

# MASTER RESTRUCTURING AGREEMENT

BETWEEN

TN (DK) EXPRESSWAYS LIMITED  
(AS BORROWER)

AND

BANKS AND FINANCIAL INSTITUTIONS AS SET FORTH IN SCHEDULE I  
HERETO  
(AS LENDERS)

AND

STATE BANK OF INDIA  
(AS LENDERS' AGENT)

AND

STATE BANK OF INDIA  
(AS SECURITY TRUSTEE)

DATED AT HYDERABAD AS OF THIS 30<sup>th</sup> DAY OF March, 2013



2A 2<sup>nd</sup> Floor City Ice Building 298 Perin Nariman Street Fort Mumbai 400 001  
Tel +91 22 6608 4000 Fax +91 22 6608 4050 Email [mumbai@slaw.in](mailto:mumbai@slaw.in)

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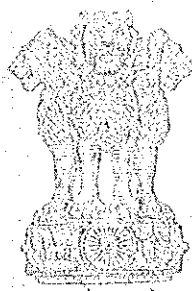
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एक सौ रुपये

Rs. 100

₹. 100



सत्यमेव जयते

ONE

HUNDRED RUPEES

भारत INDIA

INDIA NON JUDICIAL

ఆంధ్రప్రదేశ్ ఆంధ్ర ప్రదేశ్ ANDHRA PRADESH

Sl. No: 73708 Date: 23/03/2013

Sold To : D. Srinivas Rao

S/o : D. Bramaiah R/o Hyd

To Whom : TN(DK) Expressways Ltd.

KRAMA CHANDRAVATHI

Licensed Stamp Vendor

LIC No. 16-11-27/1999

REN. No. 16-11-5/2011

H.No. 6-3-387, Near Himalaya Book World  
Beside Petrol Pump Punjagutta  
HYDERABAD (SOUTH) DISTRICT  
PHONE NO. 23351799, 9392490025

## MASTER RESTRUCTURING AGREEMENT

This MASTER RESTRUCTURING AGREEMENT (hereinafter referred to as this "Agreement") is executed at Hyderabad as of 23<sup>rd</sup> day of March, 2013:

BETWEEN

TN (DK) EXPRESSWAYS LIMITED, a company registered under the Companies Act, 1956 (1 of 1956) with its Corporate Identity Number U45200AP2006PLC48941 and having its registered office at Madhucon House, 8-2-272/82/A/1129/A, Road No. 36, Jubilee Hills, Hyderabad - 500 033, Andhra Pradesh (hereinafter referred to as "the Borrower" which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns) of the FIRST PART:

Borrower	AB	BoM	SBH	SBI	SBI	VB	Lenders' Agent	Security Trustee
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H.No.6-3-387, Near Himalaya Book World  
Beside Petrol Pump Punjagutta  
HYDERABAD (SOUTH) DISTRICT  
PHONE NO.23351799, 9392490025

AND

**THE PERSONS SET FORTH IN SCHEDULE I**, hereinafter collectively referred to as the “**Lenders**”, which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include all or any one or more of them as the context may require or admit and any other banks or financial institutions to which the rights and/ or obligations of all or any one or more of the aforementioned Lenders are assigned, novated and/ or transferred) of the **SECOND PART**:

Borrower	AB	BoM	SBI	SBI	SBI	VB	Lenders' Agent	Security Trustee
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AND

STATE BANK OF INDIA, a body corporate constituted under the State Bank of India Act, 1955 with its head office at 8<sup>th</sup> Floor, State Bank Bhavan, Madame Cama Road, Near Vidhan Bhavan, Nariman Point, Mumbai – 400 021 and acting through its Corporate Accounts Group Branch at OZONE Commercial Complex, Door No. 6-3-669/1, 1/A, ABC, 2<sup>nd</sup> Floor, Punjagutta Main Road, Punjagutta, Hyderabad – 500 082, as confirming party in its capacity as “**Lenders’ Agent**” (which expression shall, unless it be repugnant to the subject or context thereof, include its successors and substitute from time to time) of the **THIRD PART**;










AND

STATE BANK OF INDIA, a body corporate constituted under the State Bank of India Act, 1955 with its head office at 8<sup>th</sup> Floor, State Bank Bhavan, Madame Cama Road, Near Vidhan Bhavan, Nariman Point, Mumbai – 400 021 and acting through its Corporate Accounts Group Branch at OZONE Commercial Complex, Door No. 6-3-669/1, 1/A, ABC, 2<sup>nd</sup> Floor, Punjagutta Main Road, Punjagutta, Hyderabad – 500 082 in its capacity as “**Security Trustee**” (which expression shall, unless it be repugnant to the subject or context thereof, include its successors and substitute from time to time) of the **FOURTH PART**.

**W H E R E A S:**

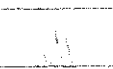








- A. National Highways Authority of India (“NHAI”) has granted to the Borrower a concession for a period of 20 years by way of exclusive right and authority for design, construction, development, finance, operation and maintenance of Km. 305.600 (End of Karur Bypass) to Km. 373.725 (Dindigul); and for (ii) improvement, operation and maintenance of Km. 292.600 (Start of Karur Bypass) to Km. 305.600 (End of Karur Bypass) on NH-7 in the State of Tamil Nadu under North-South corridor (NHDP Phase II) on Build, Operate and Transfer (BOT) basis on the terms, conditions and covenants contained in the Concession Agreement dated April 20, 2006 entered into between NHAI and the Borrower (hereinafter referred to as the “**Project**”);
- B. In order to implement the Project, the Borrower had requested the Lenders for financial assistance to enable it to part finance the Project Cost and the Lenders have agreed to make available to the Borrower rupee term loans of an aggregate principal amount not exceeding Rs.224,00,00,000.00 (Rupees Two Hundred Twenty Four Crores only) as set out against their respective names in second column of Schedule II hereto, on the terms and conditions contained in the Common Loan Agreement dated October 11, 2006 entered into amongst the Borrower, the Lenders, the Lenders’ Agent and the Security Trustee (hereinafter referred to as the “**Common Loan Agreement**”);

3

								
Borrower	AB	BoM	SBH	SBI	SBI	VB	Lenders' Agent	Security Trustee

- C. Pursuant to the Common Loan Agreement, other Finance Documents (including the Security Documents) have been executed and the Security Interest pursuant to Article III of the Common Loan Agreement has been created for the benefit of the Lenders;
- D. Since then, State Bank of Saurashtra (one of the Lender as per the Common Loan Agreement) has merged with State Bank of India and consequently the commitment of State Bank of India in the Loan has increased from Rs.100 Crore to Rs.120 Crore;
- E. The Borrower has requested the Lenders for debt restructuring as the implementation and/or operations of the Project have been adversely affected due to various reasons;
- F. At the request of the Borrower and in consideration of the Borrower's commitment to improve its operations, the Parties have agreed to enter into this Agreement in order to give effect to the restructuring of the debt of the Borrower on the terms and conditions set out hereinafter.

**NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING, THE PARTIES HERETO AGREE AS FOLLOWS:**

								
Borrower	AB	BoM	SBII	SBI	SBM	AB	Lenders' Agent	Security Trustee

# **ARTICLE – I** **DEFINITIONS AND INTERPRETATION**

## **1.1 DEFINITIONS**

The following capitalised terms wherever used in this Agreement shall have the meanings given hereunder:

**“Applicable Interest Rate”** means the rate of interest as stipulated in Schedule III of this Agreement payable by the Borrower on the Facilities during the relevant period as stipulated therein.

**“Base Rate”** shall with reference to a Lender mean the rate of interest per annum for such Lender’s term loan, prevailing on the relevant day, as determined in accordance with the extant base rate policy announced by Reserve Bank of India vide the Master Circular on Interest Rates on Advances No. RBI/2012-13/70 (as substituted, replaced or modified from time to time) and notified by such Lender as such.

