

VOL ⇒ 6'

BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH, AT MUMBAI

CA (CAA) NO. \_\_\_\_\_ OF 2021

**IN THE MATTER OF:**  
The Companies Act 2013,

**AND**

**IN THE MATTER OF:**  
An Application under section 230 and  
231 of the Companies Act 2013

**AND**

**IN THE MATTER OF:**  
**Sahara Hospitality Limited**  
Through its Authorized Representative  
having its registered office at:  
Hotel Sahara Star, Opposite Domestic Airport,  
Vile Parle East Mumbai  
Maharashtra: 400099

... APPLICANT

**INDEX**

Sl. No.	Particulars	Page Nos
1.	Memo of Parties	1
2.	Synopsis	2-7
3.	List of Dates	8-11
4.	Notice of Admission in Form NCLT-2	12-16
5.	Application in Form NCLT -1	17-53
6.	<b>Appendix-A</b> List of the Secured Financial Creditors before whom the Applicant has proposed the Scheme of compromise and arrangement	54
7.	<b>Appendix-B</b> List of Security Provided by the Applicant in favour of the Secured Financial Creditors	55
8.	<b>Appendix-C</b> List Of Equity Shareholders of the Applicant Company	56
9.	<b>Appendix-D</b> List of Preference Shareholders of the Applicant	57

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Sl. No.	Particulars	Page Nos
10.	<p><b>Appendix-E</b> Letter substantiating the readiness of paying an upfront payment of Rs.40,00,00,000/- (Rupees Forty Crores Only) towards repayment of its outstanding debt to the Secured Financial Creditor by the Applicant.</p>	58-60
11.	Affidavit under section 230 (2) of the Companies Act, 2013 verifying the Petition in Form NCLT -6.	61-70
12.	<p><b>ANNEXURE A-1</b> A copy of Board Resolution dated 20.09.2021.</p>	71-72
13.	<p><b>ANNEXURE A-2</b> Copy of the Scheme dated 20.09.2021 propounded by the Applicant.</p>	73-214
14.	<p><b>ANNEXURE A-3</b> A copy of the Memorandum of Association and Articles of Association of the Applicant.</p>	215-269
15.	<p><b>ANNEXURE A-4</b> Copy of the consent letter issued by SPCL in respect of its 100% equity shareholding.</p>	270-271
16.	<p><b>ANNEXURE A-5</b> Copy of the consent letter issued by SPCL, (Preference Shareholder).</p>	772-273
17.	<p><b>ANNEXURE A-6</b> Copy of the consent letter issued by Sahara Q Shop Unique Product Range Limited (Preference Shareholder).</p>	274-276
18.	<p><b>ANNEXURE A-7</b> Copy of the consent letter issued by Sahara Credit Co-operative Society Limited (Preference Shareholder).</p>	277-280
19.	<p><b>ANNEXURE A-8</b> Copy of the consent letter issued by Saharayn</p>	281-285

Sl. No.	Particulars	Page Nos
	Universal Multi-Purpose Society Limited (Preference Shareholder).	
20.	<b>ANNEXURE A-9</b> A detailed chart showing the amount of loans sanctioned and disbursed by the abovesaid Secured Financial Creditors in Phase-I, Phase-II and Phase-III along with details of the said Secured Financial Creditors.	286
21.	<b>ANNEXURE A-10</b> A copy of the Balance Sheet of the Applicant Company along with Independent Auditor's Report for the Financial Years 2015-16, 2016-17, 2017-18, 2018-19 and 2019-20.	287-526
22.	<b>ANNEXURE A-11</b> A copy of provisional Balance Sheet for Financial Year 2020-21.	527-528
23.	<b>ANNEXURE A-12</b> A copy of provisional Balance Sheet as on 31.08.2021	529-530
24.	<b>ANNEXURE A-13</b> Loan Agreement dated February 14, 2005	531-660
25.	<b>ANNEXURE A-14</b> Inter Creditor Agreement dated February 14, 2005	661-697
26.	<b>ANNEXURE A-15</b> Lenders Agent Agreement dated February 14, 2005	698-725
27.	<b>ANNEXURE A-16</b> Security Agent Agreement dated February 14, 2005	726-756
28.	<b>ANNEXURE A-17</b> Trust and Retention Account Agreement dated February 14, 2005	557- 817
29.	<b>ANNEXURE A-18</b>	818-828

Sl. No.	Particulars	Page Nos
	Corporate Guarantee Agreement dated February 14, 2005 by Sahara India Mass Communication Ltd.	
30.	<b>ANNEXURE A-19</b> Guarantee Agreement dated February 14, 2005 by Shri Om Prakash Srivastava	829-839
31.	<b>ANNEXURE A-20</b> Undertaking regarding Non-disposal of shareholdings dated February 14, 2005 by Sahara India Commercial Corporation Ltd.	840-842
32.	<b>ANNEXURE A-21</b> Undertaking regarding Non-disposal of shareholdings dated February 14, 2005 by Shri Om Prakash Srivastava	843-845
33.	<b>ANNEXURE A-22</b> Letter from Sahara Hospitality Ltd. Dated February 14, 2005 authorizing the Lenders Security Agent to attend the meetings of Sahara Hospitality Ltd. And lodgment of the Power of Attorney	846-849
34.	<b>ANNEXURE A-23</b> Confirmation of Inter Creditor Agreement dated February 15, 2005 by Sahara Hospitality Ltd.	850-851
35.	<b>ANNEXURE A-24</b> Guarantee Agreement dated February 18, 2005 by Shri Joy Broto Roy	852-865
36.	<b>ANNEXURE A-25</b> Deed of Pledge of Shares dated February 21, 2005	866-880
37.	<b>ANNEXURE A-26</b> Undertaking regarding Non-disposal of Shareholdings dated February 21, 2005 by Shri Subrata Roy Sahara	881-884
38.	<b>ANNEXURE A-27</b> Guarantee Agreement dated February 21, 2005 by Shri Subrata Roy Sahara	885-895
39.	<b>ANNEXURE A-28</b> Indenture of Mortgage dated February 25, 2005	896-962

Sl. No.	Particulars	Page Nos
40.	<b>ANNEXURE A-29</b> Undertaking-cum-indemnity for compliance of conditions dated February 25, 2005	963-965
41.	<b>ANNEXURE A-30</b> Phase-2 Common Loan Agreement	966-1041
42.	<b>ANNEXURE A-31</b> Lenders' Agent Agreement	1042-1061
43.	<b>ANNEXURE A-32</b> Amended and Restated Inter Creditor Agreement	1062-1089
44.	<b>ANNEXURE A-33</b> Amended and Restated Security Agent Agreement	1090-1114
45.	<b>ANNEXURE A-34</b> Amended and Restated Trust and Retention Account Agreement	1115-1160
46.	<b>ANNEXURE A-35</b> Personal Guarantee from Shri Subrata Roy Sahara for Phase-2 Loans	1161-1171
47.	<b>ANNEXURE A-36</b> Personal Guarantee from Shri J. B. Roy for Phase-2 Loans	1172-1182
48.	<b>ANNEXURE A-37</b> Personal Guarantee from Shri Om Prakash Srivastava for Phase-2 Loans	1183-1191
49.	<b>ANNEXURE A-38</b> Corporate Guarantee from Sahara Prime City Limited for Phase-2 Loans	1192-1200
50.	<b>ANNEXURE A-39</b> Supplementary Deed of Pledge of Shares	1201-1207
51.	<b>ANNEXURE A-40</b> Undertaking for shortfall/ overrun from Shri Subrata Roy Sahara, Shri J. B. Roy and Shri Om Prakash Srivastava	1208-1211
52.	<b>ANNEXURE A-41</b> Undertaking for non-disposal and overrun from Sahara Prime City Limited	1212-1216

<b>Sl. No.</b>	<b>Particulars</b>	<b>Page Nos</b>
53.	<b>ANNEXURE A-42</b> Termination Agreement	1217-1245
54.	<b>ANNEXURE A-43</b> Supplementary Indenture of Mortgage	1246-1326
55.	<b>ANNEXURE A-44</b> Certified true copy of the resolutions regarding the approval for availing of Loans and creation of charge passed by the board of directors of Sahara Hospitality Limited in the board meeting held on February 5, 2010.	1327-1332
56.	<b>ANNEXURE A-45</b> Certified true copy of the resolutions regarding consent of the company u /s 293(I)(a) and 293(I)(d) passed by the shareholders of Sahara Hospitality Limited in the extra ordinary general meeting held on September 15, 2009.	1333
57.	<b>ANNEXURE A-46</b> Certified true copy of the resolutions regarding the execution of corporate guarantees, pledge passed by the board of directors of Sahara Prime City Limited in the board meeting held on December 28, 2009.	1334-1335
58.	<b>ANNEXURE A-47</b> Phase-3 Common Loan Agreement	1336-1406
59.	<b>ANNEXURE A-48</b> Amended and Restated Lenders' Agent Agreement	1407-1429
60.	<b>ANNEXURE A-49</b> Amended and Restated Security Agent Agreement	1430-1455
61.	<b>ANNEXURE A-50</b> Amended and Restated Inter Creditor Agreement	1456-1486
62.	<b>ANNEXURE A-51</b> Letter of Confirmation to Amended and Restated Inter Creditor Agreement	1487-1490
63.	<b>ANNEXURE A-52</b> Amended and Restated Trust and Retention Account Agreement	1491-1536


<b>Sl. No.</b>	<b>Particulars</b>	<b>Page Nos</b>
64.	<b>ANNEXURE A-53</b> Sahara Prime City Limited Pledge Agreement	1537-1552
65.	<b>ANNEXURE A-54</b> Power of Attorney from Sahara Prime City Limited	1553-1557
66.	<b>ANNEXURE A-55</b> Undertaking for Non-disposal of Shareholdings from Sahara Prime City Limited for Phase-3 Loans	1558-1563
67.	<b>ANNEXURE A-56</b> Undertaking for shortfall/overrun from Individual Promoters for Phase-3 Loans	1562-1569
68.	<b>ANNEXURE A-57</b> Personal Guarantee Agreement from Shri Subrata Roy Sahara for Phase-3 Loans	1570-1579
69.	<b>ANNEXURE A-58</b> Personal Guarantee Agreement from Shri Joy Broto Roy for Phase-3 Loans	1580-1590
70.	<b>ANNEXURE A-59</b> Personal Guarantee Agreement from Shri Om Prakash Srivastava for Phase-3 Loans	1591-1600
71.	<b>ANNEXURE A-60</b> Corporate Guarantee Agreement from Sahara Prime City Limited for Phase-3 Loans	1601-1610
72.	<b>ANNEXURE A-61</b> Addendum No. 1 to Loan Agreement	1611-1628
73.	<b>ANNEXURE A-62</b> Undertaking for Non-disposal of Shareholdings from Sahara Prime City Limited	1629-1634
74.	<b>ANNEXURE A-63</b> Undertaking for Non-disposal of Shareholdings from Shri Subrata Roy Sahara	1635-1640
75.	<b>ANNEXURE A-64</b> Undertaking for Non-disposal of Shareholdings from Shri Joy Broto Roy	1641-1646
76.	<b>ANNEXURE A-65</b> Undertaking for Non-disposal of Shareholdings from	1647-1652

Sl. No.	Particulars	Page Nos
	Shri Om Prakash Srivastava	
77.	<b>ANNEXURE A-66</b> Corporate Guarantee Agreement from Sahara Prime City Limited for Phase-1 Loans	1653-1664
78.	<b>ANNEXURE A-67</b> Personal Guarantee Agreement from Shri Subrata Roy Sahara for Phase-1 Loans	1665-1675
79.	<b>ANNEXURE A-68</b> Personal Guarantee Agreement from Shri Joy Broto Roy for Phase-1 Loans	1676-1688
80.	<b>ANNEXURE A-69</b> Personal Guarantee Agreement from Shri Om Prakash Srivastava for Phase-1 Loans	1689-1699
81.	<b>ANNEXURE A-70</b> Addendum No. 1 to Phase-2 Common Loan Agreement	1700-1710
82.	<b>ANNEXURE A-71</b> Corporate Guarantee Agreement from Sahara Prime City Limited for Phase-2 Loans	1711-1723
83.	<b>ANNEXURE A-72</b> Personal Guarantee Agreement from Shri Subrata Roy Sahara for Phase-2 Loans	1724-1735
84.	<b>ANNEXURE A-73</b> Personal Guarantee Agreement from Shri Joy Broto Roy for Phase-2 Loans	1736-1747
85.	<b>ANNEXURE A-74</b> Personal Guarantee Agreement from Shri Om Prakash Srivastava for Phase-2 Loans	1748-1759
86.	<b>ANNEXURE A-75</b> Resolution passed by the Board of Directors of Sahara Hospitality Limited on June 20, 2012 for acceptance of sanction for the Phase-3 Loans	1760-1763
87.	<b>ANNEXURE A-76</b> Resolution passed by the Board of Directors of Sahara Hospitality Limited on January 25, 2013 for	1764-1766



