

August 3, 2017

From
Rajendra Kumar Jain
Tejraj Gulecha

To
Manyata Infrastructure Developments Private Limited
Reddy Veeranna
Tejraj Gulecha
Ratan Lath

Dear Sir,

TERM SHEET

This non - binding, indicative term-sheet ("Term Sheet") sets forth the principal terms and conditions of the proposed loan / credit facility being extended by Mr. Rajendra Kumar Jain & Mr. Tejraj Gulecha to Manyata Infrastructure Developments Private Limited (MIDPL), Private company undertaking real estate land acquisition and development project in Bangalore ("Proposed Transaction"). The Issuer, promoters and subscriber are hereinafter individually referred to as "party" and collectively as "parties".

With reference to the ongoing discussion on funding requirement of your projects, the broad terms and conditions are as given below:

Group	Manyata Group
Promoters	<ul style="list-style-type: none">• Promoter 1: Reddy Veeranna• Promoter 2: Tejraj Gulecha• Promoter 3: Mr. Ratan Lath
Issuer	<ul style="list-style-type: none">• Manyata Infrastructure Developments Private Limited (MIDPL)
Confirming Party	<ul style="list-style-type: none">• Mantri Technology Constellation Private Limited (MTCPL) & Manyata Realty confirmation parties for Escrow Agreement.
Shareholding Structure/ Partnership Interest	Detailed out in Annexure I.
Subscriber	Mr. Rajendra Kumar Jain – Rs. 55 Crs Mr. Tejraj Gulecha – Rs. 25 Crs.
Instrument	NCDs
Facility Amount	Total loan amount of Rs 80.0 Cr (Rupees Eighty Crore Only) in 2 Tranches: <ul style="list-style-type: none">• Tranche 1: Amount of Rs 72.0 Cr (Rupees Seventy Two Only) to be disbursed after the completion & satisfaction of the specified conditions precedent to the disbursement of Tranche - 1.• Tranche 2: Amount of Rs 8.0 Cr (Rupees Eight Crores Only) to be disbursed the completion & satisfaction of the conditions if the specified conditions precedent to the disbursement of Tranche - 2.
Interest Rate	17.00 % p.a compounded quarterly Interest to accrue at the above rate from the date of disbursement. The Interest shall be due for payment at the end of every 6 months ending on 30 th September & 31 st March of every year till the closure of the loan within a period of 5 days from the end of every six months. Further if there is default in payment of interest as stipulated above additional interest of 5% p.a (i.e., 17% + 5% = 22% p.a) on due amount shall be payable for the period of delay

For Manyata Infrastructure Developments Pvt. Ltd.

Tejraj Gulecha
Director


1

2.0 -


Rajendra Kumar Jain

	from the due date to the date of actual payment of interest.
Arranger Fees	<ul style="list-style-type: none"> 1.50 % of the loan amount shall be payable. 120 lacs plus applicable GST. The arranger fees shall be deducted and appropriated from the Tranche 1 loan amount.
Tenure	Up to 5 years (20 quarters) from the date of first disbursement
Purpose	<ul style="list-style-type: none"> Rs 80.0 Cr towards purchase of ~14 acre land parcels including stamp duty and other expenses
Disbursement	<p>Tranche 1: Rs 72.0 Cr</p> <ul style="list-style-type: none"> Rs 72.0 Cr: Towards purchase of land parcels forming part of the ~9 acre land parcels to be acquired (Balance funding for land purchase to be brought by Promoters) <p>Tranche 2: Rs 8.0 Cr</p> <ul style="list-style-type: none"> Rs 8.0 Cr: Towards purchase of balance land parcels forming part of the ~5 acre land parcels to be acquired (Balance funding for land purchase to be brought by Promoters) <p>All the Precedent & Subsequent conditions for the above Tranches as stipulated to be complied with.</p>
Projects	<ul style="list-style-type: none"> Project 1: "SUN 2" A ~29 acre land parcel located close to Manyata Tech Park, near Hebbal in North Bangalore. The land is under a revenue share JDA and will be developed in future for mixed use with Issuer share being 39.0%. <ul style="list-style-type: none"> 100% of Issuer in Project 1 is hypothecated to Edelweiss group. Project 2: ~14 acre Land Parcels spread in patches but overall contiguous to Sun 2 land parcel making Sun 2 overall a 90 acre contiguous land parcel along with Manyata Realty. 100% of Issuer share will be mortgaged and hypothecated to the Lender. JD to be executed with Confirming Party and Issuer within 6 months of 1st disbursement.
Security/ Rights	<ul style="list-style-type: none"> Exclusive mortgage over Project 2 Land. (~9 acres + 5 acres = Total ~14 Acres of land proposed to be acquired out of the loan disbursed under this arrangement) Exclusive charge on 100% Issuer share in Project 2. Additional security by hypothecation of 40.60% of promoter 2 & 3 share in Project-1 after necessary execution of rectification deed with Edelweiss within 3 months of disbursement of Tranche 1. Personal Guarantee by Mr. Ratan Lath, Mr. Tejraj Gulecha and Mr. Reddy Veeranna Pledge of Equity shares of Promoter 2 & 3 in Issuer. Demand Promissory Notes & PDC's for Interest & Loan amount. Right to step in and / or sell the stock at discounted price for Issuer share at such events morefully described in the Loan Agreement. Guarantee by Manyata Realty for the repayment of the NCD with interest due. Additional charge on all unencumbered portion of land held by Manyata Realty in SUN 2 & SUN 5 & 6 Additional charge on proposed land acquisition of ~3 acre Land Parcel by Manyata Realty forming part of project SUN 2
Repayment	<p>Loan repayment to be as follows:</p> <p>Upto 24 Months - Nil</p> <p>Between 24 to 36 months – 24 Crores</p> <p>Between 36 to 48 months – 24 Crores</p>

