

**TERM SHEET**

<b>Issuer</b>	ATS Heights Private Limited (SPV)
<b>Type of Instrument</b>	Listed Secured Non-Convertible Debentures (Referred as NCDs) and Unlisted Secured Optionally Convertible Debentures (Referred as OCDs)
<b>Mode of Issue</b>	Private placement
<b>Investor</b>	NCDs: ASK India Real Estate Special Opportunities Fund (upto 40 crores) and ASK Real Estate Special Opportunities Fund (upto 40 crores) OCDs: and ASK Real Estate Special Opportunities Fund-II (upto 120 crores)
<b>Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)</b>	NCDs: Yes OCDs: No
<b>Rating of the Instrument</b>	NCDs: Yes OCDs: No
<b>Issue Size</b>	NCDs: 80 crore OCDs: 120 crore
<b>Concerned Project</b>	Mixed use real estate development on land situated at Sector 124, Off Noida - Greater Noida Expressway, NOIDA with a significant residential component
<b>Total Land Area</b>	11.45 acres/ 46,340 sq. m.
<b>Permissible FSI</b>	5.25 (Base FAR of 5 + 5 % Green FAR for IGBC Gold Rated Building).
<b>Permissible FSI Area</b>	2,601,284 sq. ft.
<b>Approval status</b>	All Approvals Received. Sales for residential portion started.
<b>Current status</b>	Excavation and Piling Work for Residential Area Under Progress
<b>Objects of the Issue and details of the utilization of the proceeds</b>	<ul style="list-style-type: none"> <li>a. Repayment of Inter-Corporate Deposit of ~ Rs. 35 Crore and interest of ~ Rs. 15 Crore aggregating to ~ Rs. 50 crore to Shinano Retail Private Limited and Reliance Ventures Private Limited.</li> <li>b. Repayment of advance purchase consideration aggregating to ~ Rs. 86 Crore to Logix Technopark Private Limited and Logix Soft-Tel Private Limited.</li> <li>c. ~ Rs. 14 Crore for general corporate purpose including working capital.</li> <li>d. ~ Rs 50 Crore for construction of the ATS Knightsbridge Project</li> </ul>
<b>Coupon Rate</b>	NCDs and OCDs : 13% p.a. preferred, payable when able based on surplus during the tenure of the instruments
<b>Promoter Contribution</b>	<p>Promoter Contribution shall be :</p> <ul style="list-style-type: none"> <li>a. Optionally Convertible Debentures of Rs. 25 Crore, subscribed by STG Softek Private Limited. The Debentures shall continue to subsist during the tenure of NCDs and OCDs.</li> <li>b. Share holding in the company</li> <li>c. Any additional funding brought by the Promoters under the SHA</li> </ul>