Sl. No.	Particulars	Page Nos
	acceptance of sanction of the New Phase-1 Loans	
88.	<b>ANNEXURE A-77</b> Resolution passed by the Board of Directors of Sahara Prime City Limited on January 27, 2013 for furnishing the Corporate Guarantee and creation of Pledge of Shares	1767-1772
89.	<b>ANNEXURE A-78</b> Post Execution Opinion dated January 31, 2013 from Clasis Law	1773-1781
90.	<b>ANNEXURE A-79</b> Termination Agreement	1782-1790
91.	<b>ANNEXURE A-80</b> Amended and Restated Inter Creditor Agreement	1791-1818
92.	<b>ANNEXURE A-81</b> Amended and Restated Security Agent Agreement	1819-1843
93.	<b>ANNEXURE A-82</b> Amended and Restated Trust and Retention Account Agreement	1844-1888
94.	<b>ANNEXURE A-83</b> Corporate Guarantee from Sahara Prime City Limited for Phase-1 Loans	1889-1899
95.	<b>ANNEXURE A-84</b> Supplementary Indenture of Mortgage	1900-1990
96.	<b>ANNEXURE A-85</b> Supplementary Deed of Pledge of Shares	1991-1997
97.	<b>ANNEXURE A-86</b> Certified true copy of the resolutions regarding execution of the termination agreement and other finance documents and creation of charge passed by the board of directors of Sahara Hospitality Limited in the board meeting held on February 5, 2010	1998-2005
98.	<b>ANNEXURE A-87</b> Certified true copy of the resolutions regarding the execution of corporate guarantees, pledge passed by the board of directors of Sahara Prime City Limited	2006-2007

Sl. No.	Particulars	Page Nos
	in the board meeting held on December 28, 2009	
99.	<b>ANNEXURE A-88</b> A copy of the order dated 03 <sup>rd</sup> December, 2020 by the State Government of Maharashtra according "Industry" status to the hospitality Industry	2008-2012
100.	<b>ANNEXURE A-89</b> Details of pending investigation and proceedings against the Applicant Company.	2013-2016
101.	Application seeking exemption from filing typed copies of illegible/dim documents along with Affidavit.	2017-2021
102.	Vakalatnama	2022-2025



**Advocate for the Applicant**

**ADITYA CHOPRA**

**VICTORIAM LEGALIS**

**ADVOCATES AND SOLICITORS**

1085, Hotel Sahara Star,

Opp to Domestic Airport,

Vile Parle (E), Mumbai - 400099

Email - [aditya@victoriamlegalis.com](mailto:aditya@victoriamlegalis.com)

Mob - +919818880644

**DATE: .00.2021`**

**PLACE: MUMBAI**

1001

**ARTICLE V  
EFFECTIVENESS OF THE AGREEMENT AND  
PRE-DISBURSEMENT CONDITIONS**

5.1. This Agreement shall become effective and binding on the Effective Date and shall remain in full force till the Final Settlement Date.

**5.2 CONDITIONS PRECEDENT TO DISBURSEMENT**

The obligation of the Phase-2 Lenders to make Disbursement under this Agreement shall be subject to the satisfaction (in form and substance) or waiver or relaxation by the Phase-2 Lenders of the following conditions besides the Borrower performing all its obligations and undertakings under this Agreement and other Finance Documents and the Disbursement Procedure on or prior to the proposed Disbursement date for the Phase-2 Loans.

**(i) Request for Disbursement**

The Phase-2 Lenders shall have received the Notice of Drawl along with confirmations duly signed by an authorised officer of the Borrower that the representations and warranties of the Borrower made in accordance with Article IV and in each of the other Finance Documents are true and correct on and as of such date, as if made on and as of such date; no Default or Event of Default has occurred and is continuing on such date; it has paid all fees and any other amounts due on or prior to the proposed Disbursement date; and the Disbursement requested in the Notice of Drawl is required for prompt utilisation for the Phase-2 Project Costs in accordance with the Construction Budget; and it has sufficient available financing and funds (supported by such information as the Phase-2 Lenders may reasonably request) to meet the Phase-2 Project Cost and to complete the Phase-2 Project.

**(ii) Default; Event of Defaults; Representation and Warranties**

No Event of Default and no Potential Event of Default shall have occurred and be continuing and the representations and warranties made or deemed to be made pursuant to Article IV herein or under other Finance Documents shall be true and correct both before and immediately after the proposed Disbursement is made.

**(iii) Phase -2 Project Equity Capital and tie-up of entire Debt funding**

The Borrower shall have made firm arrangements for the Phase-2 Project Equity Capital, for implementation of the Phase-2 Project, as envisaged in the Financing Plan and shall have provided evidence and confirmation that it has tied up the entire debt component as envisaged under the Financing Plan to meet the Phase-2 Project Cost.



**(iv) Permission of Additional FSI**

The Borrower shall have provided evidence and confirmation that it has obtained the approval for Additional FSI for the renovation and reconstruction of the Phase-2 Project from Brihanmumbai Municipal Corporation, Greater Mumbai (BMC) or any other authority and agrees that it will further approach BMC or any other authority for getting the permission for any Additional FSI for the Project.

**(v) Constitutional Documents and Amendment**

(a) The Borrower shall have provided (1) copies of the constitutional documents of the Borrower and its Promoters; (2) evidence of the corporate power, authority and required corporate action to enter into, and signature authority of the persons executing the Finance Documents and Project Documents on behalf of the Borrower and Promoters; (3) evidence that the authorised share capital of the Borrower as it stands is sufficient to raise the Phase-2 Project Equity

Amend

Borrower	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent

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Capital; and (4) the Borrower has available with it the borrowing power to borrow the Phase-2 Loans from the Phase-2 Lenders.

- (b) The Borrower has amended its Memorandum of Association and Articles of Association as may be necessary to give effect to the provisions contained in this Agreement, other Finance Documents and Project Documents.

(vi) **Contracts**

The Borrower shall have entered into the Contracts and other Project Documents, which shall be in form and substance satisfactory to the Phase-2 Lenders and a copy each thereof and the notices to proceed issued thereunder have been provided to the Phase-2 Lenders. The Borrower shall have further confirmed that the Project Documents are legally valid and no default is continuing or no dispute is pending under such Project Documents.

(vii) **Statutory Approvals**

The Borrower shall have obtained and delivered to the Phase-2 Lenders copies of all Government Approvals, permits, clearances and other statutory approvals as required for the implementation and operation of the Phase-2 Project and same shall have been in full force and effect.

(viii) **Budgets and Project Implementation Schedule**

The Borrower shall have provided a Budget for the Phase-2 Project and Project implementation schedule, in form and substance satisfactory to the Lenders' Agent and the Lenders' Engineer.

(ix) **Appointment of Lender Legal Counsel and Lenders' Engineer etc.**

The Borrower shall have appointed a reputed engineering firm as "Lenders' Engineer" for monitoring and reporting the progress of implementation of the Project and vetting the Construction Costs; reputed firm as "lenders legal counsel" for resolving all legal issues with such scope of work satisfactory to the Phase-2 Lenders and the Borrower has resolved the issues raised by them relating to Project Documents and other aspects of the Project to the satisfaction of the Phase-2 Lenders and wherever necessary has got the Project Documents duly amended.

(x) **Expert Opinions on Project Documents**

The Borrower shall have provided expert opinions/reports of Lenders' Engineer, Chartered Accountant, safety auditors, lenders legal counsel on the legal, financing and technical issues relating to the Phase-2 Project and the Project Documents and the Borrower has satisfactorily resolved the issues raised by each or any of them.

(xi) **Satisfactory Progress**

The Borrower shall have to satisfy the Phase-2 Lenders that the physical progress of the Phase-2 Project and the expenditure incurred thus far are in accordance with the Phase-2 Project implementation schedule and expenditure forecasts approved by the Phase-2 Lenders.

(xii) **Certificate from Chartered Accountant**

The Borrower shall have submitted a certificate from the Chartered Accountant certifying the manner, in which the Phase-2 Loans have been utilised, the physical progress of the Phase-2 Project, the expenditure incurred on the Project and means of finances thereof.

(xiii) **Insurances**

The Borrower shall have provided evidence to the effect that it has finalised the insurance package (including reinsurance, if any) and assigned the insurance policies in favour of the Phase-2 Lenders to the satisfaction of the Security Agent.

Borrower	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent

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**(xiv) Execution of Finance Documents And Security Documents**

- (a) All the Finance Documents in a form acceptable to the Phase-2 Lenders have been duly executed by the Borrower and/or the Promoters, as the case may be and the same are in full force and effect.
- (b) The Borrower shall have appointed the Security Agent and the Security as stipulated in Article III shall have been created in favour of the Phase-2 Lenders, represented by the Security Agent under the Security Documents is first priority Security and as in full force and effect.

**(xv) Amended and Restated Trust and Retention Account Arrangement**

The Borrower shall have provided evidence that it has entered into Amended and Restated Trust and Retention Account Agreement and that the Retention Accounts have been established.

**(xvi) Undertakings**

The Borrower shall have procured and submitted the undertakings from the Promoters as stipulated in Section 2.19 of this Agreement in the form and content satisfactory to the Phase-2 Lenders.

**(xvii) Other Documents**

Such other statements, certificates, opinions, documents and information with respect to the Phase-2 Project or any other matters contemplated by this Agreement and as the Phase-2 Lenders may reasonably request have been obtained, executed or delivered.

**(xviii) Third Party Approvals**

The Borrower shall have obtained all necessary third party consents, waivers and other approvals in relation to renovation and reconstruction of the Phase-2 Project.

**(xix) AAI No Objection Letter**

The Borrower shall have provided evidence that it has submitted a letter to the AAI for obtaining no objection certificate from AAI for creation of mortgage in favour of the Phase-2 Lenders in accordance with the provisions of the Lease Agreement. The Borrower shall have further submitted an acknowledgment of delivery of the said letter by AAI or the no objection certificate issued by AAI, as the case may be.

**Fees**


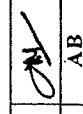

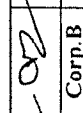


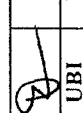
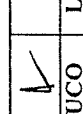

The Borrower shall have paid all fees, expenses and other charges then payable by it under the terms of this Agreement and other Finance Documents including the fees and costs payable to, the lender legal counsel, Lenders' Engineer, Account Bank and other consultants or experts as may have been retained by or for the Phase-2 Lenders.

**(xxi) Absence of Litigation**

The Phase-2 Lenders shall have been satisfied that there exists no litigation in India or in any other jurisdiction regarding the effectiveness or validity of any of the Transaction Agreements or the Phase-2 Project or the Security.

**(xxii) Compliance/Fulfillment of Waived or Deferred Pre Initial Disbursement or other Conditions**

The Phase-2 Lenders shall have been satisfied that the Borrower has complied with or fulfilled all the pre initial disbursement conditions or other conditions the compliance / fulfillment of which had been waived or deferred by the Phase-2 Lenders, if any, at the time of / for the purpose of making preceding Disbursements.

								
Borrower	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent

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1004

ARTICLE VI  
CONDITIONS APPLICABLE DURING  
CURRENCY OF THIS AGREEMENT

6.1 POSITIVE COVENANTS

During the currency of the Phase - 2 Loans, the Borrower agrees to abide by and ensure continued compliance of the following:

(i) **Project Changes**

The Borrower shall promptly notify the Phase-2 Lenders of any proposed change in the nature or scope of the Phase-2 Project and of any event or condition which might materially and adversely affect the Phase-2 Project or result in substantial overrun in the original estimate of Phase-2 Project Cost. Any such proposed change in the nature or scope of the Phase-2 Project shall not be implemented and no funds shall be committed therefore without the prior approval of the Phase-2 Lenders.

(ii) **Contract Changes**

The Borrower shall obtain prior concurrence of the Phase-2 Lenders to any material modification or cancellation of the Project Documents.

(iii) **Delay in Completing Project**

The Borrower shall promptly inform the Phase-2 Lenders of the circumstances and conditions which are likely to disable the Borrower from implementing the Phase-2 Project or which are likely to delay its completion or compel the Borrower to abandon the same.

(iv) **Financial Ratios**

(i) The Borrower shall ensure that the Debt Service Coverage Ratio of not less than 1.25 is maintained during the period commencing from the COD till the Final Settlement Date. The Borrower shall calculate the abovementioned financial ratios on half yearly basis (30th September/31st March) for each Fiscal Year commencing from the expiry of the COD until the Final Settlement Date and shall submit a report certified by the Chartered Accountants giving the details of such financial ratios to the Phase -2 Lenders.

(ii) The Borrower shall ensure that the ratio of the value of immovable property and construction thereon, of the Borrower to the Debt is atleast 2:1, during the currency of the Loans. If the loan to value ratio goes beyond 2:1, then the Lenders shall either have the right to reduce their outstanding Loans or the Borrower shall arrange for additional acceptable Security to be provided within 1 (one) month of valuation, for compliance of the ratio to the acceptable level.



