

ORCHIDS APARTMENTS PRIVATE LIMITED

10, Vittal Mallia Road,
Bangalore-560 001, INDIA
Ph : 91-80-41343400
Fax : 91-80-22218565

CORPORATE ACTION INFORMATION FORM (For Debt instruments - Allotment)

Ref. No. : ISIN: INE778X07038

Date: 29th December, 2018

To,
National Securities Depository Limited
Trade World, A Wing
Kamala Mills Compound, Lower Parel
Mumbai – 400013

We wish to execute corporate action to **credit** the following securities to the accounts in NSDL.
The details of the securities allotted are given below:

ISIN	INE778X07038
Security Description	Non Convertible Debentures
Allotment Date	29.12.2018
Face Value per security	100/-
Distinctive Numbers	1-85,00,000
Whether this issue is placed through Electronic Book Provider (EBP) Mechanism	NA
If through EBP, name of Electronic Book Provider	NA
Fund Settlement (Tick any one as applicable)	<input type="checkbox"/> Through clearing corporation <input checked="" type="checkbox"/> Through Issuer's Escrow Bank
If through Clearing Corporation, Name of clearing corporation	NA

<i>Allotment Details</i>	<i>No. of records</i>	<i>No. of Securities (Quantity)</i>
Electronic Form – NSDL	1	8500000
Electronic Form – CDSL	-	-
Physical Form	-	-
<i>Total Allotted</i>	1	8500000

CIN: U45201KA1981PTC004086



I, Suresh Kumar A Chief Financial Officer of Orchids Apartments Private Limited declare that:

The issuer has obtained all the necessary approvals for the aforesaid issue of securities and is in compliance with all the applicable rules and regulations. The allotment is in terms of Board Resolution dated 29th December, 2018 (*copy enclosed*).

Signature

: 



ORCHIDS APARTMENTS PRIVATE LIMITED

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Annexure A

Date: 29/12/2018

To,
Managing Director
National Securities Depository Limited
Trade World, A Wing
Kamala Mills Compound,
Lower Parel
Mumbai – 400013

We intend to issue securities under existing ISIN as per details given below. We hereby declare that there is no modification in the terms and structure of the issue viz changes in terms of payment, change in interest payout frequency etc and are paripassu with the bond/debentures under the following ISIN wherein the new securities being issued.

Details of current issue:

ISIN	INE778X07038
Date of Allotment	29/12/2018
Date of maturity	28/12/2021
Issue Price (in Rs.)	Rs. 100/- (Rupees Hundred)
Face Value	Rs. 100/- (Rupees Hundred)
Issue Size (In Rs. Crores)	Rs. 85.00 Crores (Rupees Eighty Five Crores)
Distinctive Numbers	01-85,00,000

Issuance history under the aforesaid ISIN (including current issue):

Sr. No.	Date of Allotment	Allotment Quantity	Cumulative Quantity	Issue Price (In Rs.)	Issue Size	Cumulative Issue
NA						

For Orchids Apartments Private Limited

Suresh Kumar A
Authorised Signatory



CIN: U45201KA1981PTC004086

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EXTRACT OF THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS (THE "BOARD") OF ORCHIDS APARTMENTS PRIVATE LIMITED (THE "COMPANY") HELD ON SATURDAY, 29th DECEMBER, 2018 AT ITS REGISTERED OFFICE AT NO.10 VITTAL MALYA ROAD, BANGALORE - 560001 KARNATAKA.

ALLOTMENT OF SECURED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES

The Chairman has informed the Board that, pursuant to the Board resolution passed at the meeting of the Board of Directors of the Company on December 21, 2018, the Company has requested certain identified investors to subscribe to 85,00,000 (Eighty Five Lakhs) secured, unrated, unlisted, non-convertible debentures of face value of Rs. 100 (Rupees Hundred only) aggregating to Rs. 85,00,00,000/- (Rupees Eighty Five Crores only).

ICICI PRUDENTIAL REAL ESTATE AIF - I, a scheme of the ICICI Prudential Real Estate AIF ("Fund") an alternate investment fund which is established as an irrevocable determinate trust under the Indian Trusts Act, 1882 acting through its investment manager ICICI Prudential Asset Management Company Limited ("AIF Investment Manager"), a company registered under the provisions of the Companies Act, 1956, having its registered office at 12th Floor, Narain Manzil, 23, Barakhamba Road, New Delhi - 110 001 and its corporate office at One BKC, A - Wing, 13th Floor, Bandra Kurla Complex, Mumbai - 400 051 (hereinafter referred to as the "Subscriber") has submitted an application form for subscribing to the Debentures and the Company is now desirous of allotting the said Debentures to the Subscriber.

