

9th December, 2019

To,
Siddha Town Baruipur LLP
6th Floor 99A,
Siddha Park,
Kolkata, West Bengal,
700016

Kind Attn: Mr. Sanjay Jain

Re: Term Loan Facility - INR 30 Crores (Rupees Thirty Crores Only)

Dear Sir,

This has reference to our discussions regarding sanctioning of a term loan facility of INR 30 crores.

In this context we are pleased to attach herewith our final offer for the term loan facility of INR 30 crores, as per Term Sheet enclosed.

As a token of your acceptance please sign the second copy and return the same.

Kindly note that the disbursement of the term loan facility would be subject to signing of definitive documentation. Pursuant to execution of the definitive documentation for the transaction, if there is a conflict between the terms contained in this Term Sheet and the definitive documentation, the later shall prevail.

For JM Financial Credit Solutions Limited

A



Shashwat Belapurkar

Chief Executive Officer



Accepted:

Siddha Town Baruipur LLP
For Siddha Town Baruipur LL.

SJL



Partner / Authorized Signatory

Authorized Signatory

JM Financial Credit Solutions Limited

Corporate Identity Number : U74140MH1980PLC022644

Regd. Office: 7th Floor, Energy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

T: +91 22 6630 3030 www.jmfinancialcreditsolutions.in

Term Sheet

1.	Borrower	Siddha Town Baruipur LLP
2.	Promoter Group	Siddha Group
3.	Promoters	Mr. Chandraprakash Jain Mr. Sanjay Jain
4.	Facility Type	Secured Term Loan Facility
5.	Facility	Rs. 30 crores
6.	Purpose of the Facility	For construction funding on Project Siddha Town Baruipur located in Baruipur Kolkata
7.	Lender(s)	JM Financial Credit Solutions Limited
8.	Signing Date	The date on which the documentation for the Facility (the "Facility Document") is signed between the Borrower and the Lender(s) and any other person that is required to sign.
9.	Transaction Documents	The Facility Agreement, agreements to create security, other financing documents as contemplated in this Term Sheet and/or as required by the Lender(s).
10.	Drawdown	Drawdown is subject to Conditions Precedent being satisfied.
11.	Disbursement Mechanism	Disbursement shall be made in multiple tranches.
12.	Final Maturity	48 months from the date of first Drawdown of Term Loan
13.	Repayment	The repayment shall be made in 18 equal monthly installments starting from the end of the 31 st month from date of first Drawdown of Term Loan and ending on the 48 th month from the date of first Drawdown of Term Loan. There shall be a principal moratorium of 30 months from the date of first Drawdown of Term Loan.
14.	Interest Periods	1 month All interest payments to be made in arrears at the end of each Interest Period ("Interest Payment Date") and calculated on the basis of the actual number of days elapsed in a year of 365 days. No Interest Periods may overrun the Final Maturity.
15.	Floating Coupon	17.0% p.a.
16.	Interest Frequency	Monthly
17.	Interest Reset	Benchmark plus Applicable Margin. Reset will happen at the end of 3 months from the date of first disbursement.
18.	Benchmark	HDFC Bank MCLR (Current Base Rate is 8.05%)
19.	Applicable Margin	895 basis points
20.	Processing Fee	1.0% of the Facility Amount The entire processing fee is payable on or before the first Drawdown date under the Facility. It shall be non-refundable and not be adjustable against any dues under the Facility. The fees shall be exclusive of service tax and net of all taxes & duties that may be payable on the amount.
21.	Default Interest Rate	In case of a payment default, from the date of default till the date of actual payment of such sums by the Borrower /Guarantor /Obligor(s), 8% p.a. over the Floating Coupon Rate. In case of a non-payment default (including non-maintenance of security cover), from the date of default till the time default is cured, 5% p.a. over the Floating Coupon Rate.
22.	Security	<ul style="list-style-type: none"> Extension of charge by way of registered mortgage over land of approximately 4.7 acres and of approximately 2.6 acres along with an unsold saleable area of approximately 4,16,491 sq. ft. located in Baruipur, Kolkata in the Project Siddha Suburbia (Phase 1).