**Inspection**

The Borrower shall permit representatives of the Phase-2 Lenders (at the expense of the Borrower including travel costs and expenses) to visit and inspect its offices, properties and the Phase-2 Project to carry out technical, financial and legal inspections; to examine the Borrower's books of records, accounts and documents; to make copies therefrom; and to discuss the Borrower's affairs, finances and accounts with the Borrower's principal officers, engineers and auditors (and by this provision the Borrower authorises such auditors to discuss its affairs, finances and accounts), at all times during the currency of the Phase-2 Loan as such representative may desire. The Borrower shall at all times cause a complete set of the original Phase-2 Project plans and Phase-2 Project specifications and drawings (and all supplements thereto) to be maintained and available for inspection by such representatives.

Borrower	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent

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(vi) **Maintenance of Existence; Books and Records**

The Borrower shall preserve and maintain its legal existence as a company engaged only in the implementation of the Project, operation of the petrol pump business and activities related and incidental thereto, and shall maintain the Government Approvals and other rights, franchises, privileges and consents necessary for the maintenance of its existence and the conduct of its affairs. The Borrower shall maintain proper books of record in accordance with GAAP as are necessary to truly, accurately and fairly reflect the financial condition and results of operations of the Borrower and copies of all Project Documents and all records relating to the Secured Property.

(vii) **Compliance with Laws and Approvals**

- (a) The Borrower shall comply in all respects with all Applicable Laws in relation to the conduct of its business and the development, operation and ownership of the Phase-2 Project.
- (b) The Borrower shall obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all Government Approvals (including those as shall hereafter be required under Applicable Laws) and any approval required to be obtained by the Phase-2 Lenders in connection with (1) the expansion, the operation and maintenance of the Phase-2 Project as contemplated by the Project Documents, (2) the raising of share capital and issue of shares, (3) the renovation and reconstruction and operation of the Phase-2 Project or any facilities or services ancillary thereto, (4) the execution, delivery and performance by the Borrower under any of the Finance Documents or the Project Documents to which it is a party, (5) creation of the Security under the Security Documents and for the validity and enforceability and the perfection and ranking thereof (as contemplated therein or herein) and for the exercise by the Phase-2 Lenders of their rights and remedies thereunder, and (6) the admissibility as evidence in India of the Project Documents and the Finance Documents.

(viii) **Insurance by the Borrower**

- (a) The Borrower shall at all times obtain and maintain at its own expense the insurance during renovation and reconstruction and operation phase covering various risks, *inter alia*, contractor's all risk, professional indemnity, labour and employees, transit, advanced loss of profit, civil engineering completed risk, third party liability, fire-insurance, money insurance on the terms as may be stipulated by the Phase-2 Lenders. The Borrower shall keep its present and future properties and business insured with financially sound and reputable insurers in each case satisfactory to the Phase-2 Lenders. The Borrower shall ensure that the Phase-2 Lender's interest to be notified to the insurers and noted on all insurance contracts and policies shall expressly stipulate that the Phase-2 Lenders as 'loss payee' in the policies. All insurance proceeds shall be directly credited to the Retention Account.
- (b) The Borrower shall maintain and ensure maintenance of the insurance coverage required under the terms of each of the Project Documents.
- (c) If the Borrower fails to obtain or maintain the full insurance, the Phase-2 Lenders upon 15 (fifteen) days prior notice (unless such insurance coverage would lapse within such period, in which event notice should be given as soon as reasonably possible or need not be given at all if the time for the lapse of coverage does not permit it) to the Borrower of any such failure, may (but shall not be obligated to) take out the required policies of insurance and pay the premiums for the same. All amounts so advanced therefore by the Phase-2 Lenders shall be reimbursed by the Borrower and the Borrower shall pay such amounts to the Phase-2 Lenders together with interest thereon from



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1006

the date so advanced in accordance with the provisions of Section 2.14.

- (d) Without the prior approval of the Phase-2 Lenders, which approval not to be unreasonably withheld or delayed, the Borrower shall not make any compromise, adjustment or settlement in connection with any loss or any other event entitling the Borrower to claim under any policy or policies of insurance and shall not do, or omit to do or permit to be done or not done any other thing that might prejudice any right to claim or recover under any such policy or policies. The Borrower shall promptly notify the relevant insurer of any claim by the Borrower under each policy written by that insurer and shall diligently pursue that claim.
- (e) The Borrower shall promptly notify the Phase-2 Lenders of any loss or other event entitling the Borrower to make a claim under any one or more insurance policies. The Borrower shall promptly notify the Phase-2 Lender of each written notice received by it with respect to the cancellation of, adverse change in, or default under, any insurance policy required to be maintained in accordance with this Section 6.1 (viii). The Borrower shall not vary, rescind, terminate or cancel any insurance policy.
- (f) The Borrower shall provide written instructions to all insurers to pay and deposit any and all insurance proceeds and payments directly into the Retention Account.

**(ix) Taxes on Borrower**

The Borrower shall pay and discharge all taxes imposed on it or on its income or profits or on any of its property and all taxes that it has agreed to pay pursuant to any Project Document and all lawful claims relating thereto prior to the date on which penalties attach thereto, and shall file all returns relating thereto, except to the extent that any such tax is subject to a contest in good faith unless such contest would result in a breach of a Finance Document or a Project Document.

**(x) Project Operation and Maintenance**

- (a) The Borrower shall maintain, preserve and operate the Phase-2 Project and all of its other properties necessary in the proper conduct of its business in good working order and condition, ordinary wear and tear excepted, and in accordance with prudent operating practices and its business plan and replace or rebuild the Phase-2 Project equipment or any of its material property, or any part thereof now or hereafter damaged or destroyed by any event (whether or not insured against or insurable) except any such property that the Borrower determines in good faith not to be necessary or desirable to conduct its business with the prior written approval of the Phase-2 Lenders.
- (b) Without limiting the generality of the preceding clause (a), the Borrower will cause the renovation and reconstruction of the Phase-2 Project to be implemented and completed with due diligence and continuity (except for interruptions due to events of Force Majeure as defined in the applicable contract, which the Borrower will use commercially reasonable efforts to mitigate) in a good and work man like manner and in accordance with sound and generally accepted building and construction practices, Applicable Laws to the Phase-2 Project, the renovation and reconstruction contracts, Construction Budget, the construction schedules and other guidelines.
- (c) The Borrower shall take or cause to be taken all action required to maintain and preserve the Security under the Security Documents and the first ranking priority thereof and shall ensure at all times that the claims of the Lenders rank at least pari passu interse. The Borrower shall from time to time execute or cause to be executed any and all further instruments and register and record such instruments in all public and other offices in order to create and maintain valid,



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perfected and enforceable Security of first priority and ranking over the Secured Property pursuant to the Security Documents.

(d) The Borrower shall take, or cause to be taken, all action necessary to cause the Project Documents and the renewal or replacement agreements and each other Additional Project Document to be or become part of the Security under the Security Documents (whether by amendment to the Security Documents or otherwise). The Borrower shall use its reasonable endeavors to cause each person (other than itself) party to each Additional Project Document entered into by the Borrower to execute and deliver to the Lenders a consent to such Security Interest in writings, which consent shall be in form reasonably acceptable to the Lenders.

(xi) **Performance of Project Documents**

(a) The Borrower shall perform and observe in all material respects all of its covenants and agreements contained in any of the Project Documents and take all reasonable and necessary action to prevent the termination of any such Project Document in accordance with the terms thereof; and enforce each material covenant or material obligation of each such document in accordance with its terms.  
(b) Following the occurrence and during the continuance of an Event of Default, the Borrower shall instruct all the Promoters and other shareholders of the Borrower and the other Parties to each Project Document assigned to the Phase-2 Lenders to make any payments due and payable by such persons under such Project Documents to the Phase-2 Lenders.

(xii) **Use of Proceeds**

The Borrower shall use the proceeds of the Phase-2 Loans and the Phase-2 Project Equity Capital solely to meet:

- (a) Phase-2 Project Costs,
- (b) Interest payments on the Phase-2 Loan; and
- (c) Fees and other amounts payable under the Finance Documents.

(xiii) **Property Rights**

The Borrower shall take all actions necessary to maintain the Borrower's good and marketable title/interest to the Secured Property and to the Project Documents free and clear of all charges, liens and other security interests other than the interests created in favour of the Lenders under the Security Documents.



**Further Assurances, Additional Documents, Filings and Recordings**

(a) The Borrower shall execute and deliver, from time to time as reasonably requested by the Phase-2 Lenders at the Borrower's expense, such other documents as shall be necessary or that the Phase-2 Lenders may reasonably request in connection with the rights and remedies of the Phase-2 Lenders granted or provided for by the Finance Documents, and to consummate the transactions contemplated therein.

(b) The Borrower will do everything necessary in the reasonable judgment of the Phase-2 Lenders to (1) create and perfect the Security with respect to future assets (including, without limitation, any further registration of any of the Security Documents in accordance with the requirements of Indian law), (2) maintain the Security or trusts created by the Security Documents in full force and effect at all times (including the priority thereof), and (3) preserve and protect the Security and protect and enforce its rights and title, and the rights and title of the Phase-2 Lenders to the Security or trusts created by the Security Documents. Furthermore the Borrower shall cause to be delivered to the Phase-2 Lenders such opinions of counsel and other

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1009

related documents as may be reasonably requested by the Phase-2 Lenders in connection with this Section 6.1(xiv).

- (c) If the Borrower shall open such other accounts in addition or replacement of the Retention Accounts, it shall execute and deliver such additional or modified documents as required by the Phase-2 Lenders to perfect the Security of the Phase-2 Lenders over the additional or replaced accounts.
- (d) Without limiting the foregoing, the Borrower will cooperate and do everything reasonably necessary to assist the Phase-2 Lenders obtaining any approvals that are, in the opinion of the Phase-2 Lenders necessary to be obtained by them in connection with the transactions contemplated hereby and by the Security Documents.

**(xv) Completion of Project**

- (a) The physical progress of the Phase-2 Project as well as expenditure incurred on the Phase-2 Project shall be as per the original schedules approved by the Phase-2 Lenders. The Borrower shall complete and implement the Phase-2 Project within the Phase-2 Project Cost and in accordance with the Phase-2 Project implementation schedule approved by the Phase-2 Lenders. The Borrower shall furnish such information and data as may be required by the Phase-2 Lender.
- (b) The Borrower shall rectify and correct any technical deficiency advised or implement any technical improvement advised by Lenders' Engineer.

**(xvi) Working Capital Debt**

The Borrower shall enter into working capital funding arrangements which shall be in form and substance satisfactory to the Phase-2 Lenders, if and when necessary.

**(xvii) Additional Project Documents**

The Borrower shall provide the Phase-2 Lenders a copy of each Additional Project Document promptly after the execution thereof certified by an authorised person of the Borrower as being true, correct and complete and in full force and effect.



**(xviii) Management Systems, Safety Audit**

- (a) The Borrower shall establish arrangements for its accounting and management information and cost control systems to the satisfaction of the Phase-2 Lenders.
- (b) The Borrower shall establish safety protections and procedures relating to the Phase-2 Project and shall review such safety protections and procedures upon request of the Phase-2 Lenders. If considered necessary by the Phase-2 Lenders, the Borrower shall arrange for carrying out safety audit through a competent firm to be finalized in consultation with the Lenders' Agent and shall comply with the recommendations set out in their report.

**(xix) Utilisation of the Phase-2 Loans**

The Borrower shall furnish to the Phase-2 Lenders at the end of each Fiscal Quarter following the quarter in which the Phase-2 Loan monies are disbursed, a statement showing the manner in which the said monies have been utilised.

**(xx) Notice of Winding up or other Legal Process**

The Borrower shall promptly inform the Phase-2 Lenders if it has notice of any application for winding up having been made or any statutory notice of winding up under the provisions of the Companies Act, 1956, or any other notice, order, action issued by any court, tribunal under any other law or statute, or of any suit or other legal process intended to be filed or initiated against the Borrower which has a Material Adverse Effect on the Phase-2

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Project or title to the Secured Properties, or if a receiver is appointed of any of the Secured Properties or its business and/or undertaking.

**(xxi) Adverse Changes in Profits and Operation and Maintenance**

The Borrower shall promptly inform the Phase-2 Lenders of the happening of any labour strikes, lockouts, shut-downs, fires or any event likely to have a substantial effect on the Borrower's profits or business and of any material changes in the Operation and Maintenance of the Phase-2 Project affecting the functioning of the Phase-2 Project and with an explanation of the reasons therefore.

**(xxii) Loss or Damage**

The Borrower shall promptly inform the Phase-2 Lenders of any loss or damage which the Borrower may suffer due to any force majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc.

**(xxiii) Memorandum and Articles of Association**

The Borrower shall carry out such alterations to its Memorandum of Association and Articles of Association for suitably increasing its authorised equity capital and for making such changes as may be deemed necessary in the opinion of the Phase-2 Lenders to safeguard the interests of the Phase-2 Lenders arising out of this Agreement and the other Finance Documents.