	<p>The above are cumulatively referred as "Promoters Contribution".</p>
Additional Funding responsibility	Promoters to arrange debt funding in excess of the agreed contribution in order to ensure that sufficient funding is available for project completion. ATS Group and their promoters to provide guarantees and ensure that conditions stipulated by the lender are complied with. Investors will subordinate / cede their charge on the land and development thereon, to the lending bank / NBFC / HFC.
Remainder Amount	Cash flows remaining after payment / provision of Capped Cost and marketing expenses for the Project and including indirect taxes and interest on Construction Finance / NCDs of Piramal Enterprises Ltd. / facility availed to repay NCDs of Piramal Enterprises Ltd. but before payment / provision interest on promoter funding and before any direct taxes.
Distribution Ratio of Remainder Amount	<p>Remainder Amount shall be distributed in following order of priority and preference:</p> <ol style="list-style-type: none"> <li>1. Firstly, <i>pari-passu</i> among the Investor's NCDs and OCDs in the ratio of their investment, till the NCDs and OCDs receive an XIRR of 13% including coupon paid, if any (Referred as 'Guaranteed Return'),</li> <li>2. Then, XIRR of 13% to Promoters on 'Promoter Contribution' as defined above,</li> <li>3. Then, between the Investor NCDs &amp; OCDs and the Promoters equally, till the NCDs and OCDs receive an XIRR of 24% including Guaranteed Return in point 1 above,</li> <li>4. Thereafter, the NCDs and OCDs shall be entitled to 30% (thirty percent) of the Remainder Amounts and Promoters shall be entitled to 70% of the Remainder Amounts.</li> </ol>
Redemption Premium	To be suitably defined to ensure that any payment as per above distribution over and above the coupon is paid by way of the redemption premium to the investors.
Coupon Payment dates and Frequency	Payable when able based on surplus during the tenure of the instruments
Coupon Type	Fixed
Coupon Cumulative / Non-Cumulative	Cumulative
Default Interest Rate	Such amounts which collectively with coupon paid on NCDs and OCDs, if any, gives the NCDs and OCD Holders an XIRR of 24% as on the date of final payment of Default Interest in preference to any return on Promoter Contribution
Tenure of OCDs	72 months from the date of first investment
Redemption Date	Day falling at the end of 72 months from the date of first investment
Put/Call Option	<p>For NCDs issued to ASK Real Estate Special Situations Fund (Rs. 40 crores):</p> <p>Call Option: Company / Promotor may on May 31, 2019, exercise the Call Option and require the NCD Holders to sale /</p>

	surrender in buy-back all or part of the NCDs at the Call Price mutually agreed.
Face Value and Issue Price	Rs.1,00,000/- per Debenture
Redemption Amount (including interest) per NCD / OCD	The Redemption Amount per NCD and OCD shall be such amount that would be equivalent to each Debenture Face Value plus Redemption Premium and Coupon.
Settlement mode of the Instrument	Through RTGS/Bank
Business Day Convention	Working day
Record Date	At least 15 days prior to Redemption date.
Security	<ul style="list-style-type: none"> <li>Charge in the nature of Mortgage with Debenture Trustee of NCDs and OCDs on the project land and development thereon; and</li> <li>Charge over present and future receivables of the Issuer from the mortgaged properties;</li> </ul> <p>Charge to be created in favour of Debenture Trustee <i>vide</i> Debenture Trust Deed and Mortgage Deed for amount invested and guaranteed return only, subject to the same being allowed by the existing or proposed lenders or in case the existing and proposed lenders are fully satisfied.</p>
Transaction Documents	<ul style="list-style-type: none"> <li>Three Security Subscription Agreement (SSA) and single Security Holders Agreement (SHA)</li> <li>Information Memorandum / Private Placement Offer Letter</li> <li>Debenture Trust Deed</li> <li>Mortgage Deed</li> <li>Power of Attorney in favour of the Trustee</li> <li>Personal Guarantee of Mr. Getamber Anand for repayment of principal and payment of Guaranteed Return of XIRR 13%</li> <li>PDCs of the Company signed by Mr. Getamber Anand for repayment of principal and payment of Guaranteed Return of XIRR 13%</li> <li>Amendment to Articles of Association of the SPV</li> </ul>
Conversion Clause	<p><b>ASK OCDs</b> : In case of Event of Default, at the option of the OCD Holder(s), the OCDs shall convert into such number of Class A Equity Shares of the Company which together with the Equity Shares already held by the OCD Holder(s), if any, entitles the OCD Holder(s) to the 76% of the post-conversion total voting capital.</p> <p><b>ATS OCDs</b> : In case of Event of Default, at the option of the Investors, the ATS OCDs shall convert into such number of Class A Equity Shares of the Company which together with any Equity Shares already held by the ATS Group, if any, entitles the ATS Group to the 24% of the post-conversion total voting capital.</p>
Conditions Precedent to Disbursement	As per the SSA
Condition Subsequent to	As per the SSA

