SUBSTITUTION AGREEMENT

Among

NATIONAL HIGHWAYS AUTHORITY OF INDIA (NHAI)

And

TN (DK) EXPRESSWAYS LIMITED (CONCESSIONAIRE)

And

STATE BANK OF INDIA
(The Lenders Agent)

DATED THIS 19 DAY OF October 2006



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



INDEX

510101313181818192020202121212121212121212121212121212121212122222222



-

Concessionaire

NHAI

For INDUSING SANK LIMIT Meriman Bank Limited Shop No. 2. Gr. Floor, Atlanta, MUMBAI - 400 521

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

OCT 10 2006

Rs 0000100-PB5223

Authorised Signatory Nariman Faint Branch

INDIA STAMP DUTY MAHARASHTRA

SUBSTITUTION AGREEMENT

and Six. as on the day of October, Two Thousand



BETWEEN

successors and assigns); the context or meaning thereof include its India, (hereinafter referred to as "NHAI" which expression shall unless repugnant to The National Highways Authority of



NHAI

Concessionaire

2

House, Plot No. 1129/A, Road No. 36, Hitech City Road, Jubilee Hills, of the Companies Act, 1956 and having its Registered Office at Madhucon TN (DK) Expressways Limited, a company incorporated under the provisions meaning thereof include its successors and assigns); Hyderabad-500 "Concessionaire" which expression shall unless repugnant to the context or 033, Andhra Pradesh (hereinafter referred to

ÿ Agent"). STATE BANK OF INDIA, India acting for itself and for and on behalf of the Lenders listed in Schedule I hereto (hereinafter referred to as the "Lenders

referred to as the "Parties" and individually are hereinafter referred to as (NHAI, the Concessionaire and the Lenders Agent are hereinafter collectively "Party").

WHEREAS:

- À By the Concession Agreement dated April 20, 2006 entered into between the proposed flyover at Dindigul by pass) covering 68.125 Kms" and improvement, maintenance of Km 305.600 (End of Karur bypass)- Km 373.275 (Start of India, on Build, Operate and Transfer (BOT) basis subject to and on the terms, of Karur bypass) covering 9.600 Kms. on NH-7 in the State of Tamil Nadu, operation and maintenance of 292.6 (Start of Karur bypass) - Km 305.600 (End NHAI and the Concessionaire, NHAI has granted to the Concessionaire the conditions and covenants set forth in the said Concession Agreement or forming Concession for design, construction, development, finance, operation
- Ħ Agreement and the Financing Documents, that the Senior Lenders shall have the Parties have agreed subject to the terms and conditions of the Concession the same pursuant to and in accordance with the Concession Agreement, the Concessionaire so as to enable the Concessionaire to build, operate and maintain With a view to help facilitate obtaining of financing for the said Project by the

NHAI Concessionaire Lenders' Agent

right to substitute the Concessionaire by a Selectee for the residual period of the Concession on the terms, conditions and covenants mentioned herein below.

- 0 Documents, the Senior Lenders have required and it is deemed necessary and As a condition to making any disbursement pursuant to the Financing between the Parties. expedient to record the terms, conditions and covenants of the above agreement
- D. The Senior Lenders have appointed and nominated the Lenders' Agent to act for and on their behalf inter alia, for the purpose of executing this Agreement.

NOW THEREFORE THE PARTIES HERETO HEREBY AGREE AND THIS AGREEMENT WITNESSETH AS FOLLOWS:

IAHM Concessionaire 4 Lenders' Agent

ARTICLE 1 DEFINITIONS

- 1.1 For the purpose of this Agreement, the following terms shall have the meanings hereinafter respectively assigned to them:
- 1.1.1 "Concession" means the bundle of rights, obligations and covenants of the Concessionaire under and as set forth in the Concession Agreement.
- 1.1.2 "Concession Agreement" means the Concession Agreement dated April 20, the provisions contained in this behalf therein. includes without limitation any amendments thereto made in accordance with Concession to the Concessionaire in respect of the Project Highway and 2006 entered into between NHAI and the Concessionaire granting
- "Event of Default" means occurrence of any of the following events:
- \odot A Material Breach by the Concessionaire of the Concession Agreement, Concession Agreement. or the occurrence of a Concessionaire Event of Default as defined in the
- Ξ Lenders Dues. either of principal or interest or both, due and payable by it on account of Senior Lenders under the Financing Documents, of any two instalments, A material default in payment by the Concessionaire to all or any of the
- maintain the Project Highway pursuant to and in accordance with the Documents or to design, engineer, construct, complete, operate and payment obligations to the Senior Lenders under the Financing which may seriously affect the ability of the Concessionaire to meet its which in the sole opinion of the Lenders' Agent is material or major and Financing Documents or Project Agreements concerning the Project Any event of default under or breach of any of the terms of any of the Concession Agreement.
- "Financial Assistance" means the loans, advances and other funding assistance including any syndicated / participation facility provided by the Senior Lenders