For Manyata Infrastructure Developments Pvt. Ltd.

 **Director**

2

 R.D.



	Between 48 to 60 Months – 32 Crores
Additional Default Interest	<ul style="list-style-type: none"> If there is default in the repayment of the minimum loan amount additional interest of 5% p.a. compounded quarterly (e.i., 17% + 5% = 22% p.a) shall be applicable from the due date to the date of actual repayment on due amount. The charge of additional interest is without prejudice to the consequence of the default event.
Prepayment Charges	<ul style="list-style-type: none"> If any part of the loan is repaid within a period of 2 years from the date of disbursal then interest on the amount repaid from the date of repayment to the end of second year shall be payable as prepayment Charges. If any part of the loan is repaid in excess of the agreed repayment schedule will attract prepayment charges of 2% of the prepaid amount.
Default Event	<ul style="list-style-type: none"> The Issuer shall be deemed to have defaulted under this agreement under the following circumstances: <ul style="list-style-type: none"> a) In case the Issuer fails to pay the interest or the Loan amount by the stipulated due date and such delay is more than two (2) months. b) Non compliance of any of the Subsequent Conditions (CS) stipulated hereinafter. Once the Issuer have defaulted then <ul style="list-style-type: none"> a) The entire loan along with accumulated interest shall become immediately due for repayment. b) The lender shall be entitled to sell the mortgaged share of land, interest in project thereon and other security provided under this agreement. c) The lender shall be entitled to enforce the personal guarantee of Mr. Ratan Lath, Mr. Tejraj Gulecha and Mr. Reddy Veeranna for the recovery of the amount due. d) The lender shall be entitled to acquire the mortgage property under this agreement at a price of Rs. 15 Crores per acre of undeveloped land or at a price of Rs. 3,000/- per sq ft of the developed super built up area which shall be adjusted against the entire outstanding loan & Interest.
Escrow Mechanism & Sweep Ratio	<ul style="list-style-type: none"> A no lien non-interest bearing bank account will be opened wherein all the sale proceeds and all amounts received including security deposit receivable under Joint Development agreement with respect to the Project shall be deposited ("Escrow Account"). A tri-party agreement with Issuer and Confirming Party confirming the same to be executed. Escrow arrangement with Manyata Realty to secure the repayment of loan and interest under this arrangement from cash flow generated by its share of project SUN-2 & SUN 5&6 Detailed escrow mechanism under DA, to be followed by the Parties 100.0% of issuer share's in Project 2. Lender to have the right to modify the sweep ratio based on its discretion. The subscriber shall be entitled to appropriate the cash flows from the Escrow account for the recovery of any interest & NCD due for payment. Further the lender shall also be entitled to recover the balance NCD due ahead of the repayment of the schedule.

