DHR.</p>
Escrow Account	<p>All revenue receiving current accounts of the Issuer and Fly Homes to be escrowed under a tripartite agreement between Trustee, Issuer and Escrow Bank. The account shall be operated as mentioned below:</p> <ol style="list-style-type: none"> 1. All Cash Flows of hostel fee received shall be directly remitted to the Escrow Accounts. 2. Company to provide yearly budget for each financial year by March 15th of preceding financial year for monitoring and releasing funds from the escrow account to the company. 3. Interest / principal due for one quarter to be kept aside and remaining funds to be transferred to the operations / expense account once a month based on the yearly budget submitted. 4. In case Escrow is not possible on the existing current accounts, auto debit instructions for fund transfer to the escrow account to be operationalized by the company in a manner acceptable to trustees and DHR. <p>Shortfall, if any, in the interest amount due in any month in the Trustee account shall be funded by the issuer before 24th of the month.</p>

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Transaction Documents	Documents as agreed between the Trustee and Borrower and Debenture Holder Representative.
Conditions Precedent	<p>The Company shall fulfill the following Conditions Precedent, to the satisfactions of the Debenture Trustee, prior to each Pay In Date:</p> <ul style="list-style-type: none"> (i) A certified true copy of the constitutional documents of the Company (being its Memorandum and Articles of Association and Certificate of Incorporation) shall have been submitted to the Debenture Trustee (ii) All corporate approvals from the Board of Directors and shareholders of the Company, if applicable, shall have been received for the issuance of the NCDs and the execution, delivery and performance by the Company of the Transaction Documents in accordance with the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules prescribed; (iii) Consent of the Trustee (iv) Evidence of an appointed trustee (v) Execution of the Debenture Trustee Agreement and Debenture Trust Deed, in a form and manner satisfactory to the Debenture Trustee shall have taken place; The Debenture Trust Deed contains the detailed terms and conditions governing the issue of these Debentures. (vi) Rating of the Debentures being completed and the rating agency having provided a minimum rating of 'B' for the Debentures from CRISIL, ICRA or India Ratings and the rating letter issued by the Rating Agency being in a form and manner satisfactory to the Debenture Trustee. (vii) The Company shall have provided to the Debenture Trustee a certificate from a director/company secretary of the Company certifying that:- <ul style="list-style-type: none"> (a) the Company and its Directors have the necessary powers under the Memorandum and Articles of Association of the Company to borrow moneys pursuant to the issuance of the Debentures; (b) the borrowing of moneys pursuant to the issuance of the Debentures will not cause any limit binding on the Company to be exceeded; (c) no Material Adverse Effect has occurred in the Company, and/or the business of the Company; (viii) The Company shall have submitted to the Debenture Trustee, all required documents for the purpose of satisfying its respective KYC requirements; (ix) CA certified networth statements of all directors to be submitted (x) All documentation under this agreement as per satisfaction of the trustees has been perfected.
Conditions Subsequent	<p>The Issuer shall ensure that the following documents are executed/ activities are completed as per time frame mentioned elsewhere in this Document:</p> <ul style="list-style-type: none"> (a) The Issuer shall immediately on receipt of funds, take on all necessary steps to, including making all applicable filings in the Registrar of Companies and obtaining all necessary approvals including filing Form PAS 5 along with the Information Memorandum and Form PAS 3 along with requisite fee within prescribed timelines; (b) File Form PAS 5 along with the Information Memorandum with SEBI; (c) Credit of demat account(s) of the allottee(s) by number of NCDs allotted within 2 Business days from the Deemed Date of Allotment; (d) To ensure compliance with SEBI / Companies Act 2013 for issuance of NCDs; (e) CA certificate evidencing the use of funds within 1 month of the disbursement.