NHAI Concessionaire Lenders' Agent

as set forth in **Schedule I** hereto for financing the whole or any part of the Project Cost.

- and brief particulars whereof are set forth in Schedule II hereto in relation to security agreements and other documents relating to the Financial Assistance each Senior Lender. and include loan agreements, guarantees, notes, debenture, bonds and other Senior Lenders and/or the Lenders' Agent in respect of the Financial Assistance "Financing Documents" means the documents executed / to be executed by the Concessionaire or entered / to be entered in to by the Concessionaire with the
- Agreement. Agreement including the Concession in accordance with the provisions of this they shall have the right to seek transfer and assignment of the Concession "Lenders' Agent" means STATE BANK OF INDIA, a banking corporation Lenders, inter alia, on the condition that as security for the Financial Assistance Mumbai 400 021, India and any replacement thereof appointed by all the Senior constituted under the State Bank of India Act, 1955, And having its Corporate Centre and Project Finance SBU at State Bank Bhavan, Madame Cama Road,
- "Lenders Certificate" shall have the meaning ascribed thereto in Clause 2.2(b).
- Financing Documents. Financing Documents for the Project upto the Transfer Date, payable under the charges and fees owed by the Concessionaire to the Senior Lenders under the prepayment premium, costs, charges and other monies including financing interest, additional interest, liquidated damages, commitment fees, commission, account of principal there under for funding the Project Cost, and all accrued "Lenders Dues" Concessionaire to the Senior Lenders under the Financing Documents on means the aggregate of all monies owned by
- 1.1.9 "Notice of Default" shall have the meaning ascribed thereto in Clause 2.2(a).
- 1.1.10 "Proposal" shall have the meaning ascribed thereto in Clause 3.1(iii).
- 1.1.11 "Project Agreements" means this Agreement, the Concession Agreement and other agreements and contracts entered into by the Concessionaire with NHAI 6

NHAI	130
Concessionaire	
Lenders' Agent	

and others relating to the Project and brief particulars whereof are set forth in Schedule III hereto.

- 1.1.12 "Project Cost" means the total capital cost of the Project upto the COD as approved by the Senior Lenders.
- 1.1.13 "Senior Lenders" means the financial institutions, trusts, funds, banks and such part of the Total Project Cost and who hold pari passu charge on the Project other persons who have provided or agreed to provide the finance to the Concessionaire under any of the Financing Documents for meeting all or any
- 1.1.14 "Selectee" means a new Concessionaire proposed by the Senior Lenders of the Concession Agreement or by execution of a fresh Concession Agreement. pursuant to this Agreement and approved by NHAI for substituting the Concessionaire for the residual period of the original Concession by amendment
- 1.1.15 "Substitution Notice" means the notice given by the Lenders' Agent pursuant to Clause 2.2(c) of this Agreement.
- 1.2 The words and expressions beginning with or in capital letters used in this repugnant to the context, the meanings respectively assigned to them in the Agreement not defined in the Concession Agreement, shall have, unless Concession Agreement.
- 1.3 In this Agreement unless the context otherwise requires:
- (a) any reference to a statutory provision shall include such provision as is applying to any transactions entered into hereunder; modification or re-enactment or consolidation applies or is capable of from time to time modified or re-enacted or consolidated so far as such
- <u></u> the words importing singular shall include plural and vice versa, and or other entities (whether or not having a separate legal entity); companies, corporations, joint ventures, trusts, associations, organizations words denoting natural persons shall include partnerships, firms,