**(xxiv) Management**

(a) The Borrower shall, in case of default appoint and change to the satisfaction of the Phase-2 Lenders, suitable technical, financial and executive staff of proper qualifications and experience for the key posts. The terms of such appointments, including any changes therein, shall be subject to prior approval of the Phase-2 Lenders. Provided that the right under this Section shall be exercised only if the Phase-2 Lenders have reason to believe that the business and operations of the Borrower are not diligently or efficiently carried out.

(b) The Phase-2 Lenders through the Lenders' Agent shall have the right to appoint, whenever they consider necessary, any person, firm, company or association of persons engaged in technical, management or any other consultancy business to inspect and examine the working of the Borrower and the Phase-2 Project and to report to the Phase-2 Lenders. The Phase-2 Lenders shall have the right to appoint, whenever they consider necessary, any chartered accountants/cost accountants as auditors, in consultation with the Borrower only as to selection, for carrying out any specific assignment(s) or to examine the financial or cost accounting system and procedures adopted by the Borrower for its working or for conducting concurrent audit or special audit of the Borrower. The costs, charges and expenses including professional fees and travel and other expenses of such consultants or auditors shall be payable by the Borrower.

(c)

The Borrower shall constitute (1) a project management committee of professionals from technical and financial streams, to the satisfaction of the Phase-2 Lenders for the purpose of supervising and monitoring the progress in the renovation and reconstruction of the Phase-2 Project. The said committee shall be responsible for the management of the Phase-2 Project during construction period and monitoring the implementation of the Phase-2 Project; (2) constitute an Audit sub-committee of its Directors within a period of 90 (ninety) days from the date of first Disbursement subject to the satisfaction of the Phase-2 Lenders; and (3) such other committees of the Board with such composition and functions as may be required by the Phase-2 Lenders for close monitoring of different aspects of its working.



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**(xxv) Information**

The Borrower shall furnish to the Phase-2 Lenders the following reports, statements and information and such other reports and information as the Phase-2 Lenders may require at any time or from time to time.

**(a) Annual Audited Financial Statements**

As soon as available and in any event within 180 (one hundred and eighty) days (or such shorter period as is required by Applicable Law) after the end of each Fiscal Year of the Borrower, the Borrower shall furnish to each of the Phase-2 Lenders 3 (three) copies each of the audited statements of income, retained earnings and cash flow of the Borrower for such year and the related audited balance sheet as at the end of such Fiscal Year, setting forth in each case in comparative form the corresponding figures for the preceding Fiscal Year, and accompanied by (1) an opinion thereon of its auditor who shall be a reputed firm of accountants and auditors reasonably acceptable to the Phase-2 Lenders, which opinion shall state that such financial statements fairly present the financial condition and results of operations of the Borrower at the end of, and for, such Fiscal Year in accordance with GAAP and (2) a certificate of such auditors stating that, in making the examination necessary for their opinion, they obtained no knowledge, except as specifically stated, of any failure by the Borrower to meet the covenants set out in this Section 6.1.

**(b)**

**Unaudited Quarterly Statements**

As soon as available and in any event within 30 (thirty) days after the end of each Fiscal Quarter the Borrower shall furnish to the Phase-2 Lenders a report on the progress of the implementation of the Phase-2 Project, unaudited financial statements of income, retained earnings and cash flow of the Borrower for the quarter then ended and the related balance sheet as at the end of such period, setting forth in each case in comparative form the corresponding figures for the corresponding period in the preceding Fiscal Year.

**(c)**

**Certificate of no Default**

Concurrently with the financial statements delivered pursuant to Sections 6.1(xxv) (a) and 6.1(xxv) (b), the Borrower shall certify that no Default or Event of Default has occurred during such period or, if any, Default or Event of Default shall have occurred, specifying the nature and period of existence thereof, and what action the Borrower has taken, is taking or proposes to take with respect thereto.

**(d)**

**Notice of Proceedings**

Promptly, and in any event no later than 5 (five) Business Days after the Borrower shall have obtained knowledge thereof, the Borrower shall furnish to the Phase-2 Lenders notice of all claims or proceedings (other than any such immaterial claim or proceeding that could not reasonably be expected to have a Material Adverse Effect) before any Government Authority, court, arbitral tribunal or other body against or affecting the Borrower, or for the purpose of revoking, terminating, withdrawing, suspending, modifying or withholding any Government Approval, permit, licenses necessary for renovation and reconstruction or the execution, delivery or performance by the Borrower, or the exercise of its rights, under the Project Documents to which it is a party.

**(e)**

**Notice of Default**

Promptly, and in any event not later than 3 (three) Business Days after the Borrower obtains knowledge that any default under any Finance Documents or any Project Document has occurred and is continuing, provide to the Phase-2 Lenders notice of such default, describing the



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same in reasonable detail and what action the Borrower has taken, is taking or proposes to take to cure such default.

(f) **Budgets**

- 1) During the Construction Period, the Borrower shall deliver to the Phase-2 Lenders at least 15 (fifteen) days prior to the commencement of each half Fiscal Year (each "a **budgeted half year**") the estimates of the expenditure including the expenditure relating to operation of petrol pump petrol and the flows of Phase-2 Project Equity Capital and the revenues from various sources together with the likely schedule of draws from the Phase-2 Loans (Construction Budget) for the approval of the Phase-2 Lenders.
- 2) During the Operational Period, the Borrower shall deliver to the Phase-2 Lenders at least 30 (thirty) days prior to the commencement of each Fiscal Year (each "a **budgeted fiscal year**") the estimates of expenditure, the operation and maintenance and other expenditure including the expenditure relating to operation of the petrol pump business and the revenues from various sources (Operational Budget) for the approval of the Phase-2 Lenders.
- 3) Each of the Construction Budgets/Operational Budget shall also specify the expenditure and revenues estimated for and actually incurred thus far in the immediately preceding budgeted half Fiscal Year/budgeted Fiscal Year and shall contain an explanation for any variance between the estimates and actuals.
- 4) The Borrower shall make available such further information to the Phase-2 Lenders as may be required by them for taking a view on the Construction Budget / Operational Budget delivered for approval and shall make such modifications to the estimates as may be called for in the light of the observations made by the Phase-2 Lenders to the satisfaction of the Phase-2 Lenders. If no comments have been offered by the Phase-2 Lenders within 15 (fifteen) Business Days from the date of delivery of the Construction Budget / Operational Budget by the Borrower, the estimates given therein shall be deemed to have been approved by the Phase-2 Lenders.
- 5) The Borrower shall deliver the estimates of expenditure, receivables, implementation plans and other estimates and projections relating to the implementation / operation of the Phase-2 Project for such periods as may be required by the Phase-2 Lenders from time to time and at any time.
- 6) The Borrower shall inform to the Phase-2 Lenders the proposals, if any, for revision in the budgeted estimates before commencement or during the relevant budgeted period and the reasons therefore. If the Phase-2 Lenders do not offer any comments within 10 (ten) Business Days from the date of delivery by the Borrower, the revised estimates shall be deemed to have been approved by the Phase-2 Lenders.



(g) **Insurance Policies**

Concurrently with the financial statements and reports delivered pursuant to paras (a) to (f) above of this Section 6.1(xxv), a notice concerning any change to any coverage, premium or other material aspect of any insurance required pursuant to Section 6.1(viii) occurring subsequent to the last such notice and, in the event of such change, a report from the Borrower's insurers relating to such change (the Phase-2 Lenders, in such circumstances, being entitled to appoint an insurance consultants or advisors at the reasonable expense of the Borrower to advise the Phase-2 Lenders with respect to such change).

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1012

Within 45 (forty-five) days after any insurance policy is issued to the Borrower, a copy of that policy certified true and correct by the insurer, and, within 45 (forty-five) days after the close of each Fiscal Year, a certificate of a duly authorised person of the Borrower (i) confirming that all insurance policies in respect of the Phase-2 Project required to be then in effect are in full force and effect of the date thereof, (ii) confirming the names of the insurers issuing such policies, (iii) confirming the amounts and expiration date or dates of such policies, and (iv) including evidence of payment of the relevant premiums satisfactory to the Phase-2 Lenders. Not less than 45 (forty-five) days prior to the expiration date of any policy of insurance required to be in effect hereunder (or, for insurance with multiple expiration dates, 45 (forty-five) days prior to the expiration date of the policy on the principal asset), the Borrower shall deliver to the Phase-2 Lenders a certificate of insurance with respect to the renewal of the relevant policy certified by a reputed insurance consultant satisfactory to the Phase-2 Lenders or the relevant insurer as the case may be, bearing a notation evidencing payment of the premium for the relevant renewal policy or accompanied by other proof of the payment satisfactory to the Phase-2 Lenders and confirming the renewal, the renewal period, the amounts insured for each asset or item covered by the relevant renewal policy and any change in terms and conditions from the policy's issuance date or last renewal. Promptly after receipt thereof by the Borrower, the Borrower shall deliver to the Phase-2 Lenders each such renewal policy. The Borrower shall provide to the Phase-2 Lenders promptly following the relevant request therefore documents relating to its insurance.

**(h) Progress and Performance**

During the Construction Period and the Operational Period, the Chartered Accountant and the Lenders' Engineer shall on quarterly basis submit report to the Phase-2 Lenders as to the progress of implementation of the Phase-2 Project vis-à-vis the status envisaged under the approved Project implementation schedule and specifying the reasons for delay(s), if any, in achieving various milestones and the plans for making over the lost time, the end use of Phase-2 Loans, revised projections, if any, etc.



The Borrower shall furnish such other information regarding the business, affairs, prospects, assets or condition (financial or otherwise) of the Borrower as the Phase-2 Lenders may request from time to time.

**(i) Permitted Investments**

Concurrently with the financial statements and reports delivered pursuant to para (b) of this Section 6.1 (xxv) for each Fiscal Quarter, the Borrower shall deliver to the Phase-2 Lenders, a schedule of the permitted investments, if any, in respect of each Retention Account as at the end of such Fiscal Quarter, in such detail as the Phase-2 Lenders may require.

**(j) Translation of Documents**

In case of any document, agreement, instrument, report or any written information required to be furnished in this Section 6.1 (xxv) or otherwise, the original of which is in a language other than English, the Borrower shall also simultaneously, furnish a translation, certified by an authorised person of the Borrower, into English of such original.

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(k) **Other Notices**

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, the Borrower shall notify the Phase-2 Lenders:

- (1) any nationalisation or any proposal by any Government Authority to effect any nationalisation or any action which results in or could reasonably be expected to result in a change in or under Applicable Law which reasonably could be expected to have a Material Adverse Effect;
- (2) any substantial dispute between the Borrower and Promoter or the Borrower and AAI or any Government Authority relating to the Phase-2 Project;
- (3) any change in the authorised person or directors of the Borrower, giving specimen signatures of any new authorised person or director so appointed and, if requested by any Phase-2 Lender, satisfactory evidence of the authority of such new authorised person or director;
- (4) any actual or proposed termination, rescission, discharge (otherwise than by performance), amendment or waiver of or under the Lease Agreement or any material provision of any Project Document;
- (5) notice from any tax authority in respect of any material claim, proceeding or hearing or any tax assessment or liability;
- (6) any notice of force majeure given or received by the Borrower under any Project Document; and
- (7) copy of each report or letter delivered to the Borrower.

(xxvi) **Others**

The Borrower agrees and confirms that:

- (a) It shall appoint Lender Engineer, lenders legal counsel and Chartered Accountant or any replacement for any thereof as and when deemed necessary and required by the Phase-2 Lender. It shall resolve/address all issues raised by the Lenders' Engineer, lenders legal counsel and other consultants appointed by for the Phase-2 Lenders in their respective reports and incorporate necessary changes in the Project Documents to the satisfaction of the Phase-2 Lenders. It shall arrange for carrying out safety and other audits, as and when considered by the Lenders' Agent necessary, and comply with the recommendations set out in the said audit reports.
- (e) It shall appoint mutually agreeable institutions or banks as Lenders' Agent, Security Agent and Account Bank and replace any of them from time to time as may be deemed necessary by the Phase-2 Lenders and enter into suitable agreements in this regard in form and manner satisfactory to the Phase-2 Lenders.
- (f) It shall procure and furnish an acknowledgment letter or a No-objection certificate from AAI to create mortgage over its leasehold rights of the immovable property in favour of the Lenders. It shall not amend or terminate the Lease Agreement without prior permission of the Phase-2 Lenders or in case AAI proposes any such amendment in the Lease Agreement the same shall be notified to the Phase-2 Lenders during the currency of the Phase-2 Loans.
- (g) It shall inform to the Phase-2 Lenders immediately any dispute(s), if any, relating to the Promoter or with AAI or any other agency during the currency of the Phase-2 Loans.
- (h) It shall submit approved layout and engineering design of the Phase-2 Project for entire modification with additional Phase along with detailed estimates.