**“Capital Employed”** shall in relation to any Financial Year mean the total capital investment necessary for the functioning of the business of the Borrower which is represented as the total assets of the Borrower.

**“Concurrent Auditor”** means any Person so appointed by the Borrower with the prior consent of the Lenders in accordance with Article 6.1 hereof.










**“Cut-off Date”** means December 31, 2012.

**“Debt Service Reserve” or “DSR”** shall mean the reserve to be maintained in the DSR, for the period commencing from the COD up to the Final Settlement Date on the first day of each quarter, of an amount equivalent to the aggregate of the amount of interest payable by the Borrower to the Lenders for a period of succeeding 3 (three) months in terms hereof and the repayment installments of the Facilities to become due and repayable by the Borrower to the Lenders in terms hereof for that period of succeeding 3 (three) months.

**“Existing Finance Documents”** means the Finance Documents excluding the Restructuring Documents.

**“Facilities”** shall collectively mean the Loans and the Funded Interest Term Loan and the term **“Facility”** shall mean any of them individually.

**“Funded Interest Term Loan” or “FITL”** shall mean the financial assistance provided by the Lenders for an amount aggregating to Rs.5,81,00,000.00 (Rupees

								
Borrower	AB	BoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee



Five Crore Eighty One Lac Only) as set out against their respective names in the table contained in the third column of Schedule II hereof, to fund the interest payable by the Borrower to them on their outstanding principal amount of the Loans in terms of the Common Loan Agreement read with this Agreement during the period commencing from January 1, 2013 till March 31, 2013.

**"Group Companies"** shall mean such company that would fall within the definition of company under the same management as that of the Borrower in terms of Section 370(1B) of the Companies Act, 1956 or that may be approved by the Lenders, as the case may be.

**"Madhucon Projects Limited" or "MPL"** shall mean a company registered in India under the provisions of the Companies Act, 1956, having Corporate Identification Number L74210AP1990PLC011114 and its registered office at H.NO.1-7-70, Jublipura Khammam 507003, Andhra Pradesh, India.










**"Madhucon Infra Limited" or "MIL"** shall mean a company registered in India under the provisions of the Companies Act, 1956, having Corporate Identification Number U45200AP2006PLC049235 and having its registered office at Madhucon House, Plot No.1129/A, Road No.36, Hitech City Road, Jubilee Hills, Hyderabad - 500033, Andhra Pradesh, India.

**"Madhucon Toll Highways Limited" or "MTHL"** shall mean a company registered in India under the provisions of the Companies Act, 1956, having Corporate Identification Number U93000AP2008PLC060479 and having its registered office at Madhucon House, Plot No.1129/A, Road No.36, Hitech City Road, Jubilee Hills, Hyderabad - 500033, Andhra Pradesh, India.

**"Major Maintenance Reserve" or "MMR"** shall mean the reserve to be created and maintained by the Borrower in the Major Maintenance Reserve Sub-Account for the amount specified in Schedule VI hereof or such other amount as may be specified from time to time by the Lenders in consultation with LIE for any Financial Year and utilised solely for the purpose of undertaking major maintenance such as resurfacing of pavement, repairs to structures and repairs and refurbishment of the toll system and other equipment as per the requirements under the Concession Agreement.

**"Major Maintenance Reserve Sub-Account" or "MMRA"** shall mean one of the sub-accounts to be opened with the Escrow Agent pursuant to the Memorandum of Operating Procedure.

**"Parties"** shall mean the parties to this Agreement collectively and "Party" shall mean any of the Parties to this Agreement individually.

								
Borrower	AB	RoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee

“**PBITDA**” shall mean in relation to any financial year the gross profit of the Borrower before payment of interest and tax, and before deduction of depreciation/amortization.

“**Repayment Schedule**” means the amortisation schedule for repayment of the outstanding principal amount of the Loans and outstanding principal amount of the FCTL as set out in Part A and Part B of Schedule IV respectively.

“**Restructuring Documents**” means this Agreement and any other agreement or document executed by the Borrower or any other Person, with or, in favour of, any of the Lenders/Security Trustee, including the personal guarantee furnished in terms of Article 3.2 of this Agreement and the amendment agreements to the Existing Finance Documents, in order to effectuate the restructuring contemplated in this Agreement.

“**Return on Capital Employed**” in relation to any Financial Year shall mean the percentage calculated as:

$$(X \div Y) \times 100$$

Where X = PBIT or PBITDA, as the case may be; and

Where Y = Capital Employed.









“**Sponsors**” shall mean collectively Madhucon Projects Limited, Madhucon Infra Limited and Madhucon Toll Highways Limited.

## 1.2 INTERPRETATION










The principles of construction set forth in Article 1.2 of the Common Loan Agreement shall apply to this Agreement as if expressly set out in full herein with each reference to ‘this Agreement’ therein being deemed to be a reference to this Agreement. Capitalized terms used but not otherwise defined in this Agreement shall have the meanings assigned to them in the Common Loan Agreement.

## 1.3 REVISED TERMS AND INCONSISTENCY

- (i) Save and except as hereby expressly provided nothing herein contained shall or shall deem to limit or prejudicially affect the rights and benefits created in favour of the Lenders under the Finance Documents.
- (ii) The Borrower agrees and declares that save and except as modified by this Agreement all the respective provisions, covenants, conditions and stipulations contained in the Existing Finance Documents shall in all other respect remain in full force and effect and binding on the Borrower and this Agreement shall be construed as in addition and supplemental thereto and not in derogation thereof in any manner.

								
Borrower	AB	BoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee

- (iii) This Agreement and other Restructuring Documents shall be deemed to be Finance Documents, and therefore, the term "Finance Document" shall be construed accordingly.
- (iv) Notwithstanding anything to the contrary contained in any of the Existing Finance Documents, in case of any inconsistency between the provisions of any of the Existing Finance Documents on the one hand and the provisions of this Agreement and the other Restructuring Documents on the other hand, the provisions contained in this Agreement and the other Restructuring Documents shall prevail over such inconsistent provisions as contained in any of the Existing Finance Documents, to the extent of such inconsistency. *Provided* that the determination by the Lenders as to whether or not a provision of any of the Existing Finance Document is inconsistent with the terms of the Restructuring Documents shall be binding on the Borrower.
- (v) Notwithstanding anything to the contrary contained in any of the Finance Documents and subject to the provisions of Article 2.4 hereof, in case of any inconsistency between the provisions of the Concession Agreement and the provisions of the Finance Documents, the provisions in the Concession Agreement shall prevail over such inconsistent provisions as contained in any of the Finance Documents, to the extent of such inconsistency:
- (vi) Notwithstanding anything to the contrary contained in any of the Finance Documents including Memorandum of Operating Procedure pursuant to Clause 2.4 of the Escrow Agreement and subject to the provisions of Article 2.4 hereof, the provisions of the Escrow Agreement shall have an overriding effect over the provisions of the Finance Documents and in the event of any conflict/ inconsistency between the provisions contained in the Escrow Agreement and the provisions contained in the Finance Documents, the provisions contained in the Escrow Agreement shall prevail:
- (vii) Notwithstanding anything to the contrary contained in this Agreement, the Parties hereto expressly agree and acknowledge that NHAI, in its sole discretion, shall have the right to step into this Agreement under Clause 9.1(xiv) of the Concession Agreement, in accordance with the provisions of the Concession Agreement in substitution of the Borrower, in the event of Termination as defined in the Concession Agreement.
- (viii) Notwithstanding anything to the contrary contained in any of the Finance Documents, each of the parties recognizes the provisions contained in Clauses 9.5, 11.1(xiii), 11.1(xv) and Article 35 of the Concession Agreement.