NHAI Concessionaire Lenders' Agent

7

- <u>ි</u> the headings are for convenience of reference only and shall not be used in and shall not affect the construction or interpretation of this Agreement;
- (d) terms beginning with capital letters and defined in this Agreement shall have the meaning ascribed thereto herein;
- <u>@</u> the words "include" and "including" are to be construed without limitation;
- (f) any reference to a "day" shall mean reference to a calendar day;
- (g) any reference to "month" shall mean reference to a calendar month;
- E the Schedules to this Agreement form an integral part of this Agreement and will be in full force and effect as though they were expressly set out in the body of this Agreement;
- Ξ any reference at any time to any agreement, deed, instrument, license or provided that this clause shall not operate so as to increase the liabilities or obligations of NHAI hereunder or pursuant hereto in any manner, varied, supplemented, modified or suspended at the time of such reference agreement, deed, instrument, license or other document as amended, document of any description shall be construed as reference to that whatsoever;
- \odot references to Recitals, Clauses, Sub-clauses, Paragraphs or Schedules in deemed to be references to Recitals, Articles, Clauses, Sub-clauses, this Agreement shall, except where the context otherwise requires, be Paragraphs, Annexures, Appendices of this Agreement;
- any agreement, consent, approval, authorization, proposal, notice, representative of such Party or the Senior Lender(s), as the case may be, in effectual only if it is in writing under the hands of duly authorized this behalf and not otherwise; and Agreement from or by any Party or Senior Lender(s) shall be valid and communication, information or report required under or pursuant to this



()dates. any reference to any period commencing "from" a specified day or date and "till" or "until" as specified day or date shall include both days or



ARTICLE 2

SUBSTITUTION OF THE CONCESSIONAIRE BY A SELECTEE

- 2.1 NHAI hereby irrevocably agrees to substitute the Concessionaire by a Selectee (selected by the Senior Lenders in accordance with the provisions of this that nothing contained herein shall entitle the Senior Lenders to operate the Selectee for the purpose of securing the payments of the Lenders Dues, provided Agreement or by execution of a fresh Concession Agreement in favour of the Agreement and approved by NHAI) by amendment of the Concession exceeding 90 (ninety) days, their liabilities shall be restricted to the obligations Lenders step in to operate and manage the Concession for a period not on the day of such step-in or substitution. Provided further that if the Senior Lenders may exercise the right of step-in to cure any breach or default subsisting Concession Agreement either individually or collectively. However, Senior Concession themselves as a Concessionaire under and in accordance with relating to and arising during such 90 (ninety) days period.
- (a) The Lenders' Agent shall notify by a notice in writing to the delivery of such notice to the Concessionaire (the "Notice of Default"). remedy and cure such default within 30 (thirty) days from the date of occurrence of an Event of Default and requiring the Concessionaire to Concessionaire, with a copy thereof simultaneously to NHAI, about the The Notice of Default shall be accompanied by the Lenders Certificate.
- (b) A certificate under the hands of an authorized officer of the Lenders' Agent annexed to the Notice of Default certifying-
- (i) the occurrence of an Event of Default; and
- (ii) the Lenders Dues.

(the "Lenders Certificate") shall be conclusive evidence of occurrence of such Event of Default and of such Lenders Dues. Such Lenders Certificate shall be final, conclusive and binding upon the Concessionaire for the purpose of this Agreement and the Financing Documents.



- Agent may within 30 (thirty) days of the date of delivery of the Notice of Default to the Concessionaire and without prejudice to any other right or remedy available to the Senior Lenders under the Financing Document, notify NHAI and the Concessionaire on behalf of all the Senior Lenders about the Senior Lenders' decision to invite, negotiate and procure offers, either through private negotiations or public auction or process of tendering for the residual period of the Concession and the rights and obligations of the Concessionaire under the Concession Agreement, by a Selectee, subject to the approval of such Selectee by NHAI (the "Substitution Notice").
- (d) Upon assumption by the Selectee of the liability and obligations of the Concessionaire under the Financing Documents and the Concession Agreement including obligation to pay any sums then due and payable to NHAI under the Concession Agreement, NHAI shall grant the Concession to the Selectee on the same terms and conditions for the residual period of the original Concession, by amendment of Concession Agreement or, if required by the Lenders' Agent by a separate agreement with the Selectee.
- 2.3 The Lenders' Agent shall apply in the selection of the following criteria:
- the Selectee shall be capable of properly discharging the duties,
 obligations and liabilities of the Concessionaire under the Concession