After the detailed discussion the following resolutions were passed in this regard:

"RESOLVED THAT fully paid 85,00,000 (Eighty Five Lakhs) secured, unrated, unlisted, non-convertible debentures of face value of Rs. 100 (Rupees Hundred only) aggregating to Rs. 85,00,00,000/- (Rupees Eighty Five Crores only) issued at par, be allotted to the Subscriber ("**Debentures**").

RESOLVED FURTHER THAT Mr. BM Jayeshankar and Mrs. Sudha Shanker - Directors be and are hereby authorised to record the names of the aforementioned Subscriber in the register of debenture holders of the Company to be maintained by the Company, as the holders of the Debentures and Mr. BM Jayeshankar and Mrs. Sudha Shanker, authorised representatives of the Company, be and are hereby severally authorized to enter the name of the Subscriber in the register of debenture holders of the Company.

RESOLVED FURTHER THAT Mr. BM Jayeshankar and Mrs. Sudha Shanker, authorised representatives of the Company, be and are hereby jointly or severally authorized to do all other acts, deeds and things in connection with the issuance and allotment of the Debentures including without limitation the issue and delivery of letters of allotment, issuing debenture certificate(s), paying stamp duty on the debenture certificate(s), filing return of allotment with the Registrar of Companies and liaising with

CIN: U45201KA1981PTC004086



the National Securities Depository Limited and/or Central Depository Services Limited and to do all other acts, deeds and things which may be necessary or expedient to implement any or all of the resolutions.

RESOLVED FURTHER THAT the Debentures be credited to the demat account of the allottees through corporate action with the National Securities Depository Limited and/or Central Depository Services Limited as per the terms of the transaction documents executed for issuance of Debentures.

RESOLVED FURTHER THAT Mr. BM Jayeshankar and Mrs. Sudha Shanker, directors of the Company, be and are hereby jointly or severally authorized to affix the common seal of the Company (and sign as witness thereto) on any of the documents to be executed by the Company in relation to the allotment, including the debenture certificates to be issued, if required; and Mr. BM Jayeshankar, an authorised signatory, be hereby authorised to countersign any of the above documents.

RESOLVED FURTHER THAT the aforesaid resolutions shall come into force with immediate effect."

Certified True Copy

For ORCHIDS APARTMENTS PRIVATE LIMITED

BM Jayeshankar
Director
DIN: 00745118



ORCHIDS APARTMENTS PRIVATE LIMITED

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LIST OF ALLOTEES
TABLE A

FIRST TRANCHE- NON CONVERTIBLE DEBENTURES

NAME OF THE COMPANY	Orchids Apartments Private Limited
DATE OF ALLOTMENT	29/12/2018
TYPE OF SECURITIES ALLOTTED	Non-Convertible Debentures
NOMINAL AMOUNT PER DEBENTURE (Rs.)	Rs. 100/- (Rupees Hundred)
PREMIUM/DISCOUNT AMOUNT PER SHARE (Rs.)	0.00
TOTAL NUMBER OF ALLOTEES	1

TABLE B

(List of Allottees applicable in case of allotment of shares/debentures payable in cash)

NAME & OCCUPATION OF ALLOTTEE	ADDRESS OF ALLOTTEE	NATIONALITY OF ALLOTTEE	NO. OF DEBENTURES ALLOTTED	TOTAL AMOUNT PAID (including premium in rupees)	TOTAL AMOUNT TO BE PAID ON CALLS (including premium outstanding)
1	2	3	4	5	6
ICICI Prudential Real Estate AIF I an Alternative investment fund managed by ICICI Prudential Asset Management Company Limited	12 th Floor, Narain Manzil, 23, Barakhamba Road, New Delhi - 110 001	Indian	85,00,000	Rs. 85,00,00,000 /-	NIL
Total			85,00,000	Rs. 85,00,00,000	

For M/S ORCHIDS APARTMENTS PRIVATE LIMITED

Suresh Kumar A
Authorised Signatory



CIN:U45201KA1981PTC004086

TERM SHEET

This term sheet summarizes the proposed principal terms to be incorporated into Definitive Agreements, with respect to an investment in Orchids Apartments Private Limited ("Developer"), by ICICI Prudential Real Estate AIF - I ("Investor") or any other Funds/ Investment Portfolios managed by ICICI Prudential Asset Management Company Limited ("Investment Manager").