								
Borrower	AB	BoM	SBFI	SBI	SBM	AB	Lenders' Agent	Security Trustee

**ARTICLE - II**  
**RESTRUCTURING OF THE LIABILITIES OF THE BORROWER**

**2.1 ACKNOWLEDGEMENT OF INDEBTEDNESS**

The Borrower hereby irrevocably acknowledges and confirms the existence of, and, in the absence of any manifest error (which shall be determined by the Lenders at their sole discretion, any such determination by the Lenders being binding on the Borrower), the amount of the Loans outstanding as on date to each of the Lenders as set out in fourth column of Schedule II hereto and agrees to, and acknowledges, the reconstitution of the Loans due to the Lenders pursuant to this Agreement and the other Restructuring Documents.









**2.2 WAIVER OF EXISTING EVENTS OF DEFAULTS**

Subject to the other provisions of this Agreement, each of Lenders hereby waives any Events of Default that have occurred in terms of the Existing Finance Documents till the date of this Agreement and any and all rights, remedies and powers that may have arisen in connection therewith. For avoidance of doubt, it is hereby clarified that the Lenders do not hereby waive their right to recover their respective Facilities, in accordance with the terms of this Agreement.

**2.3 RESTRUCTURING**

Each of the Lenders and the Borrower hereby agree that the Loans shall hereby stand restructured as follows:

- (a) The Borrower undertakes to repay the amount of Rs.180,46,00,000.00 (Rupees One Hundred Eighty Crores Forty Six Lacs Only) being the principal amount of the Loans outstanding as on the date of this Agreement in 40 (forty) structured quarterly instalments commencing from March 31, 2013 on the last day of each quarter in the amounts stated against the corresponding Financial Year in the Repayment Schedule set forth in Part A of Schedule IV hereof.
- (b) The Borrower shall, with effect from the Cut-off Date, pay interest at the Applicable Interest Rate mentioned in Part A of Schedule III hereof on the Interest Payment Dates to the Lenders on their respective Loans outstanding from time to time, and on all monies in relation to the Loans accruing due under this Agreement and not paid on Due Dates.
- (c) The Borrower undertakes to repay to the Lenders the outstanding principal amounts of the FTL in 16 (sixteen) structured quarterly instalments commencing from June 30, 2013 on the last day of each quarter in the

								
Borrower	AB	BoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee

amounts stated against the corresponding Financial Year in the Repayment Schedule set forth in Part B of Schedule IV hereof.

- (d) The Borrower shall pay interest at the Applicable Interest Rate mentioned in Part B of Schedule III hereof on the Interest Payment Dates to the Lenders on their respective FTTL outstanding from time to time, and on all monies in relation to FTTL accruing due under the Finance Documents and not paid on Due Dates. Such interest shall be payable commencing from the Interest Payment Date falling after the initial drawdown of FTTL and on every Interest Payment Date thereafter.

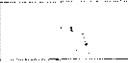


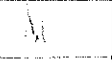
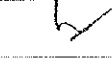

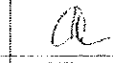
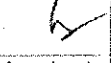
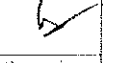
## 2.4 FUNDED INTEREST TERM LOAN

The Borrower agrees to borrow from the Lenders and each of the Lenders agree to lend to the Borrower the Funded Interest Term Loan on the terms and conditions contained in the Finance Documents, as set out against their respective name in the third column of the table contained in Schedule II hereof.

The Parties hereto agree that, the FTTL shall be governed by the terms and conditions contained in this Agreement and the other Restructuring Documents as are stated to be applicable to the same. FTTL shall also be governed by the terms and conditions contained in the Existing Finance Documents as if FTTL were part of the Loan except the provisions of Articles 2.3 (*Purpose*), 2.4 (*Availability Period*), 2.5 (*Up Front Fee and Commitment Fee*), 2.7 (*Drawdown*), 2.12 (*Premature Repayment of the Loans*), 2.13 (*Appropriation of Payments*), 3.4 (*Escrow of Revenues and Retention Accounts*), 5.1 (*Effective Date*), 5.2 (*Conditions Precedent to Initial Disbursement*) and 5.3 (*Conditions Precedent to All Disbursement*) of the Common Loan Agreement.

Notwithstanding anything to the contrary contained in the Existing Finance Documents, the interest payable by the Borrower to the Lenders with respect to the Loans during the period commencing from January 1, 2013 until March 31, 2013 in terms of the Existing Finance Documents shall be paid by way of adjustment against FTTL as if the equivalent amount is drawn from the Lenders as part of FTTL and paid to such Lenders towards such interest and such amount shall be applied only for the purpose of discharging the interest obligations towards the Lenders arising for the period commencing from January 1, 2013 till March 31, 2013 without being applied in the waterfall of priority of payment as stipulated in the Concession Agreement and the Escrow Agreement.

It is clarified that the FTTL, interest payable on FTTL and all other amounts payable by the Borrower and/or any other person in relation to FTTL in terms of the Finance Documents shall be deemed to be Secured Obligations, and therefore, the term "Secured Obligations" shall be construed accordingly.

								
Borrower	AB	BoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee

## 2.5 APPROPRIATION OF PAYMENTS

Notwithstanding anything to the contrary contained in the Existing Finance Documents, unless otherwise agreed to by the Lenders, any payments due and payable under the Finance Documents and made by the Borrower shall be appropriated towards such dues in the following order, viz.,

- (i) Interest on costs, charges, expenses and other monies;
- (ii) Costs, fees, charges, expenses and other monies;
- (iii) Liquidated damages on defaulted amounts;
- (iv) Interest including additional interest, payable in respect of the FTL;
- (v) Repayment of the FTL;
- (vi) Interest including additional interest, payable in respect of the Loans;
- (vii) Premium on prepayment of the Loans;
- (viii) Repayment of the outstanding principal amount of the Loans.

Notwithstanding anything contained above, the Lenders may, in their absolute discretion, appropriate in any manner, each payment towards the dues, if any, payable by the Borrower under or in terms of any Finance Document or Security Document.

## 2.6 AMENDMENTS TO EXISTING FINANCE DOCUMENTS










The Borrower shall, within a time period of 30 (thirty) days from the date of this Agreement execute, and cause the other persons to execute, the necessary amendments as advised by the Lenders to the Existing Finance Documents, in the form and manner satisfactory to the Lenders, to give effect to the restructuring package as envisaged under this Agreement and shall furnish copies of the same to the Lenders.

## 2.7 PREPAYMENT

In the event that the cash flows of the Borrower are better than those assumed during the appraisal for grant of restructuring the Loans, the Borrower may prepay the outstanding principal amount of the FTL on a pro-rata basis to the Lenders before the Due Date without being required to pay any prepayment premium.

Upon the receipt by the Borrower of the O&M Support of Rs.8,07,00,000.00 (Rupees Eight Crore Seven Lacs only) which is pending to be received by the Borrower from NHAI in terms of the Concession Agreement as on the date of this Agreement, the Borrower shall immediately thereupon repay the entire then outstanding amount of FTL out of such O&M Support received from NHAI from the Company Sub-Account (as defined under the Memorandum of Operating Procedure) after applying such O&M Support in the waterfall of priority as specified in the Clause 3.3 of the Escrow Agreement and the balance remaining in the

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Borrower	VB	BoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee

Company Sub-Account (as defined under the Memorandum of Operating Procedure) shall be utilized for prepayment of the Loans in the inverse order of maturity without requiring to pay any prepayment premium in respect thereof.

Similarly, any surplus remaining in the Company Sub-Account at the end of each Financial Year shall be applied to repay the entire then outstanding amount of FTL and the balance remaining in the Company Sub-Account (as defined under the Memorandum of Operating Procedure) shall be utilized for prepayment of the Loans in the inverse order of maturity without requiring to pay any prepayment premium in respect thereof.

