

# **ESCROW ACCOUNT AGREEMENT**

**Among**

**TN (DK) EXPRESSWAYS LIMITED**

**The Company/The Concessionaire**

**And**

**STATE BANK OF INDIA**

**As Lenders Representative**

**And**

**STATE BANK OF INDIA**

**As Escrow agent**

**And**

**NATIONAL HIGHWAYS AUTHORITY OF INDIA  
(NHAI)**

**(Subject to the terms of the Facility Agreement(s) between the Concessionaire and Senior Lenders. However, NHAI position in the cash flows shall not be changed)**







**India Law Services  
Advocates and Solicitors  
205, 206 Maker Chambers V  
Nariman Point  
Mumbai- 400 021**



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 Company	 Lenders' Representative	 Escrow Agent	 NHAI
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INDUSIND BANK LIMITED

Indusind Bank Limited  
Shop No. 2, Gr. Floor, Atlanta,  
Narimanpoint, MUMBAI - 400 021

D-5/STP(V)/C.R.1030/10/05/351-354

Authorised Signatory  
Nariman Point Branch



INDIA

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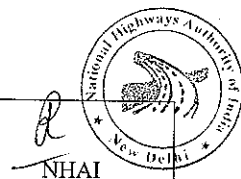
## ESCROW ACCOUNT AGREEMENT

THIS AGREEMENT (the "Agreement") is made as  
on the 14<sup>th</sup> day of **October** 2006 by and among:

**TN (DK) EXPRESSWAYS LIMITED**, a company  
registered under the Companies Act, 1956 (1 of 1956)  
with its Registered Office at Madhucon House, Plot  
No.1129/A, Road No.36, Hitech City Road, Jubilee  
Hills, Hyderabad, Andhra Pradesh, India (the  
"Company");

AND

 Company	 Lenders'	 Escrow Agent
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**STATE BANK OF INDIA**, a banking corporation constituted under the State Bank of India Act, 1955, with its Corporate Centre and Project Finance SBU at State Bank Bhavan, Madame Cama Road, Mumbai 400 021, India as Senior Lenders Representative (the **"Lenders Representative"**);

**AND**





**STATE BANK OF INDIA**, a banking corporation constituted under the State Bank of India Act, 1955, with its Industrial Finance Branch located at Raj Bhavan Road, Somaji Guda, Hyderabad 500 082 (the **"Escrow Agent"**);

**AND**

**THE NATIONAL HIGHWAYS AUTHORITY OF INDIA**, a statutory body constituted under the provisions of the National Highways Authority of India Act, 1988 and having its principal offices at G-5 & G-6, Sector 10, Dwarka, New Delhi -110075, as Employer and Sub-ordinate Lender (the **"NHAI"**).

**WHEREAS:**

- The Company is undertaking a project for, "Design, Construction, Development, Finance, Operation and Maintenance of "Km 305.600 (End of Karur bypass)- Km 373.275 (Start of proposed flyover at Dindigul bypass) covering 68.125 Kms" and improvement, operation and maintenance of Km 292.6 (Start of Karur bypass)- Km 305.600 (End of Karur bypass) covering 9.600 kilometers on NH-7 in the State of Tamil Nadu, India on Build, Operate and Transfer (BOT) basis (the **"Project"**);
- The Company has entered into a Concession Agreement dated as of April 20, 2006 with NHAI (the **"Concession Agreement"**) wherein NHAI has granted Concession to Company for the work referred to above, on BOT basis;

 Company	 Lenders' Representative	 Escrow Agent	 NHAI
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- The Company has entered into Financing Documents with Senior Lenders wherein Senior Lenders (the “**Lenders**”) have agreed to lend and advance to the Company Rupee amounts aggregating Rs.224,00,00,000.00 (Rupees Two Hundred and Twenty Four Crores only).
- One of the terms of the Concession Agreement and the Financing Documents is that the Company is required to establish an Escrow Account, interalia, on terms and conditions satisfactory to the Senior Lenders





NOW IN CONSIDERATION FOR THE PREMISES IT IS AGREED BY THE PARTIES AS FOLLOWS:-

## 1. DEFINITIONS AND CONSTRUCTION

### 1.1 Definitions:






Each capitalized term used herein and not otherwise defined shall have the definition assigned to such term in the Concession Agreement or the Substitution Agreement as the case may be.