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1014

- (i) The Borrower agrees that the Phase-2 Lenders shall have right to stipulate additional conditions at their absolute discretion in the event of any material breach of the Finance Documents during the currency of the Phase-2 Loans.
- (j) The Borrower agrees to carry out valuation of the immovable Secured Property through two empanelled valuers, as may be advised by the Phase-2 Lenders and all the expenses relating to such valuation shall be borne by the Borrower.
- (k) The Borrower agrees to procure the approval of 5-star category for the Phase-2 Project/Project during the Operational Period and furnish to the Phase-2 Lenders copies of the approval as and when procured.

**6.2 NEGATIVE COVENANTS**

During the currency of the Phase-2 Loans --

- (i) **Consolidation, Merger, Sale of Assets, Investments and Acquisitions:**
  - (a) The Borrower shall not take and shall not agree to take any action of merger, consolidation, reorganisation, capital restructuring or amalgamation; or for sale, or lease, transfer or otherwise dispose off any assets except to the extent as may be approved by the Phase-2 Lenders in writing.
  - (b) The Borrower shall not acquire all or part of the assets of any other person or any class of shares or debentures or partnership interest or similar interest of any person except with the prior permission in writing of the Phase-2 Lenders.
  - (c) The Borrower shall not make any investment by way of deposits, loans including loan to Promoter, bonds, share capital or in any other form other than the investments permitted under the Finance Documents, or as may from time to time be permitted by the Phase-2 Lenders in writing. This provision shall not apply to normal trade credit or temporary loans and advances granted to staff or contractors or suppliers in the ordinary course of business or raising of unsecured loans, overdraft, cash credits or other facilities from banks in the ordinary course of business.



**(ii) Capital Expenditures**

The Borrower shall not make any capital expenditure other than the capital expenditure provided for in the Budget.

**(iii) Restricted Payments**

The Borrower shall not declare or make any dividend payment during the Moratorium or make payment of interest on unsecured loans or unless on the date of declaring or making the proposed dividend each of the following conditions have been satisfied:

- (i) All the reserve accounts in the Retention Accounts are full and minimum balance is maintained in all payment accounts of the Retention Accounts;
- (ii) No Event of Default shall have occurred and be continuing; and
- (iii) Such dividend is made in accordance with Applicable Law.

**(iv) Security Interests**

Except for the Security Interest to be created in favour of the Lenders the Borrower shall not create any security interest on or in any of the Secured Property or Receivables or any of its other property or assets except with prior permission in writing from the Lenders. The Borrower shall not encumber, sell, dispose off or transfer the Secured Property during currency of Phase-2 Loans.

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<i>Borrower</i>								



(v) **Nature of Business, Subsidiaries, Change of Location of Offices**

The Borrower shall not engage in any business other than the Project in India, create any subsidiaries, change its name, or change the location of its offices, except with the prior permission, in writing, of the Phase-2 Lenders.

(vi) **Amendment etc. of Project Documents**

The Borrower shall not take any action to cancel or terminate any Project Document to which it is a party (other than any scheduled termination thereof); sell, assign (other than pursuant to the Security Documents) or otherwise dispose off any part of its interest in such Project Document; waive any default under or breach of any provision material to the Phase-2 Project of any Project Document; waive, fail to enforce, forgive or release any right, interest or entitlement, howsoever arising, under or in respect of any provision material to the Phase-2 Project of any Project Document; vary or agree to the variation in any way of a provision material to the Phase-2 Project of any Project Document or of the performance of any other person material to the Phase-2 Project under any such Project Document; amend, supplement or modify any provision of under any Project Document; or petition, request or take any other legal or administrative action that seeks, or may reasonably be expected, to rescind, terminate or suspend any Project Document except with the prior permission in writing from the Phase-2 Lenders.

(vii) **Debt**

The Borrower shall not directly or indirectly create, incur, contract, assume or suffer or otherwise become or be liable for any debt including financial guarantee obligations on behalf of any other company, except the following without duplication (collectively, "Permitted Debt").

- (a) the Phase-2 Loans and the obligations under the Finance Documents;
- (b) Liabilities incurred pursuant to the Project Documents;
- (c) Working Capital Loans in an aggregate not exceeding the amount as may be approved by the Lenders; and
- (d) subordinated debt as may be permitted by the Phase-2 Lenders.

(viii) **Abandonment**

The Borrower shall not Abandon or agree to Abandon the Project.

(ix) **Improper Use**

The Borrower shall not use, maintain or operate, or allow the use, maintenance or operation of the Project for any purpose which may constitute a public or private nuisance or give rise to a claim or environmental claim; violate any provision of any Applicable Law; and result in increase in the premium of any insurance then in force with respect to the Phase-2 Project or any part thereof.



**Subordinated Debt**

The Borrower shall not pay any amounts in respect of any unsecured debt/subordinated debt brought in by the Promoter or the shareholders except pursuant to terms permitted by the Phase-2 Lenders and in any event the Borrower shall not pay any amount in respect of unsecured debt/subordinated debt if a Default or Event of Default has occurred and is continuing.

(xi) **Other Transactions**

Except for the Project Documents in effect on the date of this Agreement or the Additional Project Documents, the Borrower will not enter into any partnership, profit-sharing or royalty agreement or other similar arrangement whereby the Borrower's income or profits are, or might be, shared with any other person, or enter into any management contract or similar arrangement whereby its business or operations are managed by any other persons.

<i>Amulya</i>	<i>AB</i>	<i>BOB</i>	<i>Corp.B</i>	<i>IDBI</i>	<i>KBL</i>	<i>UBI</i>	<i>UCO</i>	Lenders' Agent
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1016

(xii) **Scope of Project**

The Borrower shall not materially alter the scope of the Phase-2 Project without the prior written consent of the Phase-2 Lenders, who may give or refuse such consent in their absolute discretion and their consent on the amendment of the covenants (or any other provisions) of the Finance Documents if granted shall be subject to such conditions as they deem fit.

(xiii) **Memorandum of Association**

The Borrower shall not amend, modify or supplement its Memorandum of Association and Articles of Association in any material manner without the prior written consent of the Phase-2 Lenders.

(xiv) **New Project**

The Borrower shall not undertake any new project, diversification, modernisation or expansion of the Phase-2 Project described herein or take assets on lease without prior written approval of the Phase-2 Lenders unless the expenditure on such expansion etc. is covered by the Borrower's net cash accruals after providing for dividends, investments or from long term funds received for financing such new projects or expansion.

(xv) **Premature Repayment**

Subject to Section 2.8, the Borrower shall not prepay any facility or debt availed of by it including the Phase-2 Loans without the prior written permission from the Phase-2 Lenders. Any such permission, if granted, shall be subject to the condition that the Borrower shall make proportionate prepayment to the Phase-2 Lenders with premium as may be fixed by the Phase-2 Lenders under Section 2.8 and subject to such other conditions as may be deemed fit by the Phase-2 Lenders.

(xvi) **Commission**

The Borrower shall not pay any commission to its Promoter, directors, managers, or other persons 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 Phase-2 Project.



**Revaluation of Assets**

The Borrower shall not revalue its assets at any time during the currency of the Phase-2 Loans, without the prior written approval of the Phase-2 Lenders.

(xviii) **Existing Management**

Unless the Phase-2 Lenders otherwise agree the Borrower shall not change or remove any person, by whatever name called, exercising substantial powers of management of the affairs of the Borrower at the time of execution of this Agreement.

(xix) **Restriction against Disposal of Shares / Withdrawal of Monies**

The Borrower shall not recognise or register any transfer of shares to the extent of 51% (fifty one percent) of the equity share capital held by the Promoters during the currency of the Phase-2 Loans except for the transfer of shares as may be permitted by the Phase-2 Lenders.

(xx) **No Inequality or Preferential Treatment**

The Borrower shall not do or allow to be done any act which may result in unequal treatment including preference of one over the other among the Phase-2 Lenders or any group thereof (such as the Phase-2 Lenders) in any regard whatsoever including discharging the Borrower of its financial obligations.

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Borrower	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent

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ARTICLE VII  
EVENTS OF DEFAULT AND REMEDIES

7.1 EVENTS OF DEFAULTS

For the purpose of this Agreement, each of the following shall constitute an Event of Default:

- (i) **Default in Payment of Principal Sums of the Phase-2 Loan**  
Default has occurred in the payment of principal sums of the Phase-2 Loans on the Due Dates and such default has continued for a period of 30 (thirty) days.
- (ii) **Default in Payment of Interest etc.**  
Default has been committed by the Borrower in payment of any installment of interest on the Phase-2 Loans and/or payment of any amount payable in terms or under or pursuant to any Finance Document on respective Due Dates or on being demanded by the Phase-2 Lenders as the case may be and such default has continued for a period of 30 (thirty) days.
- (iii) **Payment Defaults under other Agreements**  
Default has been committed by the Borrower in payment of any amount payable under the Agreements, Lease Agreement, consultant appointment agreements and other Project Documents, which constitutes a default or an event of default thereunder and such default has continued for a period of 60 (sixty) days.
- (iv) **Default in Performance of Covenants and Conditions**  
Any default has occurred in the performance or observance of any other covenant or condition or agreement on the part of the Borrower under this Agreement or any other Transaction Agreement and such default has continued for a period of 60 (sixty) days after notice in writing thereof has been given to the Borrower by the Phase-2 Lender.
- (v) **Supply of Misleading Information**  
Any information given by the Borrower in its application for any of the Phase-2 Loans, in the reports and other information furnished by the Borrower from time to time in accordance with the provisions of the Finance Documents and the Project Documents; or any representation or warranty made or deemed to have been made by the Borrower in this Agreement, any other Finance Document or any Project Document shall be proved to have been false or misleading in any material respect when made or deemed to be repeated.
- (vi) **Inadequate Insurance and Security**  
If the Secured Properties have not been kept insured by the Borrower or depreciate in value to such an extent that in the reasonable opinion of the Phase-2 Lenders further security to the satisfaction of the Phase-2 Lenders should be given and on advising the Borrower to that effect such security has not been given to the Phase-2 Lenders, or the Borrower shall have acted or allowed any act to be committed as a consequence of which the Security created in favour of the Phase-2 Lenders has become invalid or ineffective or diminished in value and on being notified by the Phase-2 Lenders the Borrower failed to remedy such action to the satisfaction of the Phase-2 Lenders within 60 (sixty) days from the date of notice.

(vii) **Sale, Disposal and Removal of Assets**

If, without the prior approval of the Phase-2 Lenders plant and machinery of the Borrower are sold, disposed off, charged or encumbered or alienated or the said building, machinery, plant or other equipment are removed, pulled down or demolished.



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							Lenders' Agent

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**(xv) Promoter Failure**

Promoters' have failed to perform the obligations towards the Borrower and / or the Phase-2 Project including contribution to the Phase-2 Project Equity Capital of the Borrower from time to time, or extending such other committed support for the renovation and reconstruction of the Phase-2 Project and such default continues unremedied for a period of 60 (sixty) days.

**(xvi) Expropriation, Nationalisation etc.**

Expropriation of the Borrower or an event of total loss or nationalisation of whole or substantially whole of the Phase-2 Project occurs or a material portion of the Phase-2 Project shall temporarily be subject to a nationalisation and such temporary nationalisation could reasonably be expected to have a Material Adverse Effect.

**(xvii) Invalidity of Finance Documents**

This Agreement or any of the other Finance Documents is or becomes invalid, illegal or unenforceable; or is repudiated by the Borrower or ceases to be in full force and effect, or shall cease to give the Phase-2 Lenders the Security, rights, powers and privileges purported to be created thereby.

**(xviii) Material Adverse Effect**

One or more of the events, conditions or circumstances shall exist or shall have occurred and such event or circumstances continues for a period of 60 (sixty) days which has had, or in the reasonable judgment of the Phase-2 Lenders, could be reasonably expected to have a Material Adverse Effect.

**(xix) Revocation of Approvals etc.**

(i) Any Government Approval, permits and licenses obtained in compliance with this Agreement or any other Transaction Agreement shall be revoked, terminated, withdrawn, suspended, modified or withheld or shall cease to be in full force and effect which shall, in the reasonable opinion of the Phase-2 Lenders, have Material Adverse Effect on the Phase-2 Project; or

(ii) Any proceeding shall be commenced by any Government Authority/AAI for the purpose of so revoking, terminating, withdrawing, suspending, modifying or withholding any Government Approval and such proceeding is not dismissed within 60 (sixty) days and if adversely determined, could have a Material Adverse Effect.



**(xx) Termination of Project Documents**

Any Project Document (unless it shall have been replaced as permitted under this Agreement) shall be terminated prior to its stated termination date or shall be repudiated or shall cease to be in full force and effect otherwise than by performance or efflux of time or any provision of any Project Document is or becomes invalid, illegal or unenforceable or any party thereto shall so assert or any Project Document ceases to be in full force and effect or shall cease to give the Borrower the rights, powers and privileges purported to be created thereby or any party thereto shall so assert and such invalidity, illegality or unenforceability or assertion, termination, repudiation or cessation could reasonably be expected to have a Material Adverse Effect.