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Key Representation and Warranties	<p>(a) No Event of Default has occurred and is continuing on the date of the transaction</p> <p>(b) Debentures shall rank <i>pari passu</i> amongst themselves and senior with all other subordinated creditors</p> <p>(c) Binding obligation of Transaction Documents</p> <p>(d) No conflict with other obligations / constitutional documents</p> <p>(e) No Material Adverse Change in business, condition or operations of the Issuer</p> <p>(f) Company has the power and authority to issue Debentures and such Transactions Documents are valid and admissible in evidence</p> <p>(g) Absence of any pending litigation, investigation or proceedings that may have a material adverse effect on the business condition (financial or otherwise), operations, performance or prospects of the Issuer or that purports to affect the Facility</p> <p>(h) Illegality</p> <p>And as set out in greater detail in the Debenture Trust Deed</p>
Reporting Covenants	<p>1. MONTHLY REPORT – within 30 (thirty) calendar days after the end of each calendar month:</p> <p>(a) Hostel-wise Fee collected during the preceding month</p> <p>(b) Expense account bank statement.</p> <p>(c) Reconciliation of the fee collected with the credits in the bank statements</p> <p>(d) Estimated fee to be collected for the next month</p> <p>(e) Details of expenses incurred under the major expense heads.</p> <p>(f) All the above monthly reports to be certified by the Chartered Accountant.</p> <p>2. QUARTERLY REPORTS - within 45 (forty five) calendar days after the end of each calendar quarter:</p> <p>(a) List of Board of Directors</p> <p>(b) Shareholding Pattern</p> <p>(c) Provisional Profit & Loss a/c and Balance Sheet</p> <p>3. ANNUAL REPORTS – within 120 days after the end of each fiscal year</p> <p>(a) Audited financials</p> <p>(b) A certificate from the Director/CFO confirming that there is no Potential Default or Event of Default;</p> <p>4. Monthly budget for each month by 15th of the previous month for monitoring and releasing funds from the escrow account to the company</p> <p>5. EVENT BASED REPORTS – within 5 business days of event occurring</p> <p>(a) change in the shareholding structure</p> <p>(b) change in the Senior Management officials (any CXO, or equivalent)</p> <p>(c) Board approval of annual business plan</p> <p>(d) Material Adverse Effect.</p> <p>(e) Debarment of any of the directors</p> <p>(f) Any dispute, litigation, investigation or other proceeding which could result</p>

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	in a Material Adverse Effect to the reasonable knowledge of the issuer.
	<p>(g) Winding up proceedings</p> <p>(h) Any Event of Default or, and any steps taken / proposed to remedy the same.</p>
Financial Covenants	<p>The Issuer shall provide for followings covenant for the facility.</p> <p><u>Financial Covenants</u></p> <p>1. Company to infuse capital such that the Debt/Equity ratio shall not exceed 4.00 times as on 30th September, 2019 and Debt/Equity ratio shall not exceed 2.50 times from 31st March, 2020 onwards.</p> <p>Deviation of 10% from the above mentioned financial covenants shall be permitted.</p> <p>All covenants would be tested on semi-annual basis for the Company, i.e. as on 30th September and 31st March, starting from 30 September, 2019 on consolidated financials till the redemption of the Debentures. The covenants shall be certified by the Company within 60 days from end of each reporting period.</p> <p>Failure to comply with the above condition shall require the Issuer to pre-pay the entire outstanding NCDs under this issuance within 6 months from the end of the reporting period.</p>
Covenants for Facility	<p>The Issuer shall provide for followings covenant for the facility.</p> <p><u>Other Covenants</u></p> <p>Key Affirmative Covenants</p> <ol style="list-style-type: none"> 1. To utilise the proceeds of this issue in accordance with applicable laws and regulations 2. To comply with corporate governance, fair practices code prescribed by RBI 3. notification of any potential Event of Default, reasonably to the knowledge of the issuer or Event of Default; 4. obtain, comply with and maintain all licenses / authorizations as well as corporate status 5. Provide details of any material litigation, arbitration or administrative proceedings 6. Maintain internal control for the purpose of (i) preventing fraud on monies lent by the Company; and (ii) preventing money being used for money laundering or illegal purposes 7. Permit visits and inspection of books of records, documents and accounts to debenture holders as and when required by them 8. Comply with any monitoring and/or servicing requests from Debenture Holders 9. Regulatory Filings 10. Maintenance of Books of Account <p>Key Negative Covenants</p> <p>The issues shall take the prior written permission from the Investor / Debenture Trustee for the following. Provided that the Investor/Debenture Trustee will not unreasonably withhold consent:</p> <ol style="list-style-type: none"> 1. Change in promoter or promoter holding 2. Change in ownership or control 3. The Company will not take or suffer to be taken any action for re-organisation of its capital or any rearrangement, merger or amalgamation