- “**Account**” means the Escrow Account to be opened by the Company in accordance with this Agreement;
- “**Authorised Investment**” means any authorized investments which the Lenders Representative may, from time to time permit the Company to make in accordance with this Agreement;
- “**Business Day**” means any day on which banks are open for business in India or in relation to any notice or communication to be made under this Agreement, a day on which banks are open for business in the place of receipt of such notice or communication;
- “**Company Account**” shall mean any bank account of the Company, other than the Escrow Account;

 Company	 Lenders' Representative	 Escrow Agent	 NHAI
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- **"Enforcement Notice"** means any enforcement procedure commenced by the Lenders Representative under any of the Security Documents;
- **"Escrow Account"** means an Escrow Account established in terms of and under this Agreement;
- **"Event of Default"** means an event of default as defined and detailed in the Financing Documents;
- **"INR "** means the Indian Rupee, the lawful currency of India;
- **"Payment Date"** means in relation to any Permitted Payment, the date(s) specified for such payment;
- **"Permitted Payments"** means the payments agreed to in this Agreement excluding payment to the Company Accounts as more particularly given in clause 3.3.1;
- **"Required Balance"** means on any Date in relation to the Sub-Account of the Escrow Account, an amount of INR which if proportionately built over the months, would be sufficient to meet Permitted Payments on the Payment Date(s);
- **"Security Documents"** means all or any of the Documents executed, delivered or furnished to secure the Financial Assistance under the Financing Documents including but not limited to the Deed of Hypothecation, Mortgage Deed, Equitable Mortgage, Deed of Guarantee, Pledge Agreement, Undertakings, Negative Lien and other incidental or supplemental documents related thereto.
- **"Sub-Accounts"** means the Sub-Accounts of the Escrow Account, into which the monies due in relation to Permitted Payments would be

 Company	 Lenders' Representative	 Escrow Agent	  NHAI
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credited every month and paid out if due and if not due in a month then appropriated proportionately in such month and retained in the Sub-Account and paid out there from on the Payment date.

- “Year” means each twelve-month period ending on March 31.

## 1.2 Construction





In this Agreement:

- Unless the context otherwise requires, the singular includes the plural and vice versa;
- Headings and the use of bold typeface shall be ignored in their construction;
- A reference to a Clause, or Schedule is, unless indicated to the contrary, a reference to a clause or schedule to this Agreement;
- References to this Agreement shall be construed as references also to any separate or independent stipulation or agreement not contained in it;
- The words “other”, “or otherwise” and “whatsoever” shall not be construed to be as any limitation upon the generality of any preceding words or matters specifically referred to;
- References to the word “includes” or “including” are to be construed without limitation;
- References to a person shall include such person’s successors and permitted assignees or transferees;

 Company	 Lenders' Representative	 Escrow Agent	 NHAI
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- All references to agreements, documents or other instruments include (subject to all relevant approvals) a reference to that agreement, document or instrument as amended, supplemented, substituted, novated or assigned from time to time.
- The words "herein", "hereto" and "hereunder" refer to this Agreement as a whole and not to the particular Clause in which such word may be used;
- Words importing a particular gender include all genders;
- "person" includes any individual, partnership, firm, trust, body corporate, government, governmental body, authority, agency, unincorporated body of persons or association;
- any reference to a public organization shall be deemed to include a reference to any successor to such public organization or any organization or entity which has taken over the functions or responsibilities of such public organization;
- references to "Party" mean a party to this Agreement and references to "Parties" shall be construed accordingly; and
- references to any law shall include references to such law as it may, after the date of this Agreement, from time to time be amended, supplemented or re-enacted.
- terms and conditions not expressly defined herein shall subscribe the meanings ascribed thereto in the Concession Agreement.