The intent of this document is to summarize the key terms of the proposed agreement between the Investor, the Developer, Mr. B.M. Jayeshankar and Mr B.M. Kanunesh ("Promoters") in relation to a proposed investment by the Investor in an upcoming residential project in Kodalim, Bangalore.

Exclusivity: By signing this Term Sheet, Developer and the Promoters undertake that they shall not, nor shall any of their relatives, agents and representatives initiate or participate in any discussion or negotiations with any person other than Investor relating to the Project until the sooner to occurrence of (i) the signing of the Definitive Agreements (as defined hereafter) or (ii) mutual termination of this Term Sheet or (iii) the expiry of 60 (sixty days) days from the date of execution of this Term Sheet.

Corporate and regulatory approvals: This indicative commitment of Investor is subject to approval of the Investors' Investment Committee. The proposed investment is also subject to completion of (i) technical due diligence on the Project and it's underlying land (ii) legal diligence of the Developer and (iii) financial diligence of the Developer, to the Investor's satisfaction. The terms and conditions contained in this Term Sheet are indicative and imply the commercial understanding between the Investor, the Borrower and the Promoters, which may be subjected to suitable adjustments / revisions / changes during the execution of definitive agreements, as may be required under the guidelines/provisions of Real Estate Regulations Act ("RERA") notified by Govt. of Karnataka.

Confidentiality: The terms and conditions described in this Term Sheet, including its existence, shall be confidential information and shall not be disclosed to any third party except to each party's advisors, counsel, Portfolio Manager's potential clients / investors and distributors. Provided however that if any of the Parties is required by law to disclose information regarding this Term Sheet or to file this Term Sheet with any regulatory body, it shall, at a reasonable time after making any such disclosure or filing, inform other Parties.

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Objective	<p>The Developer plans to develop a residential project ("Project") on a ~85 acre land parcel ("Project Land") located in Kodathi, Bengaluru, in 2 phases as under:</p> <ul style="list-style-type: none"> • Phase I ("Phase I Project") of 39.45 acres comprising of <ul style="list-style-type: none"> ▪ 23.63 acres fully acquired ("Phase I Acquired") ▪ 10.83 acres to be acquired ("Phase I To Be Acquired") • Phase II ("Phase II Project") of 25.55 acres of land which is yet to be acquired <p>The Developer has approached the Investor for raising finance on the Project. The Investor has in principle agreed to consider investing an amount of up to Rs. 150 Cr in the Developer for the acquisition of Phase I To Be Acquired land:</p> <ol style="list-style-type: none"> a) Up to Rs. 85 Cr for general corporate purposes b) Up to Rs. 65 Cr for financing acquisition of Phase I To Be Acquired Plot <p>Note: Another tranche to be provided for financing acquisition of Phase II Project plot, quantum to be decided at a later stage.</p>
Promoters	<p>For the purpose of this Term Sheet, the following shall be individually / collectively be referred to as Promoters:</p> <ol style="list-style-type: none"> a) Mr. B. M. Jayashankar b) Mr. B. M. Karunesh
Borrower / Developer	<p>Ochide Apartments Private Limited</p> <p>In case plots in Phase II are acquired in other SPVs ("SPV-Phase II"), they would be included in the definition of Borrower for the Investment, if Phase II acquisition is funded by the Investor.</p>
Investment Amount	<p>The Investor has agreed in principle to invest up to Rs. 150 Cr in the Borrower.</p>
Use of Proceeds	<ul style="list-style-type: none"> • Tranche 1 <ul style="list-style-type: none"> ▪ Up to Rs. 85 Cr. ("Investment Date") for general corporate purposes ▪ Up to Rs. 65 Cr. for financing acquisition of Phase I To Be Acquired Plot • Tranche 2 <ul style="list-style-type: none"> ▪ For financing acquisition of Phase II Project Plot, quantum to be decided at a later stage (Before disbursement, additional security to be provided to maintain a minimum LTV ratio of 50% of the Investment Amount) <p><i>Note 1: Tranche 1 and 2 may be invested in sub tranches as required</i></p> <p><i>Note 2: From every disbursement tranche, Debt Service Reserve of an amount equivalent to 1 quarter's interest shall be kept as a term deposit with the Investor's Lien on the same</i></p>
Investment Structure	<p>The Investment shall be made by way of mutually agreed securities (such as secured non-convertible debentures) or any other preferred securities or any combination of securities as advised by Investor's financial advisors, subject to the terms and conditions of this Term Sheet, Due Diligence and Definitive Agreements to be entered into amongst the Parties.</p>
Financial Terms	<p>Financial Terms of the Investment shall be as follows:</p>