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	<ol style="list-style-type: none"> 4. No M&A, acquisition, restructuring, amalgamation without approval of Debenture Holders over and above 10% of the networth of the Issuer in a financial year 5. The Issuer shall not, without the prior approval of Investors, enter into any transaction of merger, de-merger, consolidation, re-organization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction; provided however that this restriction shall not apply in the event that the compliance with this restriction would result in the Issuer defaulting in relation to any of its payment obligations in relation to the Debentures. 6. the Issuer will not purchase or redeem any of its issued shares or reduce its share capital without the investors' prior written consent; 7. Issuer shall not amend or modify clauses in its Memorandum of Association and Article of Association, where such amendment would have a Material Adverse Effect, without prior consent of the Debenture Trustee 8. Issuer shall not change its financial year-end from 31st March (or such other date as may be approved by Investors) without prior consent of the Debenture Trustee 9. Any sale of assets/business/division that has the effect of exiting the business or re-structuring of the existing business, to be with the prior consent of the debenture holder, provided that sale of standard assets by securitization or direct assignment in the normal course of business does not come under the purview of this covenant 10. No dividend, if an Event of Default has occurred and is subsisting 11. Not undertake any new major new business outside hostel services/ catering services, without approval of NCD holders.
Other conditions	<ol style="list-style-type: none"> 1. NOC to be obtained from the Trustee for opening current account with any bank. 2. There shall be Nominee Director representing the investors through the DHR on the company board and any change in signatories for the operation of the current accounts of the company to be endorsed the Nominee Director. In case this arrangement is to be revoked, NOC from the trustees to be obtained. 3. Undertaking from CSCPL that fee shall not be directly collected in cash. 4. Issuer shall obtain NOC from the Trustee in respect of the following matters: <ol style="list-style-type: none"> a. Entering into any borrowing arrangement with any bank/financial institution or other party for taking up any debt-funded expansion. b. Making investments or granting loans to group companies in excess of 10% of the tangible net worth of the issuer. c. Giving guarantees on behalf of third parties in excess of 10% of the tangible net worth of the issuer. d. Effecting any change in the board of directors of the company. <p>All future business plans of the company to be approved by the DHR / Trustee for expansion or fund raising through debt or internal accruals.</p> <p>The Trustee shall revert within 30 days on the decision taken on the request for NOC. In the event that the Issuer is in disagreement with the Trustee on their decision, the issuer may proceed without obtaining the NOC on the condition that the NCD shall be redeemed.</p>
Debenture Redemption Reserve	Debenture redemption reserve (DRR) shall be created as per the provisions of the Companies Act, 2013 and the guidelines issued by SEBI.
Events of Default	The occurrence of any one of the following events shall constitute an "Event of