 Company	 Lenders' Representative	 Escrow Agent	 NHAI
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
## 2. THE ACCOUNTS

### 2.1 Acceptance of Appointment of Escrow Agent

- (a) The Escrow Agent hereby agrees to act as such and to accept all payments and other amounts to be delivered to or held by the Escrow Agent pursuant to the terms of this Escrow Agreement. The Escrow Agent shall hold and safeguard the Escrow Account during the term of this Escrow Agreement and shall treat the amount in the Escrow Account as monies deposited by Company / NHAI with the Escrow Agent, as agent for the benefit of the Lenders Representatives, or its nominee, successors or assigns, in trust in accordance with the provisions of this Escrow Agreement. In performing its functions and duties under this Escrow Agreement, the Escrow Agent shall act as agent for the Lenders Representative.

The Company also hereby declares that all right, title and interest in and to the Escrow Account, the Authorised Investments and Permitted Payments made from the Escrow Accounts shall be vested in the Escrow Agent and held in trust for the Senior Lenders acting through the Lender's Representative, NHAI and the Company in accordance with the terms of this Agreement and as their respective interests are provided for herein. Amounts deposited in the Escrow Account from time to time shall be held by the Escrow Agent in trust and received and applied as provided in and in accordance with this Agreement. No person other than the Lenders Representative, NHAI and the Company shall have any rights hereunder as the beneficiaries of or as third party beneficiaries under this Agreement.

- (b) The rights of Company / NHAI in the monies held in the Escrow Account are set forth in their entirety in this Escrow Agreement and Company/NHAI shall have no other rights against or to the monies in the Escrow Account.

 Company	 Lenders' Representative	 Escrow Agent	 NHAI
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## 2.2 Establishment of Escrow Account

At least thirty (30) days prior to seeking any disbursement from the Senior Lenders (including issue of guarantees or all forms of Financial Assistance), the Company shall establish the Escrow Account with the Escrow Agent.

## 2.3 Maintenance of the Account

The Escrow Agent shall maintain the Escrow Account in accordance with the terms of this Agreement and its usual practices and applicable regulations and pay the maximum rate of interest payable on such Accounts to its customers on the balance in the said account from time to time.

## 2.4 Operating Procedures

The Escrow Agent and the Company shall agree (after consultation with the Lenders Representative) on the detailed mandates, terms and conditions and operating procedures for the Escrow Account but in the event of any inconsistency between this Agreement and such mandates, terms and conditions or procedures, this Agreement shall prevail.

## 3. CURRENCY





3.1 The Escrow Account shall be established with the Branch of the Escrow Agent. The Escrow Account shall be denominated in INR.

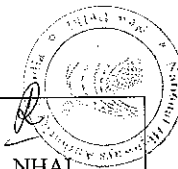
### 3.2 Deposits

#### 3.2.1 The Company

(A) agrees, confirms and undertakes that it shall deposit and/or credit the Escrow Account with:

(i) all its receivables;

 Company	 Lenders' Representative	 Escrow Agent	 NHAI
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- (ii) all proceeds received pursuant to any insurance claims; and
- (iii) all monies received from any other sources in relation to and in respect of the Project.

(B) may make other deposits of the Company's other funds into the Escrow Accounts at any time. Provided however that the terms of this Agreement shall apply to such other funds deposited in the Escrow Account by the Company.

The NHAI agrees, confirms and undertakes that it shall deposit and/or credit the Escrow Account with:





- (i) all Fees collected by NHAI in exercise of its rights under Concession Agreement;
- (ii) Revenue Shortfall Loan;
- (iii) Grants, termination payments and other monies paid or disbursed in accordance with the provisions of the Concession Agreement and/or the Substitution Agreement.

3.2.2 The Escrow Agent shall ensure that all interest, if any, on the balances of the Escrow Account and interest on Authorised Investments made from the Escrow Account shall be credited to or deposited in the Escrow Account.