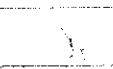








## 2.8 ADDITIONAL INTEREST

The Borrower shall pay an additional interest to each of the Lenders at the rate of 2% (two percent) per annum on the outstanding principal amount of the Facilities if the Borrower fails to comply with any of its obligation stipulated in this Agreement or any other Finance Document. Such additional interest shall be payable with effect from the date on which the Borrower commits such default until the default is cured by the Borrower to the satisfaction of the Lenders. Such additional interest shall be payable on the next falling Interest Payment Date.

## 2.9 EVENTS OF DEFAULT










The term "Event of Default" shall in addition to those mentioned in the Common Loan Agreement (as amended or supplemented vide this Agreement) shall include each of the following events:

- (i) Any of the Sponsors have failed to perform their obligations towards the Borrower and/or the Project including any default of any of their obligations under the sponsors' undertaking furnished by them pursuant to Article 3.4 hereof;
- (ii) Failure by the Borrower to comply with its obligations to renew the insurance policies in terms of the Finance Documents
- (iii) Any information given by the Borrower/its promoters in its application for the restructuring of the Loans or in the reports and other documents and information furnished by them to the Lenders from time to time or any representations made or warranties given/ deemed to have been given by the Borrower/promoters in the Finance Documents shall be proved to have been false or misleading or incorrect in any material respect when made or deemed to be repeated;
- (iv) Withholding of any important information by the Borrower/its promoters which in the opinion of the Lenders is detrimental to their interests;
- (v) Diversion/Siphoning by the Borrower of its cash flows for meeting any expenditure unrelated to the Project or for payment to any concern without

								
Borrower	AB	BoM	SBH	SBI	SBM	AB	Lenders' Agent	Security Trustee

the permission of the Lenders or failure by the Borrower of its obligations to deposit the Receivables into the Escrow Account;

- (vi) Default by the Borrower or any other person (other than the Lenders) in the performance or observance of any covenant, condition, obligation, agreement, warranties or provision under the Finance Documents (including the Restructuring Documents).

								
Borrower	AB	RoM	SBI	SBI	SBI	VB	Lenders' Agent	Security Trustee



**ARTICLE - III**  
**SECURITY STIPULATIONS AND SPONSORS' UNDERTAKING**

**3.1 SECURITY FOR FTTL**

The FTTL together with all interest, liquidated damages, costs, expenses and other monies whatsoever payable in relation to FTTL in terms of this Agreement or other Finance Documents shall be secured, inter alia, by the Security Interest created/to be created as per the provisions of Article III of the Common Loan Agreement.

The Borrower shall ensure that the Security Interest in terms of Article III of the Common Loan Agreement is created and perfected (including filing of necessary form with the concerned office of the Registrar of Companies within a period of 30 days from the date of creation/modification of Security) for securing the FTTL and all interest, liquidated damages, costs, expenses and other monies whatsoever payable in relation to FTTL in terms of this Agreement or other Finance Documents, within a period of 30 (thirty) days from the date of this Agreement and shall for the aforesaid purpose execute or procure the execution of necessary amendments to the Security Documents in a form and manner satisfactory to the Lenders.

**3.2 GUARANTEES**

The Borrower shall procure irrevocable and unconditional:










- (i) personal guarantee each from Mr. Nama Seethaiah, Mr. K. Srinivasa Rao and Mr. Mallampati Madhu, the shareholders of the Borrower;
- (ii) corporate guarantees from each of MHL and MTHL, in favour of the Lenders/Security Trustee for the due repayment of the Facilities and the payment of all interest and other monies payable by the Borrower in terms of the Finance Documents, in the form and manner satisfactory to the Lenders simultaneously with the execution of this Agreement. The Borrower shall not pay any guarantee commission to the said guarantors.

**3.3 CONTINUATION OF EXISTING SECURITY**

The Security Interest created in terms of Article III of the Common Loan Agreement shall continue to be in full force and effect for the Facilities together with all interest, liquidated damages, costs, expenses and other monies whatsoever payable in relation to the Facilities in terms of the Finance Documents.

**3.4 SPONSORS' UNDERTAKING**

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




								
Borrower	AB	BoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee

The Borrower shall, simultaneously with the execution of this Agreement, procure from the Sponsors the following undertakings, on a joint and several basis, in a form and substance satisfactory to the Lenders:

- (i) Undertaking from the Sponsors that the Sponsors shall have contributed to the Borrower an amount of Rs.1,20,00,000.00 (Rupees One Crore Twenty Lacs only) (being 25% of the Lenders' sacrifice) in the form and manner satisfactory to the Lenders, prior to the date of this Agreement;
- (ii) Undertaking from the Sponsors that that in the event of termination of the Concession Agreement for any reason whatsoever, the Sponsors shall provide funds in the form and manner satisfactory to the Lenders, to meet the Secured Obligations, if, after receipt of the Termination Payment (as defined under the Concession Agreement) from NHAI, if any, there is shortfall of funds with the Borrower for repayment of the entire outstanding principal amount with respect to the Facilities and other Secured Obligations then outstanding;
- (iii) Undertaking from the Sponsors that in case of shortfall of funds with the Borrower to meet the O&M Expenses (as defined in the Concession Agreement), routine and major maintenance expenses for the Project, capital expenditure for the Project, from time to time, the Sponsors shall provide funds, in the form and manner satisfactory to the Lenders, without recourse to the Borrower, the Project Assets and the Secured Property for meeting such shortfall in the funds of the Borrower;
- (iv) Undertaking from the Sponsors that in case of inability of the Borrower to meet the Debt Service Requirement from time to time, the Sponsors shall provide funds, in the form and manner satisfactory to the Lenders, without recourse to the Borrower, the Project Assets and the Secured Property, to meet the Debt Service Requirement at all times and from time to time;

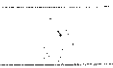








For the aforesaid purpose the term "Debt Service Requirement" shall mean at any time, the sum of (a) the aggregate amount of all principal and interest accrued on all outstanding amounts advanced by the Lenders that is due and payable at such time in terms of the Finance Documents, and (b) the aggregate amount of all fees, costs, expenses, commitment charges, and other amounts that are due and payable by the Borrower under or in respect of the Finance Documents till then;

- (v) Undertaking from the Sponsors that since an amount of Rs.48,30,00,000.00 (Rupees Forty Eight Cröre Thirty Lacs Only) is due and payable by the Borrower to the EPC Contractor in terms of the EPC Contract on account of the change/variation in scope of work and additional works undertaken by the EPC Contractor and since NHAI is required to pay to the Borrower









								
Borrower	AB	BoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee

amounts on account of similar claims raised/to be raised by the Borrower on NHAI, the Sponsors shall provide funds in the form and manner satisfactory to the Lenders, to enable the Borrower to make such payments to the EPC Contractor, if, after receipt of the amounts from NHAI on account of similar claims raised/to be raised by the Borrower on NHAI, if any, there is shortfall of funds with the Borrower for payment of the aforesaid amount payable by the Borrower to the EPC Contractor, as stated above;

- (vi) Undertaking from the Sponsors that in case of shortfall of funds with the Borrower (a) to maintain the DSR in the DSRA in terms of the Existing Financing Documents; and/or (b) to maintain the MMR in the MMRA in terms hereof, the Sponsors shall provide funds, in the form and manner satisfactory to the Lenders, without recourse to the Borrower, the Project Assets and the Secured Property for meeting such shortfall in the funds of the Borrower, provided that in the case of DSR, the Sponsors may provide an unconditional and irrevocable bank guarantee, without any recourse to the Borrower, the Project Assets and the Secured Property, favouring the Security Trustee, from a scheduled bank/a bank acceptable to the Lenders, for an amount equivalent to the DSR required to be credited to the DSRA;
- (vii) Undertaking and acknowledgement from the Sponsors that in the event the Sponsors contribute and/or arrange funds to the Borrower by way of unsecured loan or other form of debt pursuant to the undertakings stipulated in this Article 3.4:
- the principal amount of such debt shall not become due and payable by the Borrower until the Final Settlement Date;
  - the repayment of such debt shall be subordinate to the Facilities;
  - no interest or dividend shall be payable on or in respect of such debt;
  - consequently, no winding up or other proceedings shall lie against the Borrower until after the Final Settlement Date in respect or for recovery of such debts and any amount payable in respect thereof.
- (viii) Undertaking from the Sponsors that any current or other liability of the Borrower to them so outstanding:
- shall be converted into equity shares of the Borrower credited as fully paid up; and/or
  - shall be treated as interest free subordinate loans to the Borrower, which shall be governed by the following terms and conditions:
    - the principal amount of such amounts shall not become due and payable by the Borrower until after the Final Settlement Date;
    - the repayment of such amounts shall be subordinate to the Facilities;