 Agreement;
- (ii) the Selectee shall provide security to the satisfaction of Senior Lenders for repayment of the Lenders Dues;
- the Selectee shall have the capability and shall unconditionally consent to assume the liability for the payment and discharge of dues of the Concessionaire to NHAI under and in accordance with the Concession Agreement and of Lender's Dues upon terms and conditions as agreed to with the Senior Lenders;



- (iv) the Selectee shall have the net worth, experience and technical equity parameters as setforth in the Concession Agreement or prescribed by NHAI thereunder in respect of the Concessionaire or as relaxed subsequently by NHAI;
- (v) the Selectee shall have not been in breach of any agreement between the Selectee and NHAI; and
- (vi) any other appropriate circumstance, whereby continuity in the performance of the Concessionaire's obligations under the Concession Agreement is maintained and the security in favour of Senior Lenders under the Financing Documents is preserved.
- 2.4 At any time prior to the acceptance of the Selectee by NHAI pursuant to this eligibility of the Selectee and the decision of the NHAI in this behalf (which Agreement, the NHAI may require the Lenders' Agent to satisfy NHAI as to the shall be reasonable), shall be final, conclusive and binding on the Senior Lenders and the Selectee.

NHAI Concessionaire Lenders' Agent

ARTICLE 3 MODALITY FOR SUBSTITUTION

- 3.1 The following modalities shall be applicable to any substitution of the Concessionaire by the Selectee pursuant to this Agreement:
- (i) The Lenders' Agent may invite, negotiate or procure offers either through private negotiations or public auction or process of tender or otherwise for the substitution of the Concessionaire by the Selectee;
- (ii) The Lenders' Agent shall on behalf of the Senior Lenders propose to NHAI pursuant to sub-clause (iii) below, the name of the Selectee for acceptance and shall apply as necessary to NHAI for:
- (a) grant to the Selectee (as substitute for the Concessionaire) the right to build, construct, complete, maintain, and operate the Project Highway under and in accordance with and subject to and on the terms and conditions set forth in the Concession Agreement,
- (b) amendment of the Concession Agreement so as to grant to the Selectee on the same terms and conditions, the residual period of the Concession under original Concession Agreement,
- (c) the execution of a new Substitution Agreement with the proposed Selectee for the residual period of Concession on the same terms and conditions, and
- within a period of 120 (one hundred twenty) days from the date of delivery to NHAI of the Substitution Notice pursuant to Clause 2(c) above, to select and propose to NHAI for its approval a Selectee (the "Proposal"). The Proposal of the Lenders' Agent pursuant to this subclause (iii) shall contain the particulars and information in respect of the Selectee, the Lenders Dues and other data and information, all as prescribed in Schedule IV hereto. Without prejudice to the foregoing the 13

NHAI Concessionaire Lenders' Agent

and other information and such clarifications in respect of any data, in the Proposal, have been provided in the Lenders' Agent to NHAI, within 60 (sixty) days of (a) the date of receipt of the Proposal by NHAI, or otherwise of such Proposal, including of Selectee, in its sole discretion particulars or information furnished pursuant hereto by the Lenders' thereunder on the footing as if such Selectee were the Concessionaire observed, complied with, performed and fulfilled by Concessionaire comply, perform and fulfil the terms, conditions and covenants of the upon approval by NHAI of the Proposal including the Selectee, observe, accompanied by an unconditional undertaking of the Selectee that it shall whichever is later. It is expressly agreed that the Proposal shall be clarifications in respect of any data, particulars or information comprised or (b) the date when last of further and other information and such Agent as NHAI may reasonably require. NHAI shall convey its approval assume, discharge and pay the NHAI Dues and the Lenders Dues to the under the Concession Agreement and shall be liable for and shall Concession Agreement which according to its terms are required to be Senior Lenders under and in accordance with the Financing Documents. Selectee shall become the Selectee hereunder. Upon approval of the Proposal including of the Selectee by NHAI, such

- NHAI shall, upon its satisfaction of the eligibility of the Selectee and in NHAI may reasonably require on the same terms and conditions for the Agreement or by execution of fresh agreement or such other writing as provisions of Sub-clause (v) below proceed to substitute the accordance with the provisions of this Agreement and subject to the residual period of the Concession in favour of the Selectee. Concessionaire by the Selectee by amendment of the Concession
- 3 necessary for operating the Concession under and in accordance with the The substitution as aforesaid shall be subject to the Selectee, obtaining Concession Agreement. requisite Indian Government approvals, clearances and permissions
- Thowever, that in the event of a refusal as stated above, the Lenders' The objection if any of NHAI to the substitution as aforesaid shall be reasoned and be made after hearing the Lenders' Agent, provided