### 3.3 Withdrawals

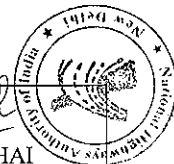
3.3.1 The Escrow Agent shall withdraw amounts from the Escrow Account and appropriate in the following order every month as more particularly given in the bank proforma in Schedule 1 and deposit in the relevant Sub-Account for payments and if not due in a month then appropriate proportionately in such month and retain in the Sub-Account and pay out there from on the Payment Date(s):

- (a) All taxes due and payable by the Company;
- (b) All expenses in connection with and relevant to the Construction of Project Highway by way of payment to the EPC Contractor and such other persons as may be specified in the Financing Documents

 Company	 Lenders' Representative	 Escrow Agent	 NHAI
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- (c) O&M Expenses including Fees collection expenses incurred by the Company directly or through O&M Contractor and/or Tolling Contractor, if any, subject to the items and ceiling in respect thereof as set forth in the Financing Documents but not exceeding one twelfth (1/12) of the annual liability on this account;
- (d) The whole of the expense on completion of Punch List items incurred by NHAI and 2.0 times of such expenses subject to a minimum of Rs.10,00,000 (Rs. One million) in case the Punch List items are not completed by the Concessionaire within 120 days from the issue of the provisional completion certificate in accordance with the Specifications and Standards and as detailed in clause 16.5 of the Concession Agreement.
- (e) The whole or part of the expense on repair work or O&M Expenses including Fees collection expenses incurred by NHAI, and 1.25 times of the O&M expenses incurred by the NHAI, if any, in the event of repair and maintenance work being carried out by NHAI (pursuant to the failure on part of the Company in doing so) to maintain and/or repair the Project Highway or a part thereof up to and in accordance with the Specifications and Standards and/or failure on part of the Company to commence remedial works within 30 (thirty) days of receipt of notice in this regard from NHAI or the Independent Consultant, if any, including those on account of exercise of any of its rights under the Concession Agreement provided NHAI certifies to the Escrow Agent that NHAI had incurred such expenses in accordance with the provisions of the Concession Agreement;
- (f) All Concession Fees and Negative Grants payments due to NHAI from the Company under this Agreement.
- (g) Monthly proportionate provision of Debt Service Payments due in an Accounting Year and payment of Debt Service Payments in the month when due;
- (h) Reimbursements of expenditure incurred by NHAI, if any, for payment of insurance premia, etc., which are otherwise the

 Company	 Lenders' Representative	 Escrow Agent	 NHAI
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Company's responsibility, on account of failure on part of the Company to keep such insurance(s) effective and in force.





- (i) One-half of such remuneration, cost and expenses of the Independent Consultant in case the Concessionaire does not reimburse the remuneration, cost and expenses of the Independent Consultant to NHAI within 15 (fifteen) days of receiving a statement of expenditure from NHAI.
- (j) Any payments and Damages due and payable by the Company to NHAI pursuant to this Agreement including Recovery due to reduction in Scope of Work and repayment of Revenue Shortfall Loans; and
- (k) Balance in accordance with the instructions of the Company.

The amounts specified in Clause 3.3.1(a) to (i) constitute the Permitted Payments.

For each year, Bank Proforma would be separately provided by the Company to the Escrow Agent, with the permission of Lenders Representatives/ NHAI, not later than 60 days prior to the first day of each year.

3.3.2 Notwithstanding anything to the contrary contained in this Agreement upon the earlier of (i) issue of Termination Notice (ii) termination of Concession Agreement, or (iii) the expiry of Concession Period, all amounts standing to the credit of the Escrow Account shall be appropriated and dealt with in the following order:-

- (a) all taxes due and payable by TN (DK) Expressways Limited;
- (b) all Concession Fees (including Negative Grant) due and payable to NHAI under this Agreement;
- (c) all accrued Debt Service Payments;
- (d) any payments and Damages due and payable by the Company to NHAI pursuant to this Agreement, including Recovery due to

 Company	 Lenders' Representative	 Escrow Agent	 NHAI
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reduction in Scope of Work, Termination claims and repayment of Revenue Shortfall Loans;





- (e) all accrued O&M Expenses;
- (f) any other payments required to be made under this Agreement; and
- (g) balance, if any, on the instructions of the Company.