								
Borrower	AB	BoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee

- (c) consequently, no winding up or other proceedings shall lie against the Borrower until after the Final Settlement Date in respect or for recovery of such amounts and any amount payable in respect thereof.
- (ix) Undertaking from the Sponsors that they shall bring additional funds to the Borrower, without any recourse to the Borrower, the Project Assets and the Secured Property, to the satisfaction of the Lenders, to meet the shortfall, if any, in meeting the means of finance for implementation of the Project arising for any reason whatsoever, including, for reasons arising out of delay in receiving the NHAI Grant and/or the Cost Overrun, in such form and content satisfactory to the Lenders.

								
Borrower	AB	RoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee

## ARTICLE - IV CONDITIONS PRECEDENT TO THIS AGREEMENT

The effective date of this Agreement shall be March 30, 2013, unless any Lender desires to make this Agreement effective vis à vis such Lender from the date it executes the Agreement, in which case such Lender shall state against its signature clause the date when it executes this Agreement.

Notwithstanding anything to the contrary that may be contained herein, the following conditions shall have been fulfilled to the satisfaction of the Lenders prior to the date of this Agreement:

### 4.1 REPAYMENT OF LOANS

An aggregate amount of Rs.43,54,00,000.00 (Rupees Forty Three Crores Fifty Four Lacs Only) forming part of the Loans disbursed by the Lenders to the Borrower in terms of the Common Loan Agreement shall have been repaid by the Borrower to the Lenders.

### 4.2 SPONSORS' CONTRIBUTION

An aggregate amount of Rs.1,20,00,000.00 (Rupees One Crore Twenty Lacs only) (being 25% of the Lenders' sacrifice) shall have been contributed by the Sponsors in the form and manner satisfactory to the Lenders, being the amount which the Sponsors are required to contribute in terms of Article 3.4(i) hereof.






### 4.3 OBLIGATIONS PRIOR TO CUT-OFF DATE

The Borrower shall have paid to the Lenders all the amounts that are due and payable prior to the Cut-Off Date in terms of the Existing Finance Documents in relation to the repayment of the outstanding principal amount of the Loans and the interest thereon.

### 4.4 CORPORATE ACTIONS

The Borrower shall have furnished to the Lenders:

- (A) up-to-date certified true copies of the constitutional documents, certificate of incorporation and certificate for commencement of business of the Borrower and the Sponsors;
- (B) certified true copy of the resolutions of the Board approving (i) the sanction letter of the Lenders, (ii) availing of the FTL, (iii) approving the terms and execution of, and the transactions contemplated by this Agreement and the other Restructuring Documents to which it is a party, and (iv) authorising its

								
Borrower	AB	BoM	SBH	SBI	SBM	VB	Lenders Agent	Security Trustee

**ARTICLE - IV**  
**CONDITIONS PRECEDENT TO THIS AGREEMENT**

This Agreement shall become effective and binding on the Borrower from \_\_\_\_\_ 2013 and shall remain in full force until the Final Settlement Date.

Notwithstanding anything to the contrary that may be contained herein, this Agreement, shall as regards the Lenders be effective only upon the fulfillment of the following conditions to the satisfaction of the Lenders:

**4.1 REPAYMENT OF LOANS**

An aggregate amount of Rs.43,54,00,000.00 (Rupees Forty Three Crores Fifty Four Lacs Only) forming part of the Loans disbursed by the Lenders to the Borrower in terms of the Common Loan Agreement shall have been repaid by the Borrower to the Lenders.

**4.2 SPONSORS' CONTRIBUTION**

An aggregate amount of Rs.1,20,00,000.00 (Rupees One Crore Twenty Lacs only) (being 25% of the Lenders' sacrifice) shall have been contributed by the Sponsors in the form and manner satisfactory to the Lenders, being the amount which the Sponsors are required to contribute in terms of Article 3.4(i) hereof.







**4.3 OBLIGATIONS PRIOR TO CUT-OFF DATE**

The Borrower shall have paid to the Lenders all the amounts that are due and payable prior to the Cut-Off Date in terms of the Existing Finance Documents in relation to the repayment of the outstanding principal amount of the Loans and the interest thereon.

**4.4 CORPORATE ACTIONS**










The Borrower shall have furnished to the Lenders:

- (A) up-to-date certified true copies of the constitutional documents, certificate of incorporation and certificate for commencement of business of the Borrower and the Sponsors;
- (B) certified true copy of the resolutions of the Board approving (i) the sanction letter of the Lenders, (ii) availing of the FTL, (iii) approving the terms and execution of, and the transactions contemplated by this Agreement and the other Restructuring Documents to which it is a party, and (iv) authorising its

								
Borrower	AB	BoM	SBH	SBI	SBM	VR	Lenders' Agent	Security Trustee

Authorised Officer to execute the Restructuring Documents and for affixing the common seal of the Borrower thereto;

- (C) certified true copy of the resolutions of the board of directors of each of the Sponsors approving the terms and execution of, and the transactions contemplated by the sponsors' undertaking for furnishing the undertaking in terms of Article 3.4 hereof and authorising their respective authorised officer to execute the same and for affixing their respective common seal thereto;
- (D) certified copy of the resolution of the shareholders of the Borrower under Section 293(1)(d) of the Companies Act authorising the borrowing of the FTL; and
- (E) a certificate from a chartered accountant confirming that the borrowing or the availing of FTL under the Agreement would not cause any borrowing limit binding on the Borrower to be exceeded.










								
Borrower	AB	BoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee

# **ARTICLE - V** **REPRESENTATION AND WARRANTIES**

The Borrower hereby represents and warrants that:

- (a) The Borrower has the competence and power to execute this Agreement and the other Restructuring Documents to which it is a party and all corporate and other actions required for authorizing the execution of this Agreement and the other Restructuring Documents (to which it is a party) and performance of its obligations hereunder and thereunder have been duly taken;
- (b) This Agreement and the other Restructuring Documents (to which it is a party) has been duly and validly executed by the Borrower and this Agreement and the other Restructuring Documents (to which it is a party) constitutes legal, valid and binding obligations of the Borrower;
- (c) The entry into, delivery and performance by the Borrower of, and the transactions contemplated by, this Agreement and the other Restructuring Documents (to which it is a party) does not and will not conflict: (i) with any Applicable Law (including the extant restructuring guidelines of Reserve Bank of India); (ii) with the constitutional documents of the Borrower; or (iii) with any document which is binding upon the Borrower or on any of its assets (including the Transaction Documents);
- (d) the shareholding pattern of the Borrower as on Cut-off Date is as set out in Schedule V hereto.

All representations and warranties and confirmations of the Borrower made in the Common Loan Agreement are incorporated herein by reference and are deemed to be repeated with respect to and for the benefit of the Parties hereto.