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[Handwritten signatures]

	<ul style="list-style-type: none"> • Investment Amount: Up to Rs. 150 Cr • Tenor: 36 months from first investment tranche • Interest /Coupon: Investment shall carry coupon of 10.25% per annum, payable quarterly <ul style="list-style-type: none"> ▪ First interest payment to be paid on December 31, 2018 (i.e. for the period from date of Investment till December 31, 2018) ▪ Thereafter, interest shall be payable at the end of every calendar quarter ▪ At the end of the 33rd and 36th month, proportionate interest shall be paid along with repayment of Principal and Premium (as described later) • Premium : The debentures shall carry a premium equal to 7.85% simple interest payable per annum to be paid in 2 tranches at the time of principal repayment for the period from the Investment Date till complete repayment of principal <ul style="list-style-type: none"> ▪ In case of pre-repayment of part/full Principal ahead of schedule, proportionate Premium shall be accrued and paid along with such repayment • Penal Interest Charges: Penal interest at 2.0% per annum compounded quarterly (i.e. in addition to the existing interest coupon of 10.25% payable per annum) shall be levied on delayed payments. • Principal Payment: <ul style="list-style-type: none"> ▪ Bullet repayments in 2 equal installments as under: <ul style="list-style-type: none"> ○ 50% of outstanding Principal at the end of 33rd month ○ 100% of outstanding Principal at the end of 36th month ▪ Pre-payment Period: The Developer retains the right to pre-pay the Investor, the principal amount due, after expiry of 18 months ("Lock-in Period") from the Investment Date ▪ Pre-payment Notice Period: 2 months ▪ Pre-payment Charges: No prepayment allowed from the date of investment through expiration of the Lock-in period <ul style="list-style-type: none"> ○ After the expiration of Lock-in Period, prepayment shall be allowed with prepayment penalty of 0.5% if paid from other sources than the sale proceeds from the Project (Phase I or Phase II). However no pre-payment charge is payable if the pre-payment is made out of Project receipts/Sale of Property.
Security	<p>Debentures shall be secured by the following:</p> <ul style="list-style-type: none"> • Creation of first charge by equitable mortgage by registering the Memorandum of Deposit of Title Deeds (MODT) <ul style="list-style-type: none"> ▪ Phase I Acquired plot ▪ Phase I To be Acquired Plot ▪ Phase II Project Plot

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	<ul style="list-style-type: none"> • Hypothecation on project receivables from above • Personal guarantee of the Promoters • Post-dated cheques of the Interest Coupon and undated cheques to the extent of 1x the Principal Amount and 1x the Interest Amount • Additional security atleast worth Rs. 70 Cr to be provided before disbursal of Tranche 1 to maintain a minimum loan to value ratio (LTV) of 50% (as per valuation and nature of security to the Investor's satisfaction) <p>Note:</p> <ul style="list-style-type: none"> • Loan to value ratio (LTV) on the investment to be maintained at minimum 50% at all times • Valuation of security to be conducted every 6 months to ensure compliance with the minimum LTV requirement • As and when units are sold in the mortgaged project, the Investor shall cede charge in favour of home loan mortgage lender or the purchaser • It is clarified that the Developer would be allowed to raise construction finance up to Rs. 150 Cr. for Phase I; in which case, the first charge over the project and the receivables would be ceded in favour of such lender of construction finance ("CF Lender") <ul style="list-style-type: none"> • The above shall be subject to approval from the Investor and in case of any CF Lender other than ICICI Bank, an inter creditor agreement would have to be in place between the Investor and such lender, to the satisfaction of the Investor • Cost of creating above mentioned security shall be borne by the Developer and/or the Promoters • As and when required, construction finance for Phase II can be raised (amount of which shall be subject to prior approval from the Investor). The above mentioned arrangement for Phase I will be applicable for the same.
Distribution of sales receipts	<p>It is clarified that the sales receipts from the project shall be used only for</p> <ul style="list-style-type: none"> • Project development expenses, administration expenses and statutory levies on the Project • Payment to the CF Lender including servicing of interest • Payment to the Investor including servicing of interest
Escrow Account	<p>The Borrower shall maintain the following accounts:</p> <ul style="list-style-type: none"> • An account where the Investor shall be a joint signatory in which the Investment Amount shall be invested ("Subscription Agreement"); <p>Once the Project is registered with the RERA Authority, the following additional accounts shall be opened:</p> <ul style="list-style-type: none"> • An account where 100% of the collections / receivables shall be deposited ("Collection Account"); • 70% of all project receipts deposited in the Collection Account shall automatically be transferred to an a/c as per provisions of RERA – Karnataka ("RERA a/c") • 30% of all project receipts deposited in the Collection Account shall automatically