3.3.3 Notwithstanding anything to the contrary contained in this Agreement, any Termination Payments made by NHAI into the Escrow Account shall not be appropriated therefrom for any purpose whatsoever, until the Vesting Certificate has been issued by NHAI. Provided, however, that this restriction shall not apply to appropriation in favour of the Senior Lenders to the extent of Debt Due.

3.3.4 From the date, which is two years prior to the expiry of the Concession Period, a sum equal to the fees realizable during the last two years of the Concession Period for a traffic volume calculated at the rate of 10,000 (ten thousand) PCUs per day per year, or, a higher sum estimated by the Independent Consultant for renewal works, shall, notwithstanding anything to the contrary contained in this Agreement, be retained in the Escrow Account provided that if a Bank Guarantee of an equivalent sum in the form and content acceptable to NHAI has been furnished by the Company to NHAI, no such retention shall be made. If following the second Inspection, it is agreed or determined that no renewal works are required, then within 14 days of such agreement, 50% of the sums thus retained shall be released from the Escrow Account to the Company. Within 14 days after the issue of Vesting Certificate (issued in accordance with Article XXXIII of the Concession Agreement) the sums thus retained shall be released from the Escrow Account to the Company.

#### 3.4 Application of Insufficient Funds

As provided in Clause 3.3, the application of funds in the Escrow Account shall be in the serial order of priority set forth therein. If the funds available for payment to the Sub-Accounts are sufficient to pay a portion, but not all,

 Company	 Lenders' Representative	 Escrow Agent	 NHAI
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of the amounts required to be paid to any Sub-Account, the Escrow Agent shall apply such funds in the serial order of priority set forth in Clause 3.3, until exhaustion thereof.

#### 4. AUTHORISED INVESTMENTS

##### 4.1 Power to Invest

The Escrow Agent shall invest the amounts standing to the credit of any of the Sub-Accounts in Authorised Investments on the instructions of the Company as approved by the Lenders Representative from time to time, in accordance with the provisions of this Agreement. The Escrow Agent shall not be bound to and shall not make investments under the Indian Trusts Act, 1882 without prior approval of the Lenders Representative.





##### 4.2 Procedure for Investments

4.2.1 All Authorised Investments shall be made and/or realized by the Escrow Agent on the instructions of the Company as approved by the Lenders Representative from time to time, in accordance with the provisions of this Agreement.

4.2.2 All documents of title or other documentary evidence of ownership in respect to Authorised Investments made out of any Escrow Account will be held in the custody of the Escrow Agent.

##### 4.3 Realisations

Upon the realization of any investment made under this Clause, the proceeds of realization shall immediately be credited to the relevant Sub-Account by the Escrow Agent or immediately invested in another Authorised Investment in accordance with the Company's instructions as approved by the Lenders Representative.

 Company	 Lenders' Representative	 Escrow Agent	 NHAI
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#### 4.4 Mandatory Realisations

In the event that the Company becomes aware that any Authorised Investment has ceased to be an Authorised Investment, the Company shall immediately instruct the Escrow Agent on a best efforts basis to realize such Authorised Investment on its maturity date or earlier if possible under intimation to the Lenders Representative or NHAI.

#### 4.5 Accounts include Investments

Any reference in this Agreement to the balance standing to the credit of the Escrow Account shall be deemed to include a reference to the amount of the Authorised Investments in which all, or part of, such balance is for the time being invested.

#### 4.6 Interest on Investments





Any interest or other income received on account of Authorised Investments shall be to the credit of the Escrow Account.

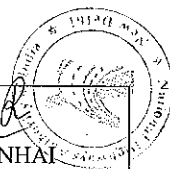
#### 4.7 Enforcement Notice

On receipt of an Enforcement Notice from the Lenders Representative, the Escrow Agent shall realize the Authorised Investments, whether such investments have matured or not on a best effort basis, and apply the proceeds as directed by the Lenders Representative/ NHAI.