								
Borrower	AB	RoM	SBI	SBI	SBM	VB	Lenders' Agent	Security Trustee



**ARTICLE – VI**  
**CONDITIONS APPLICABLE DURING CURRENCY OF THIS AGREEMENT**

During the currency of the Facilities, the Borrower shall, at all times, comply with the following covenants:

**6.1 CONCURRENT AUDITOR**

The Borrower shall appoint reputed accounting firm acceptable to the Lenders to be the Concurrent Auditor and undertake the roles, duties and responsibilities required by the Lenders, including to oversee and monitor the implementation of restructuring of the Loans and other indebtedness of the Borrower pursuant to this Agreement and to conduct a concurrent audit of the books of account of the Borrower and all withdrawals from the Trust and Retention Account every fifteen (15) days or such other period as may be required by the Lenders, for a term as may be required by the Lenders.

The Borrower hereby agrees to provide all assistance required by the Concurrent Auditor so that they may discharge their respective roles, duties and responsibilities, including promptly furnishing information as requested by the Concurrent Auditor, from time to time, and access to its premises and books and records. The Borrower shall forthwith, upon written demand, reimburse the Lenders and the Concurrent Auditor for reasonable costs and expenses (including legal fees and out-of-pocket expenses) incurred by them in connection with the roles, duties and responsibilities of the Concurrent Auditor.










**6.2 DEBT SERVICE RESERVE**

The provisions of Article 2.24(i) of the Common Loan Agreement shall apply in relation to FTTL as well and therefore the Debt Service Reserve shall be maintained and applied accordingly.

All surplus amount i.e. the amount that remains to the credit of the Company Sub-Account shall be first utilized to make payments into the Debt Service Reserve Sub-Account, in the event there is any shortfall in that account.

**6.3 COMPLIANCE WITH RBI GUIDELINES**

The Borrower shall comply in all respects with the extant restructuring guidelines/parameters/conditions of Reserve Bank of India in relation to the restructuring of the debt of the Borrower as envisaged under this Agreement.

								
Borrower	AB	BoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee

#### 6.4 COMPLIANCE WITH CONCESSION AGREEMENT

The Borrower shall remain in compliance with the provisions of the Concession Agreement including the provisions of Clauses 9.1(iii), 9.1(iv) and 9.5 of the Concession Agreement.

#### 6.5 DUE DILIGENCE REPORT

The Borrower shall provide to the Lenders Due Diligence Report in relation to the Borrower from an independent company secretary in terms of circular number RBI/2008-2009/379 dated February 10, 2009, issued by RBI as amended or updated from time to time on a half yearly basis on 30<sup>th</sup> of September and 31<sup>st</sup> March each year until the Final Settlement Date.

#### 6.6 FINAL COMPLETION CERTIFICATE

The Borrower shall make its best endeavours to ensure that the final Completion Certificate is issued by the Independent Consultant pursuant to the Concession Agreement at the earliest and in any event within a period of 3 (three) months from the date of this Agreement.

#### 6.7 RELEASE OF OPERATIONAL GRANT









The Borrower shall follow up regularly with NHAI for the release of the balance amount of the O&M Support (as defined in the Concession Agreement) being an amount of Rs.8,07,00,000.00 (Rupees Eight Crore Seven Lacs only) which is pending to be received by the Borrower from NHAI in terms of the Concession Agreement and shall make its best endeavours to ensure that the same is released by NHAI at the earliest.

#### 6.8 MAJOR MAINTENANCE RESERVE

The Borrower shall maintain the MMR from time to time and credit the same to the MMRA. The Borrower commits to crediting the MMRA with MMR at all times. The amounts accumulated in the MMRA shall not be used for any purpose other than major repairs, replacement and maintenance costs of the Project. The amount in the MMRA shall be utilized, only in case of a shortfall in cash flows for meeting major repairs, replacement and maintenance costs of the Project from time to time. If at any time any amount is so utilized, the Borrower shall credit the MMRA immediately on availability of cash flows.

#### 6.9 LIABILITIES TO THE GROUP COMPANIES

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Borrower	AB	BoM	SBH	SBI	SRM	VB	Lenders' Agent	Security Trustee

The Borrower shall not discharge any current or other liabilities payable to the Sponsors and the Group Companies without the prior written permission of the Lenders. In this respect, the Borrower shall, within a period of 30 (thirty) days, obtain confirmation from the concerned Sponsors and the Group Companies to whom the Borrower owes any current or other liability to the effect that:

- (i) the amounts so outstanding shall be converted into equity shares of the Borrower credited as fully paid up; and/or
- (ii) the amounts so outstanding shall be treated as interest free subordinate loans to the Borrower, which shall be governed by the following terms and conditions:
  - (a) the principal amount of such amounts shall not become due and payable by the Borrower until after the Final Settlement Date;
  - (b) the repayment of such amounts shall be subordinate to the Facilities;
  - (c) consequently, no winding up or other proceedings shall lie against the Borrower until after the Final Settlement Date in respect or for recovery of such amounts and any amount payable in respect thereof.

#### 6.10 COMMISSION

The Borrower shall not pay any commission, brokerage, fees or charges to its sponsors, promoters, directors, managers, or other persons having substantial interest in the Borrower for furnishing guarantees, counter guarantees or indemnities or for undertaking any other liability in connection with any financial assistance obtained for or by the Borrower or in connection with any other obligation undertaken for or by the Borrower for the purpose of the Project.










#### 6.11 WILFUL DEFAULTER ON THE BOARD

The Borrower shall not appoint a person as its director who is disqualified under the provisions of section 274 of the Companies Act, 1956 or appears on the defaulter list of RBI or CIBIL or FCCGC caution list or COFEPOSA defaulters list and/ or is also a director on the board of any other company, which has been identified as a willful defaulter by any bank or financial institution, as per the parameters determined by RBI from time to time.

#### 6.12 MUTATIS MUTANDIS

The Borrower agrees and undertakes that any terms and conditions stipulated by any other Lender, if more favourable than those stipulated herein, shall, except as expressly provided in this Agreement, apply mutatis mutandis to all the Loans, FTL and the remaining Lenders.

#### 6.13 NOTICE

								
Borrower	AB	BoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee

The Borrower shall, promptly, and in any event not later than 5 (five) Business Days upon the Borrower obtaining knowledge thereof or upon their becoming available as the case may be, notify the Lenders of occurrence of any event or circumstances adversely affecting the financial position of the Group Companies, such as any creditor taking any legal or other action against any of them, that may or is likely to have such Material Adverse Effect, together with proper explanation and the remedial steps the Borrower proposes to take legal or other.

#### 6.14 RESTRICTED PAYMENT

The Borrower shall not declare any Restricted Payments without obtaining the prior written permission of the Lenders.

#### 6.15 FIXED ASSET REGISTER

The Borrower shall furnish to the Lenders a copy of the fixed asset register maintained by them at the end of every Financial Year duly certified by the Auditor.

#### 6.16 PAYMENTS TO SHAREHOLDERS









- (a) Monies (including premium paid on issuance of any shares or other securities) brought in by the Sponsors / Promoters/shareholder/ directors/ depositors/ associate companies shall not be repaid before the Secured Obligations are fully discharged to the complete satisfaction to the Lenders.
- (b) The Borrower shall not pay any amounts (including interest) in respect of any subordinated debt (including the monies referred to in sub-paragraph (a) above).

#### 6.17 O&M EXPENSES

The Borrower shall take steps to bring down the O&M Expenses substantially and at least to the levels assumed during the appraisal for grant of restructuring the Loans so as to improve the viability of the Project.

#### 6.18 EXTERNAL RATING

The Borrower shall, by April 1, 2013, obtain the external rating by an accredited external credit assessment institution approved by the Lenders and furnish a copy of the same to the Lenders. The aforesaid rating shall be obtained by the Borrower at its own costs, charges and expenses.

								
Borrower	AB	BoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee

## ARTICLE – VII MISCELLANEOUS

### 7.1 RIGHT OF RECOMPENSE

If, in the opinion of the Lenders, the profitability and cash flows of the Borrower so warrant, i.e. to say, if the cash flows of the Borrower are better than those assumed during the appraisal for grant of restructuring the Loans, the Lenders shall be entitled to receive recompense for the reliefs and sacrifices extended by them.