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	<p>be deposited in an escrow a/c where the Investor shall be a joint signatory ("Escrow a/c 1") till such time there is no senior lender</p> <ul style="list-style-type: none"> From Escrow a/c 1 and Subscription a/c, amounts as required shall be transferred to a current account ("Project Operations a/c), after payment of contractual dues to the Investor. The operational expenses for development of the project shall be incurred from the Project Operation a/c In case there is an escrow account that the Borrower is required to maintain for the CF Lender ("Senior Lender Escrow"), the following shall apply: <ul style="list-style-type: none"> (i) All withdrawals from the RERA A/c shall be deposited in the Senior Escrow Account; (ii) 30% of all project receipts deposited in the Collection Account shall automatically be deposited in the Senior Escrow a/c; (iii) After the sweep of the Senior Lender, amounts equivalent to 30% of all collections shall flow to the Escrow A/c 1 and the balance will flow to the Project Operation a/c; (iv) From Escrow a/c 1, amounts shall be transferred to the Project Operations a/c, after payment of contractual dues to the Investor. The operational expenses for development of the project shall be incurred from the Project Operation a/c Such accounts are to be opened in ICICI Bank, and shall be continued to be used in case ICICI Bank is the CF Lender In case construction finance is raised from CF Lender, escrow account mechanism and escrow bank/s shall be decided on the basis of mutual agreement between the Investor and the CF Lender, which shall be captured in the inter creditor agreement The Borrower shall pay towards Coupon, Premium and Principal repayment to the Investor from the escrow a/c 1 and/or Subscription a/c. Upon any default by the Borrower, the Investor has a right to give instructions to the Escrow Bank to set aside a fixed percentage (upto 100% or such other maximum percentage as is permissible under RERA and regulations / rules framed thereunder) of all existing and future credits in the Escrow Accounts to be transferred to the designated account of the Investor Any surplus cash in the operating account can be utilized only towards the Project and/or payment to CF Lender or the Investor or by the Borrower for creation of an immovable asset in the borrowing entity.
Execution of Definitive Agreements	Execution of Definitive Documents shall be subject to the prior approval of the Investment Committee of the Investor and satisfactory completion of legal, title, financial, market and technical due diligence by the Investor / its advisors, on underlying Project land and the SPVs.
Conditions Precedent to Disbursal of Funds	<p>The following conditions precedent are to be complied with before disbursal of funds. These are indicative and not exhaustive and would be set out more fully after the due diligence process:</p> <ul style="list-style-type: none"> Condition precedent to Tranche 1 <ul style="list-style-type: none"> Mortgage of Phase I Acquired Plot and hypothecation of receivables from the same Additional security atleast worth Rs. 70 Cr to be provided and mortgage thereon (as per valuation and nature of security to the Investor's satisfaction)