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[Signature]
Director



	<p>Default" by the Company:</p> <ol style="list-style-type: none"> Non-payment of any of the dues under this term sheet, with a grace period of 3 days in case of delays due to technical reasons; Default or trigger of event of default on any other indebtedness (cross default) Misrepresentation or misleading information in any of the Transaction Documents Insolvency, winding up, liquidation Creditors' processes initiated against the company Repudiation of Transactions Documents Cessation of business Any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the Issuer / Promoter funds or revenues or any other act having a similar effect being committed by the management or an officer of the Issuer Promoters or key management personnel of the Company being declared willful defaulter Erosion of 50% or more of the Company's net worth Occurrence of a Material Adverse Effect as determined by the Debenture Trustee, acting solely on the instructions of the Majority Debenture Holders. Fee collected by CSCPL directly in the form of cash Dividend distribution in case of default. <ol style="list-style-type: none"> Non-availability of money in the escrow accounts for to service the quarterly interest and principal payments as and when due for payment. Non-submission of reports within the stipulated time limits. Non-maintenance of security cover of minimum 1.0X times the outstanding amount of NCD. Failure to obtain NOC from the Trustee in respect to the following matters: <ol style="list-style-type: none"> Entering into any borrowing arrangement with any bank/financial institution or other party for taking up any debt-funded expansion. Making investments or granting loans to group companies in excess of 10% of the tangible net worth of the issuer. Giving guarantees on behalf of third parties in excess of 10% of the tangible net worth of the issuer. Effecting any change in the board of directors of the company. Opening current account with any bank <p>Breach of any covenant by the company.</p> <p>A period of 30 days shall be allowed for curing the default. In case the default is not cured within 30 days, the event of default shall be triggered.</p> <p>Any acceleration of the NCDs will require the approval of the Reserve Bank of India, as per extant prudential norms and regulations.</p>
Consequence of default	<p>In case of actual event of default or potential event of default, the Trustee shall take control of the escrow account and manage all the cash flows in the escrow account till the default is cured or till the maturity of the debentures and full and final payment of all dues to debenture holders.</p> <p>Penalty of 2% per month on the overdue amount till the regularization of the dues.</p>
Governing Law and Jurisdiction	<p>This Term Sheet shall be governed and construed in accordance with the laws of India and any disputes arising there from shall be subject to the jurisdiction of appropriate courts and tribunals at Mumbai.</p>

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Transaction Costs	The Issuer shall bear all transaction related costs incurred by the Investor with respect to legal counsel, valuers and auditors/consultants. Such costs include: <ol style="list-style-type: none">1. Professional fee payable to advisors for legal due diligence and valuation2. Trustee fees and listing fees3. Stamping in relation to all definitive agreements.4. Other charges including out of pocket expenses to be charged on actual basis.
Taxes duties cost and expenses	<ol style="list-style-type: none">1. Relevant taxes, duties and levies are to be borne by the Issuer.2. The charges / fees and any amounts payable as mentioned herein do not include any applicable taxes, levies including service tax etc. and all such impositions shall be borne by the Issuer additionally.

Accepted and agreed

For Campus Student
Communities Private Limited
(CSCPL)

For Campus Students Communities Pvt. Ltd

(authorized signatory)

Director



Addendum to the term sheet executed by Campus Students Communities Private Limited

Category	Type	Put "Yes" or "No" whichever is applicable for your issue
Unlisted Securities	Plain vanilla Debt	Yes
	Structured Debt	No
Listed Securities	Plain vanilla Debt	No
	Structured Debt	No
ISINs for categories exempted from applicability of ISINs as per SEBI Circular dated 30-June-2017	Public Issue	No
	54EC Capital Gains Bonds	No
	Tier II Bonds by Housing Finance Companies (HFCs)	No
	Tier II Bonds by standalone Primary Dealers (PDs)	No
	Subordinated debt by Insurance Cos.	No
	Basel III bonds issued by Banks	No
	Bonds issued to long term Infrastructure sector and affordable housing by Banks	No
	Perpetual debt issued by Systemically Important Non-Deposit taking NBFCs	No
	Tier II Bonds issued by Non-Systemically Important Non-Deposit taking NBFCs	No

Accepted and agreed

For Campus Students Communities Private Limited (CSCPL)

SANJAY JALAN

Director/Authorised Signatory