**(xxi) Litigation etc.**

(i) One or more judgments or decrees (having a Material Adverse Effect on the Project) shall be entered against the Borrower and such judgments and decrees shall not be vacated, discharged or stayed pending appeal for any period of 60 (sixty) consecutive days; or

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(ii) Any litigation, arbitration or administrative proceeding or claim before any court, tribunal, arbitrator or other relevant authority, which, by itself or together with any other such proceeding or claim, could reasonably be expected to have Material Adverse Effect on the Project is commenced against the Borrower and is not discharged, withdrawn or discontinued within 60 (sixty) days.

(xxii) **Cross Default**

The Borrower has failed to perform the obligations towards the Phase-1 Lenders and they have initiated a legal action against the Borrower affecting the Security Interest and payment and repayment to the Phase-2 Lenders.

7.2 **CONSEQUENCES OF EVENT OF DEFAULT**

If one or more of the aforesaid Events of Default shall occur and be continuing, thereupon, and in every such event and at any time thereafter during the continuance of such event, the Phase-2 Lenders shall have the right to terminate their commitments and accelerate the obligations of the Borrower and in exercise of such rights the Phase-2 Lenders may, take one or more of the following actions:

- (i) suspend or cancel the Phase-2 Loans or any part thereof, which the Borrower has not withdrawn prior to the occurrence of the Event of Default;
- (ii) declare the unpaid principal amount of and interest in respect of the Phase-2 Loans and all other obligations and all other amounts payable by the Borrower hereunder and under the Security Documents to be forthwith due and payable, whereupon such amounts shall become forthwith due and payable without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived, anything contained herein to the contrary notwithstanding;
- (iii) exercise any and all rights specified in the Security Documents and other Transaction Documents including, without limitation, to accelerate the obligations of the Promoter to make equity and other contributions and to enforce all of the Security created pursuant to the Security Documents, exercise such other remedies or any other right as permitted or available under Applicable Law;
- (iv) enter upon and take possession of the Secured Properties of the Borrower; transfer the Secured Properties of the Borrower by way of lease or leave and license or sale;
- (v) instruct any person, who is liable to make any payment to the Borrower, to pay directly to the Secured Parties;
- (vi) sell, assign or otherwise liquidate or direct the Borrower to sell, assign or otherwise liquidate, any or all of the Secured Property and take possession of the proceeds of any such sale or liquidation;
- (vii) collect by itself or through nominee(s) or agent(s) and retain all cash proceeds, including without limitation whether arising from the operations of the Project or not, and to use such monies in whole or in part, towards repayment of the Borrower's obligations to the Secured Parties in terms of the Finance Documents;
- (viii) sell, assign or otherwise dispose of any of the Secured Property by the Security Agent in such manner, at such time, at such place or places and on such terms as the Security Agent may, in compliance with any requirements of law, determine in its absolute discretion; and
- (ix) exercise all or any rights or remedies of the Borrower under one or more Project Documents against any parties to such Project Documents in such manner as the Phase-2 Lenders may determine in its absolute discretion.
- (x)

7.3 **OTHER CONSEQUENCES OF DEFAULT**

On the happening of any of the Events of Default as specified in Section 7.1 and so long as any such event subsists, in addition to the rights specified in Section 7.2, the Phase-2 Lender shall be entitled to the follows:

Borrower	AB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent

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1023

ARTICLE IX  
TAXES

9.1 TAXES AND NET PAYMENTS

All payments to be made by the Borrower to the Phase-2 Lenders hereunder shall be made free and clear of and without deduction for or on account of Taxes unless the Borrower is required to make such a payment subject to the deduction or withholding of taxes, in which case the sum payable by the Borrower in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of the required deduction, such Phase-2 Lender receives and retains (free from any liability in respect of any such deduction) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made, except if the deduction or withholding was made in respect of any Taxes calculated with reference to the net income received by any Lender, provided that the Borrower delivers to the Phase-2 Lenders tax withholding or tax deduction certificates in respect of such withholding or deduction.

9.2 TAX INDEMNITY

Without prejudice to the provisions of Section 9.1, if any Phase-2 Lender or the Lenders' Agent on such Phase-2 Lender's behalf is required to make any payment on account of Taxes (not being Taxes imposed on or calculated by reference to the net income paid) or otherwise on or in relation to any sum received or receivable hereunder by such Phase-2 Lender or the Lenders' Agent on its behalf (including, without limitation, any sum received or receivable under this Section 9 hereof) or any liability in respect of any such payment is asserted, imposed, levied or assessed against such Phase-2 Lender or the Lenders' Agent on its behalf, the Borrower shall, upon demand, promptly indemnify and pay to such Phase-2 Lender or the Lenders' Agent, as the case may be, against such payment or liability, together with any interest, penalties, costs and expenses payable or incurred in connection therewith. Such Phase-2 Lender or the Lenders' Agent, as the case may be, shall, on the request of the Borrower, contest such claim provided that (a) they are satisfied in their sole discretion that such levy has not been lawfully made; (b) they shall be fully indemnified by the Borrower in respect of any liability arising out of and all costs and expenses incurred by them in respect of such contest; and (c) the Borrower provides security to the satisfaction of the Phase-2 Lenders in respect of such contest prior to and as a condition of initiation of such contest.

9.3 NOTIFICATION BY LENDERS

The Phase-2 Lenders intending to make a claim under Section 9.2 hereof shall notify the Lenders' Agent promptly and in any event within 10 (ten) Business Days of becoming aware of the circumstances by which it is entitled to do so and shall deliver to the Lenders' Agent a certificate setting out in reasonable detail the basis of such claim, whereupon the Lenders' Agent shall promptly, and in any event within 10 (ten) Business Days from the date on which it receives such certificate, notify the Borrower thereof and shall deliver to the Borrower a copy of such certificate.

9.4 NOTIFICATION BY BORROWER

If at any time the Borrower is required to make any deduction or withholding from any sum payable by the Borrower hereunder (or if thereafter there is any change in the rates at which or the manner in which such deductions or withholdings are calculated) the Borrower shall as soon as practicable notify the Lenders' Agent and the Phase-2 Lenders.

Borrower	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent
<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>

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9.5 RECEIPT

The Borrower shall deliver to the Lenders' Agent and the Phase-2 Lenders within 30 (thirty) Business Days of receipt (or such other period as the Phase-2 Lenders may agree) a copy of the receipt, if any, issued by the applicable taxation or other authority evidencing the deduction or withholding of all amounts required to be deducted or withheld from such payment or (if the Borrower fails to provide a copy of such receipt) such other evidence as may be requested by the Phase-2 Lenders to whom such payment is made.



*amb*

<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>
Borrower	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent	

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1025

**ARTICLE X  
MISCELLANEOUS**

**10.1 EFFECTIVE DATE OF AGREEMENT**

This Agreement shall become binding on the Parties hereto on and from the date first herein above written. It shall be in force till all the monies due and payable in respect of the Phase-2 Loans under this Agreement and other Finance Documents are fully paid off.

**10.2 BENEFIT OF AGREEMENT**

This Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and assigns of the Parties hereto; provided, however, that the Borrower shall not assign or transfer any of its rights or obligations hereunder without the prior written consent of each of the Phase-2 Lenders. Any Phase-2 Lender may transfer or assign all or any part of its Phase-2 Loan without the consent or approval of the Borrower, but the Borrower shall have no responsibility for any stamp duty which arises out of any such transfer or assignment.

**10.3 AUTHORISATION**

Each of the Phase-2 Lenders hereby appoint and authorise the Lenders' Agent and the Security Agent to act as their agent hereunder and under other Finance Documents with such powers as are expressly delegated by terms of this Agreement, the other Finance Documents, together with such other powers as are reasonably incidental thereto. Each of the Phase-2 Lenders hereby authorises and directs the Lenders' Agent and the Security Agent to execute and deliver on behalf of all such Phase-2 Lenders all the Finance Documents and ratifies the execution and delivery of all the Finance Documents or Security Documents or other Project Documents already been executed and delivered by the Lenders' Agent assuming and stating to be the Lenders' Agent. Execution of this Agreement is the conclusive evidence of such authorization and direction and ratification.

**10.4 RIGHTS OF LENDERS' AGENT AS LENDER**

With respect to its respective Phase-2 Loan and commitments, the Lenders' Agent or the Security Agent shall have the same powers and rights under this Agreement as any other Phase-2 Lender and may exercise the same as though it was not acting as the Lenders' Agent and the terms "Phase-2 Lender" and "Phase-2 Lenders" in the Finance Documents and the Security Documents shall, unless the context otherwise warrants, include the Lenders' Agent in its individual capacity.

**10.5 GOVERNING LAW**

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

**10.6 INDEMNITY**

The Borrower hereby agrees to indemnify each of the Phase-2 Lenders and their respective officers, representatives and agents against any loss, liability or expenses sustained or incurred by them as a result of:

- a) the Borrower failing to comply with the provisions of any Project Documents and Applicable Laws; and / or
- b) the Borrower failing to take necessary action to protect the Phase-2 Loans, the Phase-2 Lenders' interests and whole or any part of the Secured Property; and/ or
- c) negligence or default on the part of the Borrower in complying with the provisions of this Agreement and the other Finance Documents; and / or
- d) the occurrence of any Event of Default; and / or

<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>
Borrower	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO
							Lenders' Agent

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- e) any delay in payment of any sums payable or reimbursable by the Borrower to the Phase-2 Lenders under or pursuant to this Agreement and the other Finance Documents; and/or
- f) levy by any Government Authority of any charge, tax or penalty in connection with regularising or perfecting any of the Finance Documents as may be required under Applicable Law at any time during the currency of the Phase-2 Loans or getting any of the Transaction Agreements admitted into evidence, or relying on any Transaction Agreement for proving any claim; and/or
- g) the exercise of any of the rights by the Phase-2 Lenders under this Agreement and any other Finance Document.

**10.7 ACCOUNTS, CALCULATIONS AND EVIDENCE OF DEBT**

- a) The accounts maintained by the Phase-2 Lenders in accordance with the usual practice, are prima facie evidence of the matters to which they relate including the amounts owing to them under the Finance Documents.
- b) Any certification or determination by the Phase-2 Lenders of a rate of calculation of any amount under the Finance Documents is prima facie evidence of the rate of amount to which it relates.
- c) In any legal action or proceedings out of or in connection with this Agreement and any other Finance Document the entries made in the accounts maintained by the Phase-2 Lenders shall be prima facie evidence of the existence and amount of obligations of the Borrower as therein recorded.

**10.8 AMENDMENTS**

Neither this Agreement nor any of the Finance Documents nor any of the terms or provisions hereof or thereof may be amended, modified, supplemented, changed, waived, discharged or terminated unless such amendment, modification, supplement, change, waiver, discharge or termination is in writing and signed by the Borrower and each of the Phase-2 Lenders.

**10.9 SEVERABILITY**

Any provision of this Agreement or any other Finance Document 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 the Finance Document or affect such provision in any other jurisdiction.

**10.10 SURVIVAL**

This Agreement shall be in force until all the monies payable under the Finance Documents have been fully and irrevocably paid in accordance with the terms and provisions hereof, provided, that all indemnities set forth in this Agreement and in the other Finance Documents shall survive till the Final Settlement Date.

**10.11 DELAY ETC. NOT TO IMPAIR THE RIGHTS OF THE PHASE-2 LENDERS**

No forbearance, indulgence or relaxation or inaction or delay in exercising or omission to exercise any right, power or remedy accruing to the Phase-2 Lenders upon any default by the Borrower under this Agreement, or any other Finance Documents, or any other agreement or document shall impair any such right, power or remedy or shall be construed to be a waiver thereof or any acquiescence in such default, nor shall the action or inaction of the Phase-2 Lenders in respect of any default or any acquiescence by it in any default shall affect or impair any right, power or remedy of the Phase-2 Lenders in respect of any other default.

**10.12 NOTICES**

Except as otherwise expressly provided herein, all notices and other communications provided at various places in this Agreement and the other Finance Documents shall be (x) in writing and (y) faxed or sent by overnight courier or by post to the at the address and contact numbers set forth in Schedule

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1007

VI. All such notices and communications shall be effective (i) if sent by fax, when sent (on receipt of a confirmation to the correct fax number), (ii) if sent by courier, one day after deposit with the overnight courier, and (iii) when sent by post, 4 (four) days after the notice or communication is put into transmission, provided, however, that no notice or communication to any Phase-2 Lenders shall be effective until received by such Phase-2 Lenders.

10.13 DISCLOSURE OF INFORMATION

(i) The Borrower hereby agrees that in case of Borrower committing default in repayment of the principal amount of the Phase-2 Loan(s) or payment of interest on Due Dates, the Phase-2 Lenders and/or Reserve Bank of India shall have an unqualified right to disclose or publish the details of the default and the name of the Borrower and of its directors as defaulters in such manner and through medium as the Phase-2 Lenders and/or Reserve Bank of India may think fit. The Borrower hereby declares and agrees to confirm that the information and data furnished to the Phase-2 Lenders are true and correct.