		<ul style="list-style-type: none"> • First and exclusive charge by way of registered mortgage over land parcel admeasuring approximately 1.571 acres located in Baruipur, Kolkata in the Project Siddha Suburbia (Phase 2). • First and exclusive charge by way of registered mortgage over land admeasuring approximately 2.620 acres located in Baruipur, Kolkata in the Project Siddha Suburbia (Phase 2 – Villa Project). (All the above securities shall be together referred to as Project “Siddha Suburbia”) • First and exclusive charge by way of registered mortgage over land parcel admeasuring at least 1.140 acres located in Baruipur, Kolkata in the Project Siddha Suburbia (“Additional Land”) • Hypothecation of receivables generated from sold/unsold units and from the sales of unsold units in the Project Siddha Suburbia and the Additional Land. • Escrow of receivables generated from sold units and from the sales of unsold units in the Project Siddha Suburbia and the Additional Land • Personal Guarantees of Mr. Chandraprakash Jain, Mr. Sanjay Jain, Mr. Siddharth Sethia, Mr. Vijay Diwan, Mr. Jay Prakash Agarwal, Mr. Rajesh Agarwal, Mr. Saroj Agarwal, Mr. Aditya Agarwal, Mr. Abhinash More and Mr. Bramhanand Agarwal. • Corporate Guarantees of all the security providers <p>Unless otherwise permitted by Lender, the Borrower shall maintain a minimum Security Cover of 2.0 times. In the event the security cover falls below 2.0 times then the Lender will have the right to ask for proportionate prepayment of the facility to restore the security cover or the Borrower shall offer additional security acceptable to the Lender. Valuation / Inspection shall be done by a Lender approved Valuer / Inspector at intervals of 12 months from the date of first drawdown. Cost of such valuation / inspection shall be borne by the Borrower.</p>
23.	Additional documents required and conditions	<p>PDCs from the Borrower for interest payments and principal repayment along with one undated cheque of the Facility amount.</p> <p>Demand Promissory Note from the Borrower for the principal loan amount and interest thereon and any other document required by the Lender.</p> <p>The Borrower agrees that until the mortgage and hypothecation can be created over the Additional Land, the Lender shall release only Rs. 15 crores to the Borrower.</p>
24.	Voluntary Prepayments	<p>The Borrower may make Voluntary Prepayment with payment of a prepayment premium of 2% on the prepaid amount. Drawdown subject to the Obligors giving at least 15 days' prior written notice. No amounts prepaid/repaid may be re-borrowed under the Term Loan Facility.</p> <p>Such prepayments shall be appropriated on a First in First out basis. No such prepayment premium will be charged in the event the prepayment is made from the receivables of Project “Siddha Suburbia”.</p>
25.	Escrow Mechanism	<p><u>For the first 24 month post the date of first disbursement</u></p> <p>All the sales proceeds received by the Borrower from the sales of the mortgaged units in the Project ‘Siddha Suburbia’ and the Additional Land, should be routed through an escrow account opened for the purpose.</p>