### 5. WITHDRAWALS FOLLOWING EVENT OF DEFAULT

- 5.1 If the Lenders Representative notifies the Escrow Agent that an Event of Default is likely to occur or has occurred, and is continuing, then, until such time as the Lenders Representative has notified the Escrow Agent that the Event of Default has been cured or waived under the Financing Documents, the Escrow Agent shall only make withdrawals from the Escrow Accounts

 Company	 Lenders' Representative	 Escrow Agent	 NHAI
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which constitute Permitted Payments and shall not make any payments from the Escrow Account to the Company Accounts.

## 6. ESCROW AGENT PROVISIONS





### 6.1 The Escrow Agent and the Lenders/ NHAI

The Company hereby appoints the Escrow Agent to act as trustee for the Lenders Representative in connection herewith and authorises the Escrow Agent to exercise such rights, powers, authorities and discretion as are specifically delegated to the Escrow Agent by the terms hereof together with all such rights, powers, authorities and discretion as are reasonably incidental hereto, and the Escrow Agent accepts such appointment pursuant to the terms hereof.

### 6.2 Particular Duties of the Escrow Agent

The Escrow Agent:

- (A) may, in the absence of bad faith or gross negligence on its part, rely as to any matters of fact which might reasonably be expected to be within the knowledge of the Company upon a certificate signed by or on behalf of the Company;
- (B) may, in the absence of bad faith or gross negligence on its part, rely upon the authenticity of any communication or documents believed by it to be authentic;
- (C) shall, within five (5) Business Days after receipt, deliver a copy to the Lenders Representative of any notice or document received by the Escrow Agent in its capacity as the Escrow Agent from the Company or any other person hereunder or in connection herewith; and
- (D) shall, within five (5) Business Days after receipt, deliver a copy to the Company of any notice or document received by the Escrow Agent from the Lenders Representative in connection herewith.

 Company	 Lenders' Representative	 Escrow Agent	 NHAI
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### 6.3 Segregation of Funds

Monies and other property received by the Escrow Agent under this Agreement shall, until used or applied in accordance with this Agreement, be held by the Escrow Agent in trust for the purposes for which they were received, and shall be segregated from other funds and property of the Escrow Agent.

### 6.4 Termination

6.4.1 This Agreement shall remain in full force and effect so long as amounts remain outstanding from the Company in respect of the Financial Assistance received by it from the Senior Lenders or its obligations to NHAI, unless terminated earlier by the mutual consent of the parties or otherwise in accordance with the provisions of this Clause.





6.4.2 The Company may, by not less than 45 days prior notice to the Escrow Agent, NHAI and the Lenders Representative, terminate this Agreement and appoint a new Escrow Agent, provided that the new Escrow Agent is acceptable to the Lenders Representative and NHAI and arrangements are made satisfactory to the Lenders Representative for transfer of amounts deposited in the Escrow Account to a new Escrow Account established with the successor Escrow Agent.

### 6.5 Fees

The Company shall pay the Escrow Agent fees in an amount and at such times as may be agreed between the Escrow Agent and the Company.

## 7. ESCROW AGREEMENT DEFAULTS

7.1 If the Company is in breach of any of its obligations under this Agreement and, following a notice of default from the Lenders' Representative, fails to remedy the same:

 Company	 Lenders' Representative	 Escrow Agent	 NHAI
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- (A) in the case of a failure to deposit funds received by the Company in the Escrow Account, by depositing the same in the Escrow Account within five Business Days of receipt of such notice;
- (B) in the case of a breach consisting of causing the Escrow Agent to transfer funds to any Company Account in breach of the terms of this Agreement, by depositing the relevant funds in the Escrow Account or any Sub-Account in which such transfer should have been made within five Business Days of receipt of such notice;
- (C) in the case of a breach of the Company's obligations under Clause 4, by instructing the Escrow Agent to realize any investment made in breach of Clause 4 within five (5) Business Days of receipt of such notice; or
- (D) in case of any other breach, by remedying the same within five (5) Business Days to the satisfaction of the Lenders Representative.