(ii) The Borrower hereby agrees and gives consent for the disclosure by the Phase-2 Lenders of all or any such information and data relating to the Borrower or to the Phase-2 Loans or defaults, if any, committed by the Borrower in discharge of its obligations as the Phase-2 Lenders may deem appropriate and necessary to the Credit Information Bureau (India) Limited (CIBIL), or any institution or any other agencies authorized in this behalf by the Reserve Bank of India.

(iii) The Borrower hereby further undertakes that-

- (a) the Credit Information Bureau (India) Limited, or any institution or any other agency so authorised by the Reserve Bank of India may use, process the said information and data disclosed by the Phase-2 Lenders; and
- (b) the Credit Information Bureau (India) Limited, or any institution or any other agency may furnish on consideration, the processed information and data or products thereof prepared by them to banks, financial institutions and other credit grantors as may be specified by the Reserve Bank of India in this behalf.

10.14 FORCE OR EFFECT

This Agreement shall stand notwithstanding anything to the contrary contained in Section 5.1, if the obligation of the Phase-2 Lenders to make the initial Disbursement under this Agreement does not become effective on or prior to the date on which period of 180 (one hundred and eighty) days from the date hereof expires, then it shall not thereafter become effective as against the Phase-2 Lenders. The Phase-2 Lenders may, after expiry of the period, at their discretion, make Disbursement on such terms and conditions as they may think deem fit.

10.15 COUNTERPARTS

This Agreement may be executed in any number of counterparts and by the different Parties hereto on separate counterparts, each of which when so executed and delivered shall be effective for purposes of binding the Parties hereto, but all of which shall together constitute one and the same instrument. A set of counterparts executed by all the Parties hereto shall be lodged with the Borrower and the Lenders' Agent and photocopies with each of the Phase-2 Lenders.

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Borrower	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent

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**SCHEDULE I  
PARTICULARS OF PHASE-2 LENDERS AND PHASE-2 LOANS**

<u>NAME OF PHASE-2 LENDER</u>	<u>AMOUNT OF PHASE-2 LOANS</u>	<u>DETAILS OF SANCTION LETTERS</u>
AB	60.00 Crores (Rupees Sixty Crores Only)	Letter No. 1128/01/947 dated October 20, 2009
BOB	48.00 Crores (Rupees Forty Eight Crores Only)	Letter no. CFS/FRT/7/1793 dated 20-11-2009
Corp.B	40.00 Crores (Rupees Forty Crores Only)	Letter no. CDS:CSI:MJA:CMD-056:2009-10 dated 24-12-2009
IDBI	40.00 Crores (Rupees Forty Crores Only)	Letter no. 741/IDBI/MCG dated January 06, 2010
KBL	22.00 Crores (Rupees Twenty Two Crores Only)	Letter No. EC Res. No. V - 11 dated 17.12.2009 dated December 22, 2009
UBI	60.00 Crores (Rupees Sixty Crores Only)	Letter No. IFB:ADV:JBD: :09 dated October 1, 2009
UCO	40.00 Crores (Rupees Forty Crores Only)	Letter No. SANTAC/09-10/472A dated December 24, 2009
<b>TOTAL</b>	<b>Rs.310.00 Crores (Rupees Three Hundred and Ten Crores Only)</b>	



And

Approver	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent

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**SCHEDULE II  
FINANCING PLAN**

**A. COST OF THE PHASE-2 PROJECT**

The total Phase-2 Project Cost for construction is estimated at Rs.415,76,00,000.00 (Rupees Four Hundred Fifteen Crores and Seventy Six Lakhs only) with key components being:

Cost Head	Phase-2
Building	216.50
Mechanical items/Plant and machinery	71.03
Furniture/Fixtures/Electrical Works	10.07
Computers	-
Vehicles	-
Intangible assets	-
Professional Fees	12.00
Statutory Licenses/fees	38.00
Contingency	9.30
Interest During Construction period	58.86
<b>Total</b>	<b>415.76</b>

**B. SOURCES OF FINANCING**

The Phase-2 Project is proposed to be financed in the following manner:

Particulars	Phase-2
Project Equity Capital	105.76
Phase-2 Loans	310.00
<b>Total</b>	<b>415.76</b>



Borrower	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent
<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>

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SCHEDULE III  
PARTICULARS OF INTEREST

NAME OF THE PHASE-2 LENDER	APPLICABLE RATE	DATES OF PAYMENT OF INTEREST
AB	ABBPLR - 0.25% (presently 11.75% pa.) linked to UBI BPLR	Monthly on last day of each calendar month.
BOB	@ UBIBPLR (presently 11.75% per annum) floating	Monthly on last day of each calendar month.
Corp.B	@ UBIBPLR (presently 11.75% per annum) floating	Monthly on last day of each calendar month.
IDBI	IDBI BPLR minus 100 bps (presently IDBI BPLR is 12.75% p.a)	Monthly on first day of each calendar month.
KBL	KBLBPLR - 2.00% (presently 11.75% pa.) floating	Monthly on last day of each calendar month.
UBI	@ UBIBPLR (presently UBIBPLR is 11.75% per annum) floating	Monthly on last day of each calendar month.
UCO	@ UCOBPLR - 0.50% (presently 11.75% per annum) floating	Monthly on last day of each calendar month.

Note: Such Applicable Rate for all the Phase-2 Lenders will be revised and reset as and when there is a change in the UBI BPLR and such revised rate shall continue to be the same till the next change in the UBI BPLR or the BPLR of the respective Phase-2 lender.

Note: Such Applicable Rate for all the Phase-2 Lenders will be linked with the UBI BPLR and each of the Phase-2 Lenders shall revise such Applicable Rate based on their BPLR or the Spread or adopt any other mechanism to arrive at the rate linked with the UBI BPLR.

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Borrower	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent

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SCHEDULE IV  
AMORTISATION SCHEDULE

(Rupees in Crores)

Sr. No.	Repayment Date	Total amount to be repaid	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Total Amount
		310.00	60.00	48.00	40.00	40.00	22.00	60.00	40.00	
1.	31-10-2013	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
2.	30-11-2013	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
3.	31-12-2013	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
4.	31-01-2014	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
5.	28-02-2014	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
6.	31-03-2014	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
7.	30-04-2014	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
8.	31-05-2014	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
9.	30-06-2014	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
10.	31-07-2014	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
11.	31-08-2014	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
12.	30-09-2014	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
13.	31-10-2014	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
14.	30-11-2014	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
15.	31-12-2014	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
16.	31-01-2015	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
17.	28-02-2015	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
18.	31-03-2015	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
19.	30-04-2015	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
20.	31-05-2015	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
21.	30-06-2015	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
22.	31-07-2015	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
23.	31-08-2015	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
24.	30-09-2015	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
25.	31-10-2015	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
26.	30-11-2015	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
27.	31-12-2015	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
28.	31-01-2016	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
29.	28-02-2016	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
30.	31-03-2016	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
31.	30-04-2016	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
32.	31-05-2016	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
33.	30-06-2016	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
34.	31-07-2016	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
35.	31-08-2016	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
36.	30-09-2016	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
37.	31-10-2016	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
38.	30-11-2016	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
39.	31-12-2016	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58

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Sr. No.	Repayment Date	Total amount to be repaid	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Total Amount
40.	31-01-2017	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
41.	28-02-2017	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
42.	31-03-2017	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
43.	30-04-2017	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
44.	31-05-2017	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
45.	30-06-2017	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
46.	31-07-2017	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
47.	31-08-2017	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
48.	30-09-2017	2.583	0.500	0.400	0.333	0.333	0.183	0.500	0.333	2.58
49.	31-10-2017	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
50.	30-11-2017	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
51.	31-12-2017	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
52.	31-01-2018	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
53.	28-02-2018	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
54.	31-03-2018	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
55.	30-04-2018	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
56.	31-05-2018	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
57.	30-06-2018	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
58.	31-07-2018	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
59.	31-08-2018	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
60.	30-09-2018	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
61.	31-10-2018	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
62.	30-11-2018	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
63.	31-12-2018	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
64.	31-01-2019	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
65.	28-02-2019	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
66.	31-03-2019	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
67.	30-04-2019	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
68.	31-05-2019	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
69.	30-06-2019	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
70.	31-07-2019	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
71.	31-08-2019	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
72.	30-09-2019	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
73.	31-10-2019	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
74.	30-11-2019	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
75.	31-12-2019	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
76.	31-01-2020	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
77.	28-02-2020	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
78.	31-03-2020	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
79.	30-04-2020	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
80.	31-05-2020	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
81.	30-06-2020	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88

On	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent

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1083

Sr. No.	Repayment Date	Total amount to be repaid	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Total Amount
82.	31-07-2020	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
83.	31-08-2020	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
84.	30-09-2020	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
85.	31-10-2020	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
86.	30-11-2020	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
87.	31-12-2020	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
88.	31-01-2021	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
89.	28-02-2021	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
90	31-03-2021	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
91	30-04-2021	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
92	31-05-2021	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
93	30-06-2021	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
94	31-07-2021	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
95	31-08-2021	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
96	30-09-2021	3.875	0.750	0.600	0.500	0.500	0.275	0.750	0.500	3.88
	<b>Total</b>	<b>310.000</b>	<b>60.000</b>	<b>48.000</b>	<b>40.000</b>	<b>40.000</b>	<b>22.000</b>	<b>60.000</b>	<b>40.000</b>	<b>310.000</b>



Borrower	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent
	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>

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SCHEDULE VI

ADDRESSES AND OTHER PARTICULARS FOR NOTICES AND COMMUNICATIONS

For the Borrower

Chief Executive Officer  
Sahara Hospitality Limited  
Opp. Mumbai Domestic Airport  
Mumbai- 400 099  
Tel: 022- 39 89 5000  
Fax: 022-39 89 5001

or such other address and contact number as is designated by the Borrower by not less than 5 (five) Business Days written notice to the Phase-2 Lenders, Lenders' Agent.

For the Phase-2 Lenders

For Andhra Bank

Chief Manager  
Special Corporate Finance Branch,  
16<sup>th</sup> Floor, Earnest House,  
NCPA Marg, Nariman Point,  
Mumbai - 400 021  
Tel: 022 - 2288 4877  
Facsimile: 022 - 2288 5841

For Bank of Baroda

D.Y. Asst. General Manager  
Bank of Baroda  
Corporate Financial Service Branch  
10/12 Mumbai Samachar Marg,  
Fort, Mumbai-400001  
Tel: 022-22021434  
Facsimile: 022-22021445

For Corporation Bank

Asst. General Manager  
Large Corporate Branch,  
301 -302, the Eagle's Flight,  
Andheri-Kurla Road,  
Andheri (E),  
Mumbai - 400 093  
Tel: 022 - 26 83 0478/26 83 2449  
Facsimile: 022 - 2684 2450



FOR IDBI BANK LIMITED

Dy. General Manager,  
Mid Corporate Branch,  
5<sup>th</sup> Floor, Tower, WTC Complex,  
Cuffe Parade, Mumbai - 400 005

Tel: 022 -22 18 9111/ 6655 3355  
Facsimile: 022- 22 16 0785

And	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent

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**For Karnataka Bank Limited**

Chief Manager,  
Fort Branch,  
Perin Nariman Point,  
Amar Building, Opp. R.B.I.,  
Fort, Mumbai - 400 001  
Tel: 022- 22 66 3725  
Facsimile: 022- 22 66 1685

**For Union Bank of India**

Dy. General Manager  
Union Bank of India  
Industrial Finance Branch  
First Floor, Union Bank Bhavan  
239, Vidhan Bhavan Marg  
Nariman Point,  
Mumbai-400021  
Tel: 022-22 09 2000  
Facsimile: 022-22 85 5037

**For UCO Bank**

Asst. General Manager  
UCO Bank  
RNA Classic, North Avenue,  
S.V. Road,  
Santacruz (W)  
Mumbai-400054  
Tel: 022-26 00 2912/ 2649 3407/ 26 49 4752  
Facsimile: 022-26 00 2912

or such other address and contact number as is designated by the Phase-2 Lenders by not less than 5 (five) Business Days written notice to the Borrower.

**For Lenders' Agent**

Dy. General Manager  
Union Bank of India  
Industrial Finance Branch  
First Floor, Union Bank Bhavan  
239, Vidhan Bhavan Marg  
Nariman Point,  
Mumbai-400021  
Tel: 022-22 09 2000  
Facsimile: 022-22 85 5037



or such other address and contact number as is designated by the Security & Lenders' Agent by not less than 5 (five) Business Days written notice to the Borrower.