A



		<p>40% of all receivables credited into the escrow account will be utilized towards principal repayment/interest payment of the Term Loan Facility from the date of first disbursement.</p> <p>Balance receivables credited in the escrow account shall be transferred on a daily basis to a "Construction Account" opened for the purpose of using the amounts credited only to meet the constructions costs of Siddha Suburbia</p> <p><u>From the 25th to the 30th month from the date of first disbursement</u></p> <p>All the sales proceeds received by the Borrower from the sales of the mortgaged units in the Project 'Siddha Suburbia" and the Additional Land should be routed through an escrow account opened for the purpose.</p> <p>55% of all receivables credited into the escrow account will be utilized towards principal repayment/interest payment of the Term Loan Facility from the date of first disbursement.</p> <p>Balance receivables credited in the escrow account shall be transferred on a daily basis to a "Construction Account" opened for the purpose of using the amounts credited only to meet the constructions costs of Siddha Suburbia.</p> <p><u>From the 31st to the 48th month from the date of first disbursement</u></p> <p>All the sales proceeds received by the Borrower from the sales of the mortgaged units in the Project 'Siddha Suburbia" and the Additional Land should be routed through an escrow account opened for the purpose.</p> <p>60% of all receivables credited into the escrow account will be utilized towards principal repayment/interest payment of the Term Loan Facility from the date of first disbursement.</p> <p>Balance receivables credited in the escrow account shall be transferred on a daily basis to a "Construction Account" opened for the purpose of using the amounts credited only to meet the constructions costs of Siddha Suburbia.</p>
26.	Conditions Precedent to First Disbursement	<p>Customary for financings of this nature, including, but not limited to:</p> <ol style="list-style-type: none"> 1. Submission of constitutional documents of the Obligors. 2. Valuation report of the Project from an independent valuer appointed by the Lender. 3. Updated SRO search report of the Existing Security and the Title Search report of the New Security to the satisfaction of the Lender. 4. Submission of last three years audited financials of the Borrower. 5. Submission of Networth Certificate of the Personal Guarantors certified by a chartered accountant. 6. All corporate and other approvals (including from Board of Directors and shareholders / partners) being obtained by Obligors. 7. Creation of security as required to be created prior to disbursement as per the "Security" clause (except mortgage and hypothecation over Additional Land). 8. Satisfaction of the Lender(s)' KYC requirements.



		<p>9. Receipt of Obligor's most recent audited accounts and auditor's report and un-audited accounts.</p> <p>10. Satisfactory CIBIL report on Borrower/Guarantor/ Promoter/ Obligor(s)</p> <p>The Lender(s) shall have the right to stipulate in the Facility documentation such other conditions precedent, as they may deem fit, prior to the drawdown.</p>
27.	Conditions Subsequent	<ul style="list-style-type: none"> • Title search report, mortgage and hypothecation over Additional Land to be created within 180 days from the date of first disbursement of the Facility • End use certificate within 90 days from the date of each disbursement. • Filing of CHG-1 form within 30 days from the date of first disbursement of the Facility
28.	Taxes and Deductions	<p>All payments under the Facility would be made free and clear of all present and future taxes, deductions, charges, withholding, stamp duty, liability or impost of whatever nature.</p> <p>The Borrower/ Promoter/Obligor(s) will gross up all payments in a manner that would make such payments equal to amounts paid had no taxes, deductions, charges, withholding, stamp duty, liability or impost of whatever nature been levied, except Tax Deducted at Source.</p> <p>The Borrower/Promoter/Obligor(s) will indemnify the Lender for such taxes paid.</p> <p>The above will survive any novation / transfer / assignment / participation by any Lender to new Lenders.</p>
29.	Transfers and Participation	<p>The Lender(s) are entitled to transfer, assign or novate the whole or any part of their rights and obligations under or in respect of the Facility (including offering the receivables from the Facility as security for Lender's borrowings) to other persons/entities without prior concurrence or intimation to the Borrower / Promoter /Obligor(s) or to any other bank/lender or financial institution.</p>
30.	Expenses	<p>All out of pocket expenses incurred by the Lender in connection with the preparation, execution, delivery, modification, amendment and administration of the Transaction Documents (including fees and expenses of counsel to the Lender) will be for the account of the Borrower/Promoter/Obligor(s), irrespective of whether the transaction contemplated herein is completed.</p> <p>In addition, any expenses incurred by the Lender in connection with the enforcement of the Transaction Documents (including fees and expenses of counsel), shall be paid by Borrower / Promoter /Obligor(s).</p>
31.	Exclusivity & Confidentiality	<p>The contents of this term sheet and the discussions between the parties are confidential.</p>
32.	Validity	<p>7 days from the date of this Term Sheet or an extended period at the discretion of the Lender(s)</p>