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	<p>to maintain a minimum LTV ratio at 50% of the investment amount</p> <ul style="list-style-type: none"> • Draft sale deed/MOU for plots being acquired to be executed between the Borrower/s and sellers of plots • Amounts will be disbursed in tranches of minimum Rs. 10 Cr in the current account of the Borrower as requested by the Borrower • Release of amounts, as required, shall be subject to registration of sale deed • Opening of Escrow Accounts as required <p>• Condition precedent to Tranche 2</p> <ul style="list-style-type: none"> • Additional security to be provided and mortgage thereon (as per valuation and nature of security to the Investor's satisfaction) to maintain a minimum LTV ratio at 50% of the investment amount • Draft sale deed/MOU for plots being acquired to be executed between the Borrower/s and sellers of plots • Amounts will be disbursed in tranches of minimum Rs. 10 Cr in the current account of the Borrower as requested by the Borrower • Release of amounts, as required, shall be subject to registration of sale deed
Conditions Subsequent to Disbursal of Funds	<p>The following conditions subsequent are required to be complied with after the disbursal of funds within the time limits provided under each condition. These conditions subsequent are indicative and not exhaustive and would be set out in further detail in the Definitive Agreements:</p> <ul style="list-style-type: none"> • Conditions Subsequent <ul style="list-style-type: none"> • Mortgage of Phase I To be Acquired Project and hypothecation of receivables from the same within 15 days of registration of sale deed/release of complete payment, for the respective land parcels • Appointment of a lender's independent engineer ("IE") / project management consultant/ technical consultant ("PMC") within 30 days of RERA registration Date • Appointment of internal auditor within 60 days of RERA registration Date • Mortgage of Phase II Plot acquired from whole or part of Tranche 2 and hypothecation of receivables from the same within 15 days of registration of sale deed/release of complete payment, for the respective land parcels <p>Any other conditions deemed necessary by the Investor as may be detailed in the Definitive Agreements</p>
Covenants	<ul style="list-style-type: none"> • Non disposable undertaking by the Promoters and other shareholders of the Borrower for any sale of / pledge of creation of lien on the shareholdings of the Borrower • No distribution from the mortgaged assets to be used for payment to the Promoters or to be taken out from the project • The minimum sale price of the project shall be Rs 4,500 / Sqft of saleable area for apartments • Other conditions as may be detailed in the Definitive Agreements • Phase I Project to be launched within 24 months of Investment Date • LTV to be maintained at minimum 50% of the Investment Amount outstanding till complete repayment of the Investment Amount
Definitive Agreements	For the fulfillment of the objective, the Parties shall execute / ensure execution of the appropriate documents for investment to the satisfaction of the Investors.
No lien on Investors' Securities	Securities issued to the Investor shall be free from all encumbrances or liens. Further, the Investor will not be required to pledge their holding of securities in the Developer, or provide any guarantee or any other support to any third party,

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	<p>including but not limited to any lenders.</p> <p>The Investor will be entitled to transfer these securities inter-se or to any third parties at any time and on such terms as it may deem fit and without any restriction or refrain and without any consent / prior approval from the Promoters. Such transfer of securities will not be to any direct competitor of Promoters/SPVs other than in case of default by the borrower in which case such restriction shall not apply.</p>
Management of the Borrower	<p>The Parties agree that management of the Developer shall be only in the manner provided hereunder and detailed in the Definitive Agreement.</p> <p>The management of the Developer shall be through the Board of Directors of the Developer.</p> <p>Investor shall have the right to appoint one Director ("Investor Director") in the Developer subject to the approval of the existing Investor.</p>
Procedure for Board Meetings	<p>The Investor Director, if appointed, shall always be part of the Board meeting. Quorum cannot be considered in absence of Investor Director (or his authorized representative) in such case.</p> <p>Subject to applicable laws, resolutions may be passed by circulation provided that the director nominated by investor has voted in favour of the resolution.</p> <p>In the event the Investor Director or his authorized representative is not present, the meeting may be adjourned to next week, same day and place. At such adjourned meeting, if up to 2 Hours from the time of the meeting, the Investor Director or his authorized representative is not present, the directors present would validly constitute quorum for the meeting.</p> <p>In the event the Investor has not nominated its representative on the board of the Borrower, the Investor may appoint an observer to attend the Board Meeting.</p> <p>Irrespective of the above, for any affirmative vote item(s), prior written consent of the Investor would be required before transacting or approving affirmative vote items at the board meeting of the Borrower.</p>
Project Review Meetings	<p>The Borrower will be required to hold a project review meeting once every two months in which all project related details like sales price achieved; construction status, etc. shall be discussed.</p>
Prior approval from the Investor	<p>The Borrower and the Promoters will need a prior written approval of the Investor regarding certain key matters of the Borrower which shall be detailed in the Definitive Agreement. Some of the key matters are outlined below. The following are indicative and not exhaustive and would be set out more fully in the Definitive Agreements.</p> <p><u>In relation to the Borrower:</u></p> <ul style="list-style-type: none"> • Issue any fresh equity (including preference shares, ESOP, convertible debentures, warrants or any other quasi equity instrument), to any person • Disposal of shares • Borrow funds in any form or issue guarantees • Make any investments by way of deposits (other than in the ordinary course of business for a sum less than Rs. 25 lakhs per transaction and Rs 1 Cr cumulatively), loans or subscription to shares and debentures in relation to the Project (excluding temporary deposits with the banks, investment in temporary liquid mutual funds in the ordinary course of business, for reinvestment of the same in the Project at the earliest requirement) other than those specifically agreed in the Definitive Agreement