NHAI Concessionaire Lenders' Agent

14

Agent may propose another Selectee. In the event that no objection is raised with respect to the Selectee by NHAI within the period set forth in sub-clause (iii) above, the Selectee shall be deemed to have been accepted by NHAI. NHAI shall, subject to the provisions of Sub-clause (v) above, grant the Concession for the residual period within 15 days of its acceptance / deemed acceptance of the Selectee.

- complying with the terms and conditions stipulated in the Concession only upon the Selectee as a new Concessionaire accepting and created in favour of the Senior Lenders, shall be deemed to be complete The substitution as aforesaid, pursuant to the security interest hereby Agreement
- The decision of the Senior Lenders and NHAI in the selection of the challenge such selection of the Selectee on any ground whatsoever. No deemed to have been made with the concurrence of the Concessionaire third party shall have the right to question the decision of the Senior and the Concessionaire hereby expressly waives all rights to objects to or Selectee shall be final and binding on the Concessionaire and shall be Lenders / Lenders' Agent and NHAI.
- All actions of the Lenders' Agent hereunder shall be deemed to be on and give valid discharge on behalf of all Senior Lenders. accordance with the Substitution Notice and the Financing Documents cure default and any other payments and consideration for transfer in behalf of the Senior Lenders, and be binding upon them. The Lenders' Agent is authorized to receive payment of compensation, payment to
- NHAI, on the occurrence of an Event of Default and continuance thereof for six shall be proposed by the Senior Lenders through the Lenders' Agent to the The terms and conditions for substitution of the Concessionaire by the Selectee months but at least 2 months prior to the anticipated date of substitution as aforesaid for the residual period of the Concession.
- neither the Concessionaire nor NHAI shall be entitled to prevent the Lenders' the Senior Lender's decision to apply to NHAI for substitution as aforesaid and The Concessionaire hereby irrevocably agrees and waives any right to challenge

NHAI Concessionaire Lenders' Agent

15

substitution pursuant to Lenders Agent's request, the Concessionaire agrees and Selectee as hereinbefore provided. Notwithstanding NHAI's permission for Agent from proceeding to seek such a substitution of the Concessionaire by the Concessionaire's assets including the Concession under the Concession confirms that the Concessionaire shall not have any right to seek re-valuation of Parties acknowledge that the rights of the Senior Lenders hereunder are Agreement, otherwise than as contracted in the Financing Documents. The obstruct, injunct or restrain NHAI and/or the Senior Lenders from effecting or authority and the Concessionaire shall have no right or remedy to prevent, irrevocable and shall not be contested in any proceedings before any court of causing the substitution as aforesaid.

- 3.4 Where no suitable Selectee can be found by the Lenders' Agent, or NHAI shall decide to takeover the Concession, then NHAI shall advise the Lenders' Agent determination of Termination Payments thereof. of all steps it proposes to take under the Concession Agreement for
- Ξ If NHAI decides to substitute the Concessionaire by any other person condition as agreed to by the Lenders' Agent on behalf of the Senior while considering offers from such persons and shall include a suitable (NHAI Nominee), it shall take into account the Senior Lender's Dues to the extent agreed by the Lenders' Agent while substituting the similarly be bound to execute a supplementary / fresh Substitution Lenders for payment or take over of such dues by such NHAI Nominee Concessionaire by the NHAI Nominee. The NHAI Nominee shall Agreement on the same terms and conditions as provided herein.
- Ξ Notwithstanding anything contained in Clause 3.4 and this Clause 3.5, representing the Lender's Dues save and except to the extent of NHAI shall not be required to take over, upon Termination of the has agreed to bear under the Concession Agreement. limited to assumption of such liabilities and payment of dues as NHAI Concession Agreement. In such an event NHAI's obligation shall be Termination Payments due and payable upon such Termination under the Concession Agreement including the Concession, the



3.5.1 Nothing contained in these presents shall mean or be interpreted as provision of Senior Lenders to the Concessionaire. indirectly for the recovery of amount of Financial Assistance advanced by the provided any surety, guarantee or counter guarantee whether directly or any guarantee or surety by NHAI and it is expressly agreed that NHAI has not