Disbursement	
Events of Default	<p>Customary as per the Investment Agreement, with below specific events:</p> <ul style="list-style-type: none"> <li>▪ Diversion of funds from SPV</li> <li>▪ Total saleable area for the residential phase of the project to be at least 1.358 mn sq ft and saleable/ effective leasable area of the commercial phase project to be at least 1.794 mn sq. ft except for change in regulations.</li> <li>▪ All inclusive Minimum Sale Price of the project shall <ul style="list-style-type: none"> <li>a) INR 12,000 per sq ft for Residential area,</li> <li>b) INR 12,000 per sq ft for Commercial area,</li> <li>c) INR 20,000 per sq ft for retail area,</li> </ul>           after investment from Investor. Minimum Launch price does not mean average price to be achieved.         </li> <li>▪ If the sanction plan is withdrawn due to any misrepresentation and fraud.</li> <li>▪ The residential section of the project to be completed in 5 years and commercial segment of the project to be completed within 6 years, from the first investment date of NCDs / OCDs, whichever earlier.</li> <li>▪ And other clauses as per SSA and SHA</li> </ul>
Consequences of Event of Default	<p>Customary as per the Investment Agreement, with below specific consequences:</p> <ul style="list-style-type: none"> <li>▪ Enforcement of Security</li> <li>▪ Preferential payment to Investors at Default Interest Rate of 24% XIRR.</li> <li>▪ Drag Along Rights</li> <li>▪ Conversion of OCDs at the option of OCD Holders</li> <li>▪ And other clauses as per SHA</li> </ul>
Role and Responsibilities of Debenture Trustee	As per the Debenture Trustee Deed
SPV Board structure	Investor and Promoters will have equal representation on the Board of SPV
Affirmative Vote Rights	Investor will have affirmative voting rights on all critical project matters including appointment of vendors, cost, sales/ lease strategy etc. as provided in SHA
Commercial Covenants	<ol style="list-style-type: none"> <li>a. No amounts can be withdrawn for non project related expenses during the tenure of OCDs.</li> <li>b. Appointment of one of the Big Four as either Statutory Auditors or Internal Auditors of the SPV.</li> <li>c. Continuous monitoring of the project through Monitoring Committee which will meet bi-monthly to track project progress.</li> <li>d. All receivables to be deposited in SPV's designated bank account.</li> <li>e. Investor representatives to be a joint signatory for all bank accounts of SPV.</li> <li>f. Total construction cost including Construction, Administrative of the Project, Operating Cost and Indirect Taxes thereon, on saleable area basis for:</li> </ol>

	<ul style="list-style-type: none"> <li>i) Residential portion not exceeding INR 4,500 per sq ft.</li> <li>ii) Commercial and Retail portion collectively not exceeding INR 3500 per sq ft,</li> <li>iii) The aforesaid costs of Rs. 4500 and 3500 are collectively referred as "Capped Cost".</li> <li>iv) The aforesaid Capped Cost includes escalations, contingencies, indirect taxes, security / administration costs of the Project and capital equipments cost / rental required at the site,</li> <li>v) Any escalation to the same shall be brought in by the Promoters through their own sources.</li> </ul>
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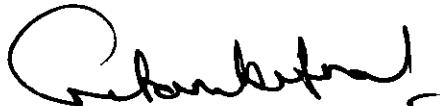
Agreed and accepted

For ATS Heights Pvt. Ltd. (SPV)



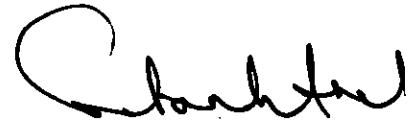
Authorized Signatory

For S T G Softek Pvt. Ltd. (Shareholder)



Authorized Signatory

For ATS Infrastructure Limited (Promoter 1)



Authorised Signatory

Mr. Getamber Anand (Promoter 2)

For ASK Real Estate Special Opportunities Fund - II  
(Investor)



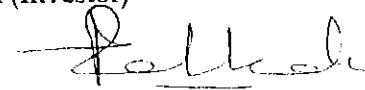
Authorized Signatory

For ASK Real Estate Special Opportunities Fund  
(Investor)



Authorized Signatory

For ASK India Real Estate Special Opportunities  
Fund (Investor)



Authorized Signatory