For Manyata Infrastructure Developments Pvt. Ltd. ;

T. S. S. S. S. S.

Director

R. D. -

Raj. diaknu

**Conditions
Precedent(CP) and
Subsequent (CS)**

CP for Tranche 1: 72 Crs

- Clear and marketable title over Project 2 land to the extent of ~9 Acres.
- Tri Party agreement with issuer and confirming party confirming the escrow arrangement, Project 2 Business Plan and Project 3 JDA execution.
- Satisfactory completion of legal, and technical due diligence
- Creation of Personal Guarantee of Mr. Ratan Lath, Mr. Tejraj Gulecha and Mr. Reddy Veeranna.
- Creation of Pledge of Equity shares of Mr. Tejraj Gulecha and Mr. Ratan Lath as stipulated in the Security.
- Creation of security for Loan granted by DMSPL to Manyata Developers Private Limited & Reddy Veeranna in Project 1& 2 to the extent of Reddy Veeranna's share
- Creation of securities as will be defined in the DA
- Valuation report by a third party valuer
- Execution of necessary transaction documents
- Any other condition as may be stipulated in the DA

CP for Tranche 2: 8 Crs

- Creation of mortgage over ~9 acre land parcels
- Perfection of all the securities

CS for Tranche 1: 72 Crs

- Revised development plan approval for Project 2 to be obtained within 210 days from the date of 1st disbursement
- All approvals for Project 2 to be obtained within 15 months and project to be completed within 60 months from the date of 1st disbursement
- Creation of mortgage over ~9 acre of land parcels in Project 3 within 30 days of first disbursement
- CA certificate certifying end use for the amounts disbursed in Tranche 1
- Undated/Post-dated cheques for the Facility Amount and Interest amounts to be provided by the Issuer.
- Other standard CS to be defined in DA
- Conversion of land use from agricultural to residential for respective land parcels aggregating to ~5 acre
- Creation of mortgage over ~14 acre land parcels within 60 days from date of final disbursement
- Perfection of securities within 90 days from date of disbursement
- Other standard CS to be defined in DA

For Manyata Infrastructure Developments Pvt. Ltd.


Tejraj Gulecha
Director

R.D.



1. Manyata Infrastructure Developments Private Limited

Name of Shareholder	(%) Shareholding
Reddy Veeranna	59.40%
Tejraj Gulecha	27.90%
Ratan Lath	12.70%


Annexure II: Land parcels for which mortgage creation within 30 days of Tranche 1 disbursement

Survey No.	Acre	Guntas	Acreage	Documents at present	Owner	Proposed Title/Ownership documents	Conversion
55/2*	-	5	0.13	Sale Agreement		Absolute Sale Deed	Converted
78/7*	-	7	0.18	GPA, Sale Agreement		Absolute Sale Deed	Converted
78/9*	-	4	0.10	GPA, Sale Agreement		Absolute Sale Deed	Converted
66/2	-	29	0.73	MOU		Absolute Sale Deed	Converted
55/1	-	13	0.33	MOU, GPA		Joint Development	Converted
55/1	-	12	0.30	MOU, GPA		Joint Development	Converted
54/2	-	30	0.75	MOU, GPA		Joint Development	Converted
8/1B	-	15	0.38	Absolute Sale Deed	MIDPL	Absolute Sale Deed	Converted
10	-	3	0.08	Absolute Sale Deed	MIDPL	Absolute Sale Deed	Converted
12/2A	2	20	2.50	GPA, Sale Agreement		Absolute Sale Deed	Converted
12/2A		26	0.65	MOU for JD, GPA & Sale Agreement		Converting JD rights to Absolute Sale Deed	Converted
12/2B	-	2	0.05	GPA, Sale Agreement		Absolute Sale Deed	Converted
12/1		26.35	0.66	GPA, Sale Agreement		Absolute Sale Deed	Converted
12/1		25	0.63	GPA, Sale Agreement			
5	1	24	1.60	Joint Development Agreement	MIDPL	Converting JD rights to Absolute Sale Deed	Converted
Total			9.03375				

Annexure III: Land parcels for which conversion pending

Survey No.	Acre	Guntas	Acreage			Title/Ownership documents	Conversion
50/6	-	18	0.45			Absolute Sale Deed	Agricultural
50/7	-	9	0.23			Absolute Sale Deed	Agricultural
50/8	-	19	0.48	GPA & sale Agreement		Absolute Sale Deed	Agricultural
55/3	-	7	0.18			Absolute Sale Deed	Applied for
56/2	-	16	0.40			Absolute Sale Deed	Applied for
66/1	-	13.25	0.33125			Absolute Sale Deed	Agricultural
55/4	1	0	1.00			Joint Development	Applied for
Total			3.05625				

For Manyata Infrastructure Developments Pvt. Ltd.