17

Concessionaire

NHAI

ARTICLE 4 INTERIM PROTECTION OF SERVICE AND PRESERVATION OF SECURITY

4.1

In the event of the Senior Lenders notifying NHAI and the Concessionaire of the period of 30 days) or in special circumstances affecting the security of the Event of Default (and the Concessionaire having not cured the default for a proceedings for a Receivership (the "Receiver") to maintain, preserve and Senior Lenders, the Senior Lenders shall be entitled to institute protective legal protect the assets (other than the Concession Agreement including the required for the operation and maintenance of the Project Highway and the Receiver shall be NHAI if such assets are in the opinion of NHAI necessary and Concession) held as security by the Senior Lenders provided always that such an event notify NHAI to assume Receivership of the assets held as security and Parties hereby consent and agree to the same. The Lenders' Agent shall in such NHAI shall operate and maintain the same pending the substitution of the shall for itself and each of the Senior Lenders, be entitled to seek the Receivership and declines the request of the Lenders' Agent, the Lenders' Agent Concessionaire by the Selectee. In the event NHAI does not assume appointment of a Court Receiver for the Concessionaire's assets held as security the Project Highway in accordance with the Concession Agreement or this and/or the takeover of the Concession Agreement including the Concession and and NHAI shall operate and maintain the same pending substitution as aforesaid assets in Receivership and shall render a true and proper account of the Concession Agreement. The Receiver shall be responsible for protecting the in the Escrow Account and shall be dealt with in accordance with the Agreement by the NHAI. All the receivables shall be deposited by the Receiver appointment. The Receiver shall make best efforts to operate and maintain the Receivership to the Senior Lenders in accordance with the terms of its appointed as Receiver only with the prior consent of NHAI. In a declaratory suit under the Concession Agreement. Any person other than NHAI may be Project Highway, in accordance with the obligations of the Concessionaire suit or any suit or proceeding for enforcement of the Senior Lenders' security for appointment of a Receiver, notwithstanding that no recovery or mortgage under the Financing Documents is instituted by the Lenders' Agent for itself or Senior Lenders, any action for appointment of NHAI as Receiver or

NHAI Concessionaire Lenders' Agent

appointment of an Independent Court Receiver shall be without prejudice to the Financing Documents. other rights and remedies of NHAI, and of the Senior Lenders under the

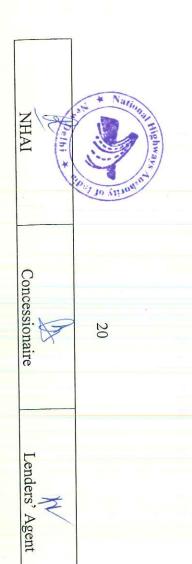
NHAI

19

Concessionaire

ARTICLE 5 TERMINATION OF THE CONCESSION BY THE NHAI

- 5.1 shall entitle the Senior Lenders to cure any financial or other default of the prior to exercising of its decision to Terminate the Concession and advise the If under the Concession Agreement an event occurs which shall entitle NHAI to the Concessionaire or the Lenders' Agent / Senior Lenders, shall be entitled to received from the NHAI failing which NHAI without any further notice to either Concessionaire within a period of two months from the date of the notice Termination of the Concession and the Concession Agreement. Such a notice Senior Lenders to ensure the cure of the event which otherwise can result in Terminate the Concession Agreement, NHAI shall intimate the Senior Lenders Terminate the Concession Agreement.
- 5.2 Upon receipt of the Notice as referred to in Clause 5.1, intimating occurrence of the Concession, the Senior Lenders shall be entitled to consider such notice as an Event of Default and may initiate steps to invite, negotiate and procure offers an event which can entail Termination of the Concession Agreement including procedure set forth in this Agreement. for the substitution of the Concessionaire by a Selectee in accordance with the