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	<ul style="list-style-type: none"> • Change the capital structure of the Borrower • Change the accounting year and change in accounting policies / standards; • Merge, de-merge or acquire with or into any corporation or enter into joint ventures • Liquidate or dissolve the Borrower (including under petition for voluntary winding up, reorganization proceeding under section 391 to 394 of the Companies Act) • Amend the Memorandum and Articles of Association; • Sale of units of the Projects to related parties or Affiliates • Sale of units of the Project at a selling price lower than Rs 4,500 per Sqft of saleable area • Enter into transactions with Affiliates ("Affiliates" defined as any entity where the Promoters or any of their family members directly or indirectly have a control) in relation to the Project • Enter into transactions with Affiliates ("Affiliates" defined as any entity where the Promoters or any of their family members directly or indirectly have a control) other than in relation to the Project, except in the ordinary course of business and/or at arm's length • Sale assets in the Project, other than in the ordinary course of business relating to sale of units in the Project; • Change/appoint new statutory/internal auditor • Any change in the nature and/or the scope of the business and activities of the Borrower and/or commencement of any new line of business • The listing of any equity/instrument of the Borrower in any capital markets and the decision to undertake an IPO, however this clause does not apply to the amendments/modifications/changes/cancellation of already existing securities • Any filing with RERA towards registration of the Project and any amendments thereof. Investor approval shall be deemed to have been received if the investor has not objected to or sought any clarification within 7 days from receipt of communication from Borrower.
Event of Default	<p>Event of Defaults and its remedies shall be discussed and provided in the Definitive Agreement. Events of Default shall include (but not limited to) –</p> <ul style="list-style-type: none"> • Breach by the Borrower and/or the Promoters of any covenant, representation, warranties or undertaking provided in the Definitive Agreements or trigger of any other Event of Default detailed in the Definitive Agreement • Failure to complete Conditions Subsequent • Stoppage of work on the Project due to any reason and if such work does not resume to normalcy within 6 months of such stoppage • Borrower's and/or Promoters' failure to develop the Project as per the development milestones highlighted in the business plan mutually agreed by the Parties • Borrower's and/or Promoters' failure to pay interest on Investment on timelines agreed • Borrower's and/or Promoters' failure to repay principal on agreed principal repayment dates • Borrower's and/or Promoters' failure to pay Premium as discussed earlier • Borrower's and/or Promoter's failure to obtain any necessary approvals to commence construction for Phase I Project and Phase II (if Phase II land acquisition is funded by Investors) • Any defect in title of the Project land/s • Borrower's and/or Promoters' default with any other lender (including the CF lender) <p>▪ The cure period for certain curable Events of Default shall be provided in the</p>

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Handwritten signatures and initials at the bottom of the page, including a large 'gr' and several stylized signatures.

	Definitive Agreement
Consequences of Event of Default	<p>On the occurrence of an Event of Default (beyond Cure Period), the Investors shall have a right to claim returns of an IRR of 20% p.a ("Default IRR") and may trigger any of the following recourse available to them:</p> <ul style="list-style-type: none"> • The Investor shall have an option to cause the Promoters to purchase the Investors' securities in the Borrower at such price that would enable the Investor to achieve the Default IRR • The Investor shall have a right to cause the Promoters to repay the Investment Amount with such Premium that enables the Investor to achieve the Default IRR • The Investor shall have the right to enforce the securities created • The Investor shall have the right to accelerate the repayment when the entire subscription amount shall become due and payable by the Company with the default IRR
Information rights	<p>The Promoters/ SPVs shall provide the following information as may be required by the Investor, it being understood that the full information requirements shall be as set out in the Definitive Agreements:</p> <ol style="list-style-type: none"> a) Audited annual financial statements with 180 days of the conclusion of each fiscal year; b) Unaudited annual financial statements with 45 days of the conclusion of each fiscal year; c) Quarterly financial reports (certified by the Internal Auditor) within 30 days of the conclusion of each quarter; d) Unaudited monthly financial reports specified by the Investor within 7 working days of such request e) Monthly sales and collection reports within 10 working days of end of each month f) Detailed monthly cash flows and collection data of Phase I or Phase II Project. g) Proposed annual business plan for the fiscal year to be approved by the Investor in writing within 60 days of conclusion of each fiscal year h) Material (major) contracts executed by the Borrower in relation to the Project i) Construction schedule and construction performance report on a monthly basis within 7 days of conclusion of each month (certified by the LIE/PMC) j) Copies of any reports submitted for the purposes of regulatory compliance and of notices received or reports or notices submitted to any governmental agency, except in relation to the other project being undertaken in Chikkannelli by the Borrower, within 2 working days of submission k) Details of any litigation (including any winding-up proceedings or notices under any enactment or regulation), proceedings or material dispute, which the Borrower and/or the Promoters are party/ies to, that impedes or which is likely to adversely affect its business or assets or otherwise within 7 working days of becoming aware of any such litigation or potential litigation, etc l) Such other financial and accounting reports and information as the Investor may reasonably request on a timely basis (such as monthly cash flows, sales reports, cost reports etc) m) Statutory registers and minutes of proceedings of all meetings within 7 days of such meeting n) Copy of all Notices received from any other financial institution including ICICI Bank alleging any breach by the borrower in respect of any financial facilities availed, o) Any filing with RERA with respect to the Project