7.2 The Company and the Escrow Agent agree and confirm that any default by either the Company or the Escrow Agent in the performance of their respective obligations under this Agreement resulting, in the opinion of the Lenders Representative, in a breach of this Agreement, shall qualify as an Event of Default under the Financing Documents / Security Documents.

## 8. MISCELLANEOUS

### 8.1 Closure of Accounts

The Escrow Agent shall, at the request of the Company made on or after the payment by the Company of all outstanding amounts under the Financing Documents / Concession Agreement and upon confirmation of receipt, close the Escrow Account and pay any amount standing to the credit thereof to the Company.

Notwithstanding anything to the contrary contained in this Agreement, this Agreement shall remain in full force and effect till the Transfer Date mentioned in the Concession Agreement provided however if NHAI shall certify to the Escrow Agent that Concession Agreement and/or the

 Company	 Lenders' Representative	 Escrow Agent	 NHAI
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Concession has been terminated on account of default of the Company under the Concession Agreement, then notwithstanding anything to the contrary contained herein, all the amounts standing to the credit of the Escrow Account shall be dealt with in accordance with provisions of Clause 3.3.2.

## 8.2 Successors and Assignors





This Agreement shall be binding on and shall enure to the benefit of the Parties and their respective successors and permitted assigns.

## 8.3 No Set Off

The Escrow Agent agrees not to claim or exercise any right of set off, banker's lien or other right or remedy with respect to amounts standing to the credit of the Escrow Accounts. For the avoidance of doubt, it is declared by the Escrow Agent that the monies and properties held by the Escrow Agent shall not be considered as part of the assets of the Escrow agent and being trust property, shall in the case of bankruptcy or liquidation of the Escrow Agent be wholly excluded from the assets of the Escrow Agent in such bankruptcy or liquidation.

## 8.4 Notices

8.4.1 All notices or other communications to be given or made under this Agreement shall be in writing, shall either be delivered personally or sent by courier, registered or certified mail or facsimile. The address for service of each Party and its facsimile number is set out under its name on the signing pages hereto. All notices shall be effective upon actual receipt save that where a notice is received after 5.30 p.m. on a Business Day or on a day that is not a Business Day, such notice shall be deemed to be received on the first Business Day following the date of actual receipt. Without prejudice to the foregoing a Party giving or making a notice or communication by facsimile shall promptly deliver a copy of such notice or

 Company	 Lenders' Representative	 Escrow Agent	 NHAI
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communication personally, by courier or mail to the addressee of such notice or communication.

- 8.4.2 Any party may by notice change the addresses and/or addresses to which such notices and communications to it are to be delivered or mailed. Such change shall be effective when all the Parties have notice of it.

## 8.5 Waiver

Failure by any Party at any time to enforce any provision of this Agreement or to require performance by other Parties of any provision of this Agreement shall not be construed as a waiver of such provision and shall not affect the validity of this Agreement or any part of it or the rights of the relevant Party to enforce any provision in accordance with its terms.

## 8.6 Severability

If any condition, Clause or provision of this Agreement not being of a fundamental nature, is held to be illegal or unenforceable, the validity or enforceability of the remainder of this Agreement shall not be affected thereby.

## 8.7 Amendments





No amendment to this Agreement shall be binding unless in writing and signed by the duly authorized representative of all the Parties.

## 8.8 Governing Law

This Agreement shall be governed by and construed in accordance with the Indian law.

## 8.9 Regulatory Approvals





The Escrow Agent shall use its best efforts to procure and shall thereafter maintain and comply with all the regulatory approvals required for it to

 Company	 Lenders' Representative	 Escrow Agent	
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establish and operate the Escrow Accounts. The Escrow Agent represents and warrants that it is not aware of any reason why such regulatory approvals will not be ordinarily granted to the Escrow Agent.