ARTICLE 6 SENIOR LENDERS RIGHT TO RECEIVE TERMINATION PAYMENTS

- any other right or remedy, NHAI shall be entitled to deposit the Termination NHAI and Concessionaire hereby agree, and confirm that without prejudice to sum of Termination Payments worked out under and in accordance with the towards the satisfaction of the Senior Lenders Dues out of and limited to the receive the same without any further reference Payments into the Escrow Account and the Senior Lenders shall be entitled to consideration received for the substitution as hereinabove provided from the Concessionaire under and in accordance with the Concession Agreement exclusion of the Concessionaire. Selectee towards the payment of their and NHAI's respective dues to the Concession Agreement. The Senior Lenders shall be entitled to appropriate any to or consent of the
- 6.2 The Concessionaire hereby nominates, constitutes and appoints the Lenders' pursuant hereto and for receiving consideration for discharge of the Lenders' required to be done for the substitution of the Concessionaire by the Selectee Dues pursuant to Clause 6.1. Agent as its constituted attorney for doing all acts, deeds and things as may be
- 6.3 account of Termination Payments into Escrow Account and the Lenders' Agent charged to the Senior Lenders under the Financing Documents and shall be of the payment thereof to the Concessionaire. All such payments shall stand or caused to be made by NHAI shall constitute a valid discharge of its obligation directly or through the Lenders' Agent in accordance with this Agreement, made deposit by NHAI into the Escrow Account and payment to the Senior Lenders the Concessionaire may have against the Senior Lenders and/or NHAI. The Lenders notwithstanding the pendency of any dispute or objection or claim that to draw the same there from for and on behalf of the account of the Senior The Concessionaire hereby expressly authorizes payment of sums by NHAI on Senior Lenders to the exclusion of any Receiver or Liquidator appointed receivable by the Lenders' Agent from the Escrow Account on behalf of the



ARTICLE 7 GENERAL

- 7.1 authorized by each of the Senior Lenders to enter into this Agreement on their to sign and execute this Agreement and the Lenders' Agent is duly and fully The Parties hereto expressly represent and warrant that they are duly empowered
- 7.2 Notices under this Agreement shall be sent to the Addresses first hereinabove registered post acknowledgement due and delivered to the other Parties. mentioned. Any change in the address of any Party shall be duly notified by a
- The expressions "NHAI", the "Concessionaire", the "Senior Lenders" and the administrators and permitted assigns. subject or context include their respective successors, legal representatives, "Lenders' Agent" herein used shall unless there be anything repugnant to the
- 7.4 This Agreement shall not be affected by reorganization of any Senior Lender, Lenders' Agent or NHAI shall have the benefit of this Agreement. Lenders' Agent or NHAI and the successor-in interest of such Senior Lender,
- 7.5 No amendment, variation or modification to this Agreement shall be valid and representatives of all the Parties hereto. effectual unless made in writing and executed by the duly authorized
- 7.6 All stamp duties or other imposts and charges as are applicable on this borne by and be to the account of the Concessionaire. In the event of the Senior Concession Agreement for the purpose of substitution as aforesaid shall be of the Lenders Dues. Lenders making such payment for the time being, it shall be deemed to be a part Agreement or on amendment of the Concession Agreement or execution of fresh
- 7.7 The Parties hereby expressly agree that for the purpose of giving full and proper prevail in the event of any inconsistency with the Concession Agreement. read together and construed harmoniously. The terms of this Agreement shall effect to this Agreement, the Concession Agreement and this Agreement shall be

NHAI Concessionaire 22 Lenders' Agent

- 7.8 of every concerned Senior Lender and each such Senior Lender shall be bound by the same and hereby waives its right to question or dispute the same. The consultation, recommendation or approval of the Lenders' Agent under this Agreement shall always be taken as consultation, recommendation or approval
- 7.9 terms of the Financing Documents. This Agreement shall be in addition to and shall not be in derogation of the
- 7.10 It shall not be necessary for the Senior Lenders or the Lenders' Agent to enforce this Agreement. or exhaust any other remedy available to them before invoking the provisions of
- arbitration shall be at New Delhi, India. The Award shall be final and binding on and shall be subject to the provisions of the Arbitration and Conciliation Act, accordance with the Rules of Arbitration of the Indian Council of Arbitration Any dispute, difference or claim arising out of or in connection with or in Arbitrators (the "Award") without delay. the Parties. The Parties agree and undertake to carry out the Award of the nominee of each party to the dispute. Such arbitration shall be held in finally by reference to arbitration by a Board of Arbitrators comprising of one relation to this Agreement which is not resolved amicably shall be decided 1996. The Arbitrators shall issue a reasoned award. The venue of such

proceedings arising out of or relating to the arbitration proceedings there under. matters arising out of or relating to the arbitration agreement contained herein or hereunder. The Courts in New Delhi alone shall have jurisdiction over all in full force and effect pending the Award in any arbitration proceeding The Agreement and rights and obligations of the Parties hereunder shall remain