The recompense amount payable to the Lenders in terms hereof shall be calculated in accordance with the provisions of Chapter XVIII of CDR Master Circular - 2012 issued by the Corporate Debt Restructuring Cell.










### 7.2 RIGHT OF ACCELERATION

The Lenders shall have the absolute right to renegotiate the terms of restructuring including accelerating the Repayment Schedule of the Facilities to match the same with the original amortization schedule of the Loans provided in the Common Loan Agreement, in the event the cash flows of the Borrower are better than those assumed during the appraisal for grant of restructuring the Loans. Under such circumstances the Borrower shall repay the outstanding amounts of the Facilities as per accelerated repayment without demur without being required to pay any prepayment premium.

### 7.3 RIGHT OF REVOCATION

Upon the occurrence of an Event of Default after the date of this Agreement, in addition to all rights and remedies of the Lenders in the Finance Documents, the Lenders may revoke all or any part of the restructuring of the Loans effectuated pursuant to this Agreement and the other Restructuring Documents.

Further, the restructuring of the Loans effectuated pursuant to this Agreement and the other Restructuring Documents shall be subject to annual review by the Lenders. The Borrower agrees that if, as a result of such annual review, the Lenders determine that the operations of the Borrower continue to be unsatisfactory or the financial discipline as envisaged is not adhered to and/or the Borrower or any other person has committed any default under the Finance Documents, the Lenders shall have the right to reverse the package and stipulate such additional conditions (including strengthening of management set up, appointment of independent finance director, raising of additional equity or interest free unsecured funds from the promoters/sponsors, etc.) in their absolute discretion deem fit.

								
Borrower	AB	BoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee

Upon revocation of the restructuring of the Loans pursuant to this Article the rights and remedies of the Lenders under the Existing Finance Documents would continue as if they had not been waived, amended, modified by the Restructuring Documents and the Lenders shall be entitled to enforce such rights and remedies, including the right to appoint additional nominee directors and all rights arising on account of the occurrence of an Event of Default, as if the same had not been waived and/or modified pursuant to this Agreement and the other Restructuring Documents, *provided*, however, that the obligations of the Borrower under the Restructuring Documents shall continue to be binding on the Borrower and the Lenders shall be entitled to exercise all rights and remedies conferred on them pursuant to the Restructuring Documents, including the right to any Security Interests created pursuant to the Restructuring Documents. The Lenders may, in addition to all other rights and remedies under the Restructuring Documents and Applicable Law, cancel the Facility(ies), cease to fund interest on the Facilities and/or charge default interest or liquidated damages in respect of any interest that has been funded by them.

The Lenders reserve the right to withdraw the cheque facility granted to the Borrower in terms of the Lenders' policy on dishonor of cheque, in case incidences of frequent dishonor of cheque or failed ECS (debit) due to insufficient funds is observed by the Lenders in the account of the Borrower.

#### 7.4 CANCELLATION BY THE LENDERS

The Borrower shall not cancel the Facilities or any part thereof without the prior written approval of the Lenders.

The Lenders may cancel the Facilities in accordance with Articles 7.2 and 7.3 of the Common Loan Agreement as amended/modified vide this Agreement.










Notwithstanding anything to the contrary, the Lenders or any of them shall have the unconditional right to cancel whole or part of any of their commitments of the Facilities without assigning any reason whatsoever and without prior notice in the event of:

- (a) the Borrower not utilizing the limits or part of the limits;
- (b) deterioration in the loan account in any manner whatsoever; and/ or
- (c) non-compliance with the terms and conditions of the Finance Documents.

#### 7.5 BENEFIT OF THIS AGREEMENT

This Agreement shall be binding upon and inure to the benefit of each of the Parties hereto and their respective successors and permitted assigns.

The Borrower shall not assign or transfer its rights and obligations under this Agreement without the prior consent of each Lender.

								
Borrower	AB	BoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee

Any Lender may assign, novate or transfer all or any of its rights and/or benefits under this Agreement in the same manner and to the same extent as any assignment, novation or transfer of the Common Loan Agreement. Such assignment, hypothecation, novation, transfer by the Lenders of its rights and/or benefits under this Agreement or any other Finance Document can be to any person including any asset reconstruction company or bank or any other entity. Accordingly, any Lender which assigns, novates or transfers all or any of its rights and/or benefits under the Common Loan Agreement in accordance with the provisions thereof shall be deemed to have assigned, novated or transferred its rights and/or benefits under this Agreement to the same extent, and the assignee, new lender or transferee shall become a Party hereto and be bound by the provisions hereof and have the same rights as the assigning, novating or transferring Lender to the extent of the interests assigned, novated or transferred.

#### 7.6 SEVERABILITY

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of prohibition or unenforceability but shall not invalidate the remaining provisions of this Agreement or affect such provision in any other jurisdiction.

#### 7.7 COUNTERPARTS

This Agreement may be executed in any number of counterparts, and each of the said counterparts shall be an original document and all of which taken together shall constitute one and the same agreement.










#### 7.8 GOVERNING LAW AND JURISDICTION

This Agreement and the rights and obligations of the Parties hereunder shall be construed in accordance with and be governed by the laws of India.

Each Party agrees that any legal action or proceedings arising out of this Agreement and other Finance Documents may be brought in the competent Court and tribunals in Hyderabad and irrevocably submits itself to the jurisdiction of such Court or tribunal. The Lenders may, however, in their absolute discretion commence any legal action or proceedings arising out of this Agreement and other Finance Documents against the Borrower in a court, tribunal or any other appropriate forum in India.

#### 7.9 WAIVER OF IMMUNITY










To the extent that the Borrower may, in any jurisdiction, claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before

								
Borrower	AB	BoM	SBIF	SBI	SBM	VB	Lenders' Agent	Security Trustee

judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), the Borrower hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity.

#### 7.10 SHARING OF INFORMATION

The Borrower hereby agrees that the Lenders shall be entitled to exchange information regarding the Borrower's accounts with other banks, as and when required in accordance with applicable regulation including for the avoidance of doubt, in accordance with RBI/2008-2009/183 (DBOD No. BP. BC. 46/08.12.001/2008-09) as amended, restated or replaced from time to time in the prescribed format.

								
Borrower	AB	BoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee



# **SCHEDULE I** **PARTICULARS OF LENDERS**

**ANDHRA BANK**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1980 and having its head office at 5-9-11, Saifabad, Hyderabad - 500 004, Andhra Pradesh and having a Main Branch Office at Gandhi Chowk, Khammam - 507 003 in the State of Andhra Pradesh (herein referred to as "**AB**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns);










**BANK OF MAHARASHTRA**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act V of 1970 carrying on the business of Banking and having its Head Office at Lokmangal, 1501 Shivaji Nagar, Pune - 411 005 and amongst other a branch office at Sultan Bazaar Branch, 4-3-379, Bank Street, Hyderabad - 500 001, in the State of Andhra Pradesh (hereinafter referred to as "**BoM**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns);

**STATE BANK OF HYDERABAD**, a body corporate constituted under State Bank of Hyderabad Act, 1956 having its Head office at Gun Foundry, Hyderabad, Andhra Pradesh and a Branch office amongst other places at Industrial Finance Branch, Ground Floor, Topaz Building, Punjagutta, Hyderabad (hereinafter referred to as "**SBH**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns);

**STATE BANK OF INDIA**, a body corporate constituted under the State Bank of India Act, 1955 with its head office at 8<sup>th</sup> Floor, State Bank Bhavan, Madame Cama Road, Near Vidhan Bhavan, Nariman Point, Mumbai - 400 021 and acting through its Corporate Accounts Group Branch at OZONE Commercial Complex, Door No. 6-3-669/1, 1/A, ABC, 2<sup>nd</sup> Floor, Punjagutta Main Road, Punjagutta, Hyderabad - 500 082 and through its Namapalli Branch, Hyderabad (hereinafter referred to as "**SBI**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns);










**STATE BANK OF MYSORE**, a body corporate constituted under the State Bank of India subsidiary Act, 1959 carrying on the business of Banking and having its Head Office at K G Road Bangalore 560 009 and amongst others Industrial Finance Branch at 6-3-865, "My Home Jupally", Amcerpet, Hyderabad - 500 016 in the State of Andhra Pradesh (hereinafter referred to as "**SBM**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns);

**VIJAYA BANK**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1980 and having its Head Office at 41/2, M.G. Road, Bangalore 560 001 and its Branch at 3-1-252/253, Sarojini Devi Road, Near Manju Theatre, Secunderabad - 500 003, in the State of Andhra Pradesh (hereinafter referred to as "**VB**",

								
Borrower	AB	BoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee










which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns);

(AB, BoM, SBH, SBI, SBM and VB are individually referred to as “Lender” and are collectively referred to as the “Lenders” which expression shall include all or any one or more of them as the context may require or admit).