#### 8.10 Notification of Balances





Seven Business Days prior to each Payment Date (and for this purpose the Escrow Agent shall be entitled to rely on an affirmation by the Company and/or the Lenders Representative as to the relevant Payment Dates), the Escrow Agent shall notify the Lenders Representative of the balance of the Escrow Account as at the close of business on the immediately preceding Business Day.

 Company	 Lenders' Representative	 Escrow Agent	 NHAI
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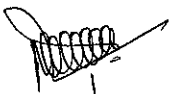

**SCHEDULE-I**  
**PARTICULARS OF THE LENDERS & LOANS**

Name of Lender	Amount of Loan (Rupees in crore)
SBI	100.00
SBH	50.00
SBM	20.00
SBS	20.00
BOM	14.00
VB	10.00
AB	10.00
<b>Total</b>	<b>224.00</b>

 Company	 Lenders' Representative	 Escrow Agent	 NHAI
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IN WITNESS whereof the Company has caused its Common Seal to be affixed hereto and to a triplicate hereof on the date first above written and the Escrow Agent, NHAI and the Lenders Representative have caused the said triplicate to be executed by the hands of their authorized officials.

THE COMMON SEAL OF }  
TN (DK) Expressways Limited }  
has pursuant to the Resolution of its }  
Board of Directors passed in that }  
behalf on the 20<sup>th</sup> day of September 2006 }  
hereunto been affixed in the presence of }  
Mr. R. Seetharam, Director, who has }  
R. Sankar Rao signed these presents in token thereof }  
and Mr. R. Ranga Rao authorized }  
Person, who has countersigned the }  
same in token thereof on 11<sup>th</sup> day of }  
October 2006 at Mumbai }

  
  
Ranga Rao

Address: TN (DK) Expressways Limited, }  
Madhucon House, }  
Plot No. 1129/A, Road No. 36, }  
Jubilee Hills, }  
Hyderabad-500033. }  
Fax: 040-235560055 }  
Attn: }

SIGNED AND DELIERED BY }  
within named Lenders Representative }  
by the hand of MR. PRABODH PARIKH }  
an Authorized official of the Lenders }  
Representative on 11th day of }  
October 2006 at Mumbai }

**For STATE BANK OF INDIA**

  
**ASST. GENERAL MANAGER  
PROJECT FINANCE SBU**





Address: Corporate Centre and Project }  
Finance SBU at State Bank Bhavan, }  
Madame Cama Road, }  
Mumbai 400 021 }  
Fax/ Facsimile Number: 022-22883021 }  
Attn: Dy. General Manager (Project Finance)}

SIGNED AND DELIERED BY }  
within named Escrow Agent }  
by the hand of M. RAMA RAO }  
an authorized official of the Escrow Agent }  
on 11<sup>th</sup> day of October 2006 }  
at Mumbai }  
Address: State Bank of India }  
Industrial Finance Branch }  
Raj Bhavan Road, Somaji Guda, }  
Hyderabad 500 082 }  
Fax/ Facsimile Number: }  
Attention: }

SIGNED AND DELIERED BY NHAI }  
within named by the hand of \_\_\_\_\_ }  
an authorized official of NHAI on \_\_\_\_\_ }  
day of 19<sup>th</sup> October 2006 at Delhi }  
Address: }  
Fax/ Facsimile Number: }  
Attention: }

For STATE BANK OF INDIA

Ulamab  
ASSISTANT GENERAL MANAGER  
& RELATIONSHIP MANAGER  
I.F.B., HYDERABAD.

Pranavant  
19/10/2006  
प्राणवन्त / PRANAVANT  
महाप्रबंधक (सक्तीकी) / General Manager (Tech.)  
भारतीय राष्ट्रीय राजमार्ग प्राधिकरण  
National Highways Authority of India  
(सड़क परिवहन और राजमार्ग मंत्रालय)  
(Ministry of Road Transport & Highways)  
जी- 5 एव 6, सेक्टर-10, द्वारका, नई दिल्ली - 75  
G - 5 & 6, Sector 10, Dwarka, New Delhi - 75