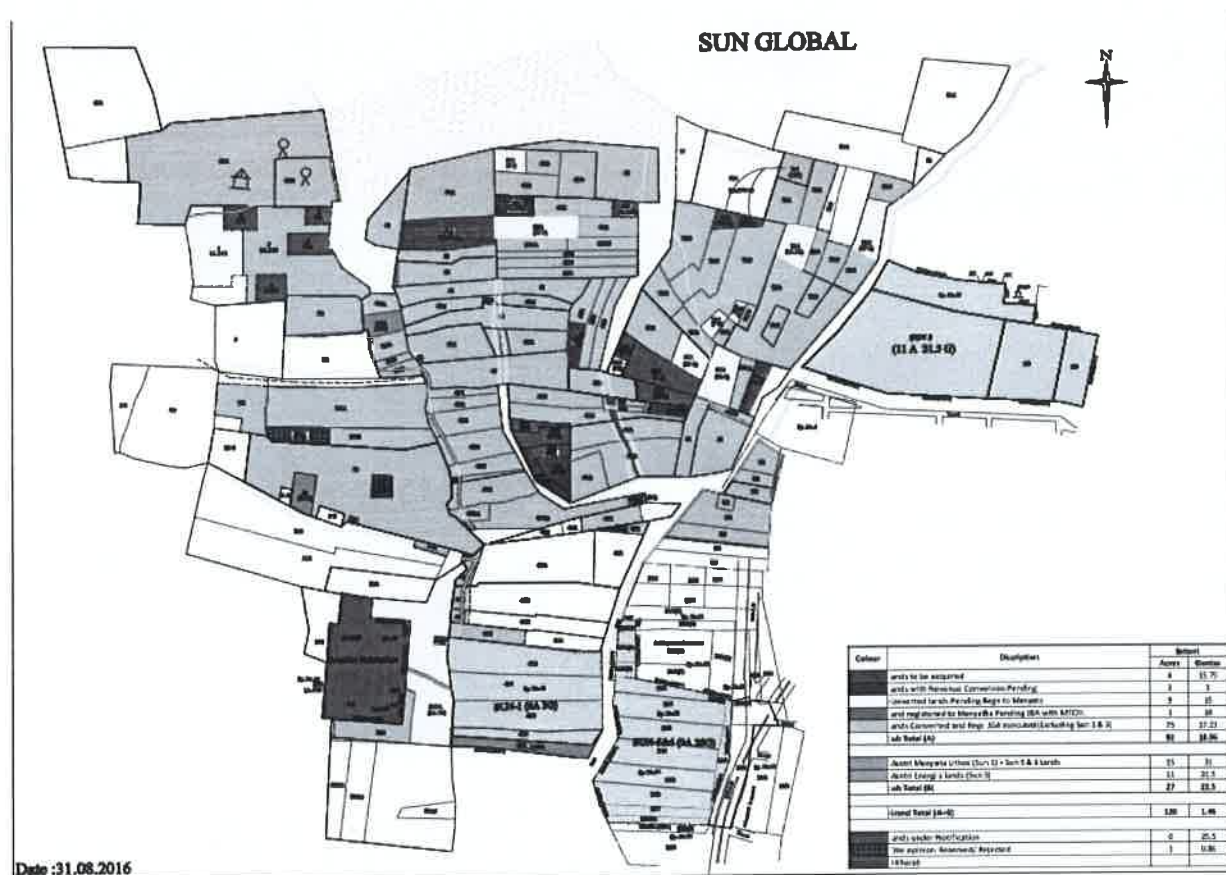

Tejraj Gulecha
Director


Ratan Lath

Annexure IV: Land parcels for which regularization of revenue records pending

Survey No.	Acre	Guntas	Acreage			Title/Ownership documents	Conversion
5		7	0.175	Sale Deed, pending registration		Absolute Sale Deed	Agricultural
5		16	0.4	GPA and Agreement to sale		Absolute Sale Deed	Agricultural
5		8	0.2	GPA and Agreement to sale		Absolute Sale Deed	Agricultural
57/1		12	0.30	GPA and Agreement to sale		Absolute Sale Deed	Agricultural
64/2	1	8	1.20	GPA and Agreement to sale		Absolute Sale Deed	Agricultural
Total			2.275				

Annexure IV: Global Master Plan of SUN parcels



For Manyata Infrastructure Developments Pvt. Ltd. }

T. Rajiv Kumar
Director

R.D.

Rajiv Kumar