PARTICULARS OF THE SENIOR LENDERS & LOANS SCHEDULE I

224.00	Total
10.00	AB
10.00	VB
14.00	ВОМ
20.00	SBS
20.00	SBM
50.00	SBH
100.00	SBI
Amount of Loan (Rupees in crore)	Name of Lender

IAHIN

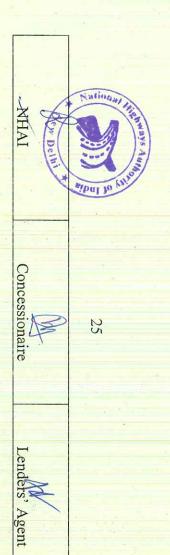
24

Concessionaire

SCHEDULE II LIST OF THE FINANCING DOCUMENTS

- Common Loan Agreement dated October 11th 2006 entered into between the Concessionaire, Senior Lenders, Security Trustee and Lenders' Agent;
- 5 Lenders' Agent Agreement dated October 11th 2006 entered into among the Senior Lenders, Lenders' Agent and the Concessionaire;
- w. Security Trustee Agreement dated October 11th 2006 entered into among the Senior Lenders, the Security Trustee and the Concessionaire;
- 4. Inter Creditor Agreement dated October 11th, 2006 entered into among the Senior Lenders, Lenders' Agent and Security Trustee;
- 5 Indenture of Mortgage to be entered into between the Concessionaire and the Senior Trustee;
- 6 Agreement to Pledge of Shares to be executed by Promoters in favour of the Security Trustee; and
- 7. Consent and Agreement to be entered into among the Concessionaire, the EPC Contractor and the Security Trustee.

Note: The above is only an indicative list of Financing Documents entered /to be comprehensive list of Financing Documents. entered into in connection with the loans aggregating Rs.224,00,00,000.00 Lenders and the Parties hereto never intended to understand this schedule as a (Rupees Two Hundred and Twenty Four Crores only) sanctioned by the Senior



SCHEDULE III LIST OF THE PROJECT AGREEMENTS

S.No. Contract Description

- 1. Concession Agreement.
- EPC Contract.
- 3. State Support Agreement.
- 4. Shareholders Agreement.

Note: The above is only an indicative list of Project Documents entered into / procured of the Project Highway and the maintenance and operation thereof and the of Project Documents. Parties hereto never intended to understand this schedule as a comprehensive list by the Borrower for and in connection with the completion of the construction



SCHEDULE IV PROPOSAL

Details of Senior Lenders dues, other data and information as on date of Substitution Notice

Names of Senior Rupee Facilities Amount Lenders Sanctioned (Rs. In crores)			
Int Date and need description of the Rupee Loan Agreements		9	



27

Concessionaire

NHAI

month and year hereinabove mentioned. IN WITNESS WHEREOF the parties hitherto have set their hands hereunto on the day,

THE COMMON SEAL OF

TN (DK) Expressways Ltd.,
has pursuant to the Resolutions of its
Board of Directors passed in that
behalf on 20 day of Septeber, 2006
hereunto been affixed in the presence of
Mr. N. See Kail H Director, and
Mr. The Ramper Resolutions of the presence of Mr. Ramper Resolutions who have signed

Authorised Person who have signed these presents in token thereof on day of October, 2006 at Mumbai

Signed and delivered on behalf of

The National Highways Authority of India
By:

Name:

Title:

on 19th day of October, 2006 at Delhi

Signed and delivered on behalf of Lenders' Agent

By: S. tate. Bonk. of helia
Name: Proposition found
Title: Assistant General Manager
on 11th day of October, 2006 at
Munitari

J. C.

Received .

াপাত । ০৫ সাঘারনৈ PRANAVANT
महाप्रबंधक (নকনীকী) / General Manager (Tech.)
भारतीय राष्ट्रीय राजमार्ग प्राधिकरण
National Highways Authority of India
(মঙক परिवहन और राजमार्ग मंत्रालय)
(Ministry of Road Transport & Highways)
আ- 5 হ ও, Sector 10, Blरका, নই হিল্লী – 75

For STATE BANK OF INDIA

ASST. GENERAL MANAGER
PROJECT FINANCE SBU