								
Borrower	AB	BoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee

**SCHEDULE II**  
**PARTICULARS OF FACILITIES**

Name of Lender	Amount of Loan (Rupees in Crores)	Amount of FITL (Rupees in Crores)	Amount of Loan outstanding to be repaid as on the date of this Agreement (Rupees in Crores)
AB	10.00	0.26	8.05
BoM	14.00	0.36	11.28
SBH	50.00	1.31	40.30
SBI	120.00	3.10	96.68
SBM	20.00	0.52	16.10
VB	10.00	0.26	8.05
<b>Total</b>	<b>224.00</b>	<b>5.81</b>	<b>180.46</b>

								
Borrower	AB	BoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee

### SCHEDULE III APPLICABLE INTEREST RATE

#### PART A APPLICABLE INTEREST RATE FOR THE LOANS

Rate of interest shall be floating rate equivalent to Base Rate of SBI plus interest spread of 3.30% (three point three zero percent) per annum.

#### PART B APPLICABLE INTEREST RATE FOR THE FUNDED INTEREST TERM LOANS










Rate of interest shall be floating rate equivalent to Base Rate of SBI plus interest spread of 3.30% (three point three zero percent) per annum.

Provided that the Lenders shall be entitled to re-price the interest rate on the Loans or FTTL payable by the Borrower in terms of Finance Documents at their sole discretion at any time, in case after the completion of one full year of operations of the Project, there is an adverse deviation by more than 20% (twenty percent) in respect of any 2 (two) out of the 4 (four) parameters specified in items (a) to (d) below. The determination of deviation for the aforesaid purposes shall be on the basis of the annual audited financial statements of the Borrower:

The financial ratios referred to above are stipulated below:

- (a) Total Debt Gearing of 2.51 (two point five one) (considering the unsecured loans to the Borrower by the Group Companies in terms of the Finance Documents to be part of Tangible Net Worth);
- (b) Gross DSCR of 1.25 (one point two five);
- (c) Interest Coverage Ratio of 1.25 (one point two five); and
- (d) Return on Capital Employed of 5.32% (five point three two percent) when taking PBIT/Capital Employed and Return on Capital Employed of 7.96% (seven point nine six percent) when considering PBITDA/Capital Employed.

Provided further that the Lenders shall be entitled to reset the interest spread on the COD and every anniversary thereof.










								
Borrower	AB	BoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee

SCHEDULE IV  
REPAYMENT SCHEDULE

PART A  
REPAYMENT SCHEDULE FOR THE LOANS

Financial Year Ending	No. of Quarterly Installments	AB (Rs. in crores)	BoM (Rs. in crores)	SBH (Rs. in crores)	SBI (Rs. in crores)	SBM (Rs. in crores)	VB (Rs. in crores)
31-Mar-13	1	0.004025	0.0056	0.0201	0.0482195	0.00803	0.004
31-Mar-14	4	0.004025	0.0056	0.0201	0.0482195	0.00803	0.004
31-Mar-15	4	0.004025	0.0056	0.0201	0.0482195	0.00803	0.004
31-Mar-16	4	0.28175	0.395	1.4114	3.386077	0.563740	0.282
31-Mar-17	4	0.60375	0.8456	3.0217	7.2489909	1.20688	0.604
31-Mar-18	4	0.8855	1.2406	4.433	10.6350679	1.7706	0.886
31-Mar-19	4	1.16725	1.6356	5.8446	14.0211449	2.3344	1.167
31-Mar-20	4	1.24775	1.7481	6.2466	14.9855339	2.4949	1.248
31-Mar-21	4	1.48925	2.0863	7.4548	17.8840587	2.9775	1.489
31-Mar-22	4	1.449	2.03	7.2538	17.4018642	2.8972	1.449
31-Mar-23	3	0.913675	1.280	4.5738	10.972604	1.8307	0.914
Total	40	8.05	11.28	40.30	96.68	16.10	8.05

33

								
Borrower	AB	BoM	SBH	SBI	SBM	VB	Lenders' Agent	Security Trustee












**SCHEDULE V**  
**SHAREHOLDING PATTERN OF THE BORROWER**

Name of the Shareholder	No. of Equity shares of Rs.10/- each
Madhucun Infrastructure Limited	38055000
Madhucun Toll Highways Limited	36477000
Madhucun Projects Limited	100000
SREI Infrastructure Finance Limited	13000
Nama Nageswar Rao	8888
Nama Seethaiah	2888
Nama Krishnaiah	2888
N. Rama Rao	188
Mallampati Madhu	88
Kamma Srinivasa rao	60
<b>Total</b>	<b>74660000</b>

Borrower	AB	BoM	SBI	SBI	SBI	VR	Lenders' Agent	Security Trustee
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**SCHEDULE VI**  
**MAJOR MAINTENANCE RESERVE**

Financial Year Ending	Rs. in Crores
31-Mar-13	2.00
31-Mar-14	13.78
31-Mar-15	0.00
31-Mar-16	7.90
31-Mar-17	15.80
31-Mar-18	23.70
31-Mar-19	31.61
31-Mar-20	0.00
31-Mar-21	10.57
31-Mar-22	21.15
31-Mar-23	31.72

								
Borrower	AB	BoM	SBIH	SBI	SBM	VB	Lenders' Agent	Security Trustee



IN WITNESS WHEREOF the Borrower has caused its Common Seal to be affixed hereto and to the counter copies hereof on the day, month and year first hereinabove written and the Lenders, Lenders' Agent and the Security Trustee have acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names as of the date first above written.

THE COMMON SEAL OF the withinnamed Borrower, **TN (DK) EXPRESSWAYS LIMITED** has pursuant to the Resolutions of its Board of Directors passed in that behalf on 28 day of MARCH, 2013 hereunto been affixed in the presence of Mr. K. SRINIVASA RAO its DIRECTOR and Mr. NAMA SETHIAIAH its WHOLE TIME DIRECTOR who have signed these presents in token thereof and these presents have been executed by Mr. K. SRINIVASA RAO its DIRECTOR.

SIGNED AND DELIVERED BY the within named Lender, **ANDHRA BANK** by the hand of Mr. L. GIRISH KUMAR its Asst. General Manager and authorized official.

SIGNED AND DELIVERED BY the within named Lender, **BANK OF MAHARASHTRA**, by the hand of Mr. R. RATANNA its AGM and authorized official.

SIGNED AND DELIVERED BY the within named Lender, **STATE BANK OF HYDERABAD**, by the hand of Mr. N C Panda its Chief Manager and authorized official.

For State Bank of Hyderabad  
Chief Manager  
Industrial Finance Branch  
Hyderabad - 500 082

Borrower	AB	BoM	SBI	SBI	SBI	VB	Lenders' Agent	Security Trustee