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Legal and regulatory compliance	The operations and the activities of the Borrower will be carried on in compliance with all applicable laws, regulations and guidelines in India.
Transaction costs	<p>The Borrower and/or the Promoters shall bear all transaction related costs, irrespective of whether or not the transaction contemplated in this Term Sheet materializes. Such costs include:</p> <ul style="list-style-type: none"> • Stamp duty payable on all transaction documents • Cost of creating the Security • Professional fee payable to advisors for financial, legal and title due diligence • Legal fee payable to Law firm engaged by the Investor for transaction documentation • Valuation fees, if any • Fees payable to the debenture trustee • Advisory fee for capital structuring, if any • Any other reasonable transaction related expense incurred by the Investor.
Auditors	<p><i>Statutory Auditor</i> The SPVs shall appoint any of the Big Four auditing firm/ other auditing firm acceptable to the Investor, for conducting its statutory audit.</p> <p><i>Internal Auditor</i> The SPVs may appoint any of the Big Four / other firm acceptable to the Investor, for conducting its internal audit subject to the Investor's approval for the same.</p> <p><i>Special Auditor</i> The Investor, under special circumstances as deemed fit by the Investor, will have a right to appoint a Special Auditor, who will undertake a specific audit, at the discretion of Investor. The cost of such audit shall be paid by the project and will be recovered from the Borrower. Further, it may be noted that such auditors shall have access to all the records and books of accounts maintained by the Borrower.</p>
Representations & Warranties	The Promoters shall give representations and warranties, as more properly defined in the Definitive Agreements.
Governing law	This Term Sheet and Definitive Agreements shall be governed by the laws of India.
Dispute Resolution	<p>Any disputes and differences whatsoever which could not be settled by Parties through negotiations, after the period of thirty (30) days from the service of a "Notice of Dispute", will be finally settled by arbitration in accordance with the Indian Arbitration and Conciliation Act, 1996.</p> <p>Investor and Borrower shall mutually nominate an arbitrator.</p> <p>The venue of the arbitration shall be Bangalore, India.</p> <p>The language of arbitration shall be English.</p>
Termination	The Term Sheet shall automatically terminate upon (i) the signing of the Definitive Agreements or (ii) mutual termination of this term sheet or (iii) the expiry of 60 (sixty) days from the date of execution of this Term Sheet.

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Indemnification	Each Party will indemnify, and hold harmless the other Parties from and against any material claim, liability, demand, loss, damage, judgment or other obligation or right of action which may arise as a result of Breach of this Term Sheet by such Party.
Binding Obligations	<p>In consideration of the Investor agreeing to evaluate the proposed transaction including undertaking a due diligence on the Project, the provisions relating to exclusivity, confidentiality and indemnity shall be binding. Except for the provisions in relation to exclusivity, confidentiality and indemnity, this Term Sheet shall be non-binding on the Parties.</p> <p>The rights and obligations of each Party with respect to the Objective shall be more fully set out in the Definitive Agreements, which shall supersede all prior agreements and understandings between the Parties. The Parties shall endeavour to incorporate the terms of this term sheet in the Definitive Agreements.</p>
Survival	The provision pertaining to Confidentiality and Indemnity shall survive the termination of this Term Sheet.

Signed for and on behalf of
Orchids Apartments Private Limited



Name:
Designation

Signed by Promoters

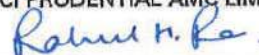


Name: Mr B.M. Jayeshanker



Name: Mr B. M. Karunesh

Signed for and on behalf of
ICICI PRUDENTIAL AMC LIMITED, in its capacity as Investment Manager



Name: RAHUL RAI
Designation:

Name:
Designation:

Place: Mumbai
Date:



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