Borrower	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent
<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	✓	<i>[Signature]</i>

*And*

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SCHEDULE VII  
FORMS

FORM No. 1

NOTICE OF DRAWL AND DRAWDOWN CERTIFICATE

To,  
Union Bank of India (as the Lenders' Agent)

Cc: Phase-2 Lenders

Notice of Drawl and Drawdown Certificate of the Borrower

Ladies and Gentlemen:

I, the undersigned Authorised Officer of Sahara Hospitality Limited (the "Borrower"), DO HEREBY CERTIFY that:

1. This certificate is furnished pursuant to Section 2.5 (ii) (a) of the Phase-2 Loan Agreement, dated as of \_\_\_\_\_ (the "Loan Agreement"), entered into among the Borrower, the Phase-2 Lenders, the Lenders' Agent and Security Agent. Unless otherwise defined herein, all capitalized terms used herein have the meanings assigned to those terms in the Phase-2 Loan Agreement.
2. The Borrower hereby irrevocably requests a Disbursement from;
  - (a) [Name of the Phase-2 Lender] on [insert Business Day] in the amount of \_\_\_\_\_ [insert amount] in accordance with Section 2.4 of Phase-2 Loan Agreement (the "Proposed Disbursement"). After giving effect to the Proposed Disbursement, the aggregate principal outstanding under the Phase-2 Loan Agreement [insert aggregate of all Disbursements made under the Phase-2 Loans and the Proposed Disbursement].  
 .....  
 .....  
 .....

3. The Borrower hereby certifies that the following statements are true on the date hereof and that the acceptance by the Borrower of the benefits of the Proposed Disbursement shall constitute a representation and warranty by the Borrower to the Phase-2 Lenders and the Lenders' Agent that as of the date of such Proposed Disbursement. Remaining amount of the Phase-2 Loans after giving effect to the Proposed Disbursement are as under:

Name of the Phase-2 Lender Remaining Amount of the Phase-2 Loan after Proposed Disbursement

- (a) All representations and warranties of the contained in the Phase-2 Loan Agreement and in the other Finance Documents are true, complete and correct in all material respects with the same force and effect as though such representations and warranties had been made on and as of the date hereof and as of the date of the Proposed Disbursement;
- (b) No Event of Default or Potential Event of Default has occurred and is continuing;
- (c) All of the conditions in Section [5.2] of the Phase-2 Loan Agreement have been satisfied and all the necessary certificates and documentation required thereunder is attached herewith or has already been made available to the Lenders' Agent and the Phase-2 Lenders; and

Auth

Borrower	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent
	<i>SM</i>	<i>SB</i>	<i>AB</i>	<i>SB</i>	<i>SB</i>	<i>SB</i>	<input checked="" type="checkbox"/>	<i>SB</i>

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(d) The proceeds of the Proposed Disbursement shall be used for the following purposes, all of which form a part of the Phase-2 Project Cost as are permitted under the Finance Documents:

Purpose Amount

- (i)
- (ii)
- (iii)

4. If any of the certifications set forth in Para 3 above shall cease to be valid on, as of or prior to the date of the Proposed Disbursement, the Borrower shall immediately notify each of the Phase-2 Lenders and the Lenders' Agent in writing.

5. The Borrower hereby certifies that all proceeds of the Phase-2 Project Equity Capital required to be funded have been made and have been or, as of the date of the Proposed Disbursement and will be applied for the following purposes, all of which form a part of the Phase-2 Project Cost and allowed or approved by the Lenders' Agent and the Phase-2 Lenders:

Purpose Amount

6. The Borrower hereby certifies that both before and after giving effect to the Proposed Disbursement, the ratio of:

- (i) the sum of the principal amount outstanding of all the Phase-2 Loans over
- (ii) the sum of all Phase-2 Project Equity Capital is not greater than 3:1.

7. The Borrower hereby certifies that the sum of (A) the aggregate of all amounts available but undrawn under the Phase-2 Loans, (B) all undisbursed moneys in the Retention Accounts, (C) proceeds of insurance received and available to the Borrower, (D) loss proceeds, (E) liquidated damages and other amounts which are due and payable pursuant to the Transaction Agreements (F) any unfunded Phase-2 Project Equity Capital, equals or exceeds the sum of the amount necessary to pay all remaining Phase-2 Project Costs which have been or are reasonably likely to be incurred in connection with the Phase-2 Project in order to achieve final completion.

IN WITNESS WHEREOF, I have hereunto set my hand this day of \_\_\_\_\_ Sahara Hospitality Ltd

By: \_\_\_\_\_

Name: \_\_\_\_\_

Designation: \_\_\_\_\_



Borrower	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent
<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>

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IN WITNESS WHEREOF the Borrower has caused its Common Seal to be affixed hereto and to the counter copies hereof on the date, month and year first hereinabove written and the Phase-2 Lenders and the Lenders' Agent have caused the same to be executed by the hands of their respective authorized officials or attorney as hereinafter appearing.

THE COMMON SEAL OF Sahara Hospitality Limited has pursuant to the Resolutions of its Board of Directors passed in that behalf on 5th February, 2010 hereunto been affixed in the presence of Mr. O. Praveen Kumar Director, who has signed these presents in token thereof and Ashu Sood Authorised signatory, who has countersigned in token thereof.

SIGNED AND DELIVERED BY the within named Phase-2 Lender, Andhra Bank by the hand of Mr. K. V. Prasad its SR Manager and authorized official.

SIGNED AND DELIVERED BY the within named Phase-2 Lender, Bank of Baroda by the hand of Mr. D. ANANDA KUMAR its Chief Manager and authorized official.

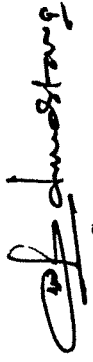

SIGNED AND DELIVERED BY the within named Phase-2 Lender, Corporation Bank by the hand of Mr. Pankaj S. Nayak Asst General Mgr and authorized official.


SIGNED AND DELIVERED BY the within named Phase-2 Lender IDBI Bank Limited by the hand of Mr. S. MOHAN its Asst Mgr and authorized official.

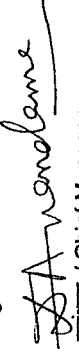
SIGNED AND DELIVERED BY the within named Phase-2 Lender Karnataka Bank Limited by the hand of Mr. B. S. Ramachandra Chief Manager and authorized official.

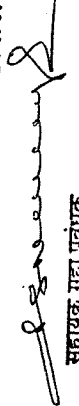
SIGNED AND DELIVERED BY the within named Phase-2 Lender Union Bank of India by the hand of Mr. J B Dene its SR Manager and authorized official.


SIGNED AND DELIVERED BY the within named Phase-2 Lender UCO Bank by the hand of Mr. G. K. Kolte its SR Manager and authorized official.


  



For Andhra Bank  
  
SR Manager - CR  
Corporate Finance Br. Mumbai  
17/2/2010

कृते बैंक ऑफ बड़ोदा/For BANK OF BARODA  
सी.एफ.एस., फोर्ट शाखा मुंबई / C.F.S., FORT BRANCH MUMBAI  
  
मुख्य प्रबंधक / Chief Manager

कृते कॉर्पोरेशन बैंक  
For CORPORATION BANK  
  
सहायक महा प्रबंधक  
Asst. General Manager  
बड़ी कार्पोरेट शाखा, अंधेरा (पु), मुंबई.  
Large Corporate Branch, Andheri (E) Mumbai,  
आइडीबीआई बैंक लि. (म.का.स.)  
IDBI Bank Ltd.

सहायक महा प्रबंधक/Assistant General Manager  
For Karnataka Bank  
  
B. S. Ramachandra  
Chief Manager  
Fort Mumbai-1

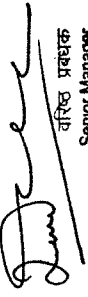
कृते यूनियन बैंक ऑफ इंडिया  
For UNION BANK OF INDIA  
  
Senior Manager  
औद्योगिक वित्त शाखा, मुंबई.  
Industrial Finance Br., Mumbai.

कृते युको बैंक For UCO BANK  
सहायक महा प्रबंधक शाखा Santacruz Br  
  
मुख्य प्रबंधक/Sr. Manager  
12/10

TRUE COPY

SIGNED AND DELIVERED BY the within  
named Lender' Agent Union Bank of India by  
the hand of Mr. I B DAW S its  
S R m a m authorized official.

कृते यूनियन बैंक ऑफ इंडिया  
For UNION BANK OF INDIA



वरिष्ठ प्रबंधक  
Senior Manager  
औद्योगिक वित्त शाखा, मुंबई,  
Industrial Finance Br., Mumbai.



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✓  
10/11

2  
ANNEXURE - 'A' 31

1042

**HOTEL SAHARA STAR  
PHASE-2 PROJECT**

**LENDERS' AGENT AGREEMENT**

**AMONG**

**ANDHRA BANK  
BANK OF BARODA  
CORPORATION BANK  
IDBI BANK LIMITED  
KARNATAKA BANK LIMITED  
UNION BANK OF INDIA  
UCO BANK  
(AS PHASE-2 LENDERS)**

**AND**

**UNION BANK OF INDIA  
(AS LENDERS' AGENT FOR PHASE-2 LENDERS)**

**AND**

**SAHARA HOSPITALITY LIMITED  
(AS BORROWER)**

**DATED 3rd DAY OF FEBRUARY 2010**

**MS**

**India Law Services  
Advocates & Solicitors  
Dubash House,  
15 J.N. Heredia Marg,  
Ballard Estate,  
Mumbai - 400 001**

**TRUE COPY**

## TABLE OF CONTENTS

ARTICLE I.....	5
INTERPRETATION.....	5
1.1 Interpretation.....	5
ARTICLE II.....	6
APPOINTMENT OF LENDERS' AGENT.....	6
ARTICLE III.....	7
DUTIES OF LENDERS' AGENT.....	7
3.1 Duties.....	7
3.2 Notice of Certain Events.....	8
3.3 Action upon Instructions.....	8
3.4 Furnishing of Documents.....	8
ARTICLE IV.....	9
AUTHORITY OF THE LENDERS' AGENT.....	9
4.1 Authority.....	9
4.2 Limitation on Liability.....	9
ARTICLE V.....	10
FEE AND EXPENSES.....	10
ARTICLE VI.....	11
RESIGNATION, TERMINATION AND SUCCESSOR.....	11
6.1 Resignation.....	11
6.2 Termination.....	11
6.3 Consequences of Resignation/ Termination.....	11
6.4 Successor.....	11
ARTICLE VII.....	12
MISCELLANEOUS.....	12
7.1 Amendments.....	12
7.2 Benefit of Agreement.....	12
7.3 Notice.....	12
7.4 Relationship between the Lenders' Agent and the Borrowers.....	14
7.5 Representation by the parties.....	14
7.6 Counterparts.....	14
SCHEDULE I.....	15
PARTICULARS OF PHASE-2 LENDERS AND PHASE-2 LOANS.....	15
SCHEDULE II.....	16
AGENT'S DEED OF ACCESSION.....	16

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1045

**BANK OF BARODA**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at Mandvi, Baroda- and having a branch office at Corporate Financial Service Branch, 10/12 Mumbai Samachar Marg, Fort, Mumbai-400001, in the State of Maharashtra, India (hereinafter referred to as “**BOB**”, which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**CORPORATION BANK**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1980, having its Head Office at P.B. No. 88, Mangladevi Temple Road, Mangalore – 575 001, in the State of Karnataka, India and having its large corporate branch office at 301-302, the Eagle’s Flight, Andheri Kurla Road, Andheri (E), Mumbai – 400 093 in the State of Maharashtra, India (hereinafter referred to as “**Corp.B**”, which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**IDBI BANK LIMITED**, a company incorporated under the Companies Act, 1956 (1 of 1956) and a banking company within the meaning of Section 5(c) of the Banking Regulation Act, 1949 having its registered office and a mid corporate group at IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400 005, in the State of Maharashtra, India (hereinafter referred to as “**IDBI**”, which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**KARNATAKA BANK LIMITED**, a company incorporated under the Indian Companies Act, 1913 having its registered office and head office at Mahaveera Circle, Kankanady, Mangalore – 575 002, in the State of Karnataka, India and having its branch amongst other places at Fort, Perin Nariman point Street, Amar Building, Opp. R.B.I, Fort, Mumbai – 400 054, in the State of Maharashtra, India (hereinafter referred to as “**KBL**”, which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**UNION BANK OF INDIA**, a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and having its head office at Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai – 400021, in the State of Maharashtra and its Industrial Finance Branch, at First Floor, Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai-400021, in the State of Maharashtra, India (hereinafter referred to as “**UBI**”, which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**UCO BANK**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at 10, B.T.M. Sarani, Kolkata-700001 and having a branch office at RNA Classic, North Avenue, S.V. Road, Santacruz (W), Mumbai-400054, in the State of Maharashtra, India (hereinafter referred to as “**UCO**”, which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

(Each of **AB**, **BOB**, **Corp.B**, **IDBI**, **KBL**, **UBI** and **UCO** are individually referred to as “**Phase-2 Lender**” and are collectively referred to as the “**Phase-2 Lenders**”, which expression shall include all or any one or more of them as the context may require or admit) of the **FIRST PART**.

AND

**UNION BANK OF INDIA**, a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and having its head office at Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai – 400021, in the State of Maharashtra and its Industrial Finance Branch, at First Floor, Union Bank Bhavan, 239,

2

<i>AB</i>	<i>or</i>	<i>for</i>	<i>EB</i>	<i>2</i>	<i>✓</i>	<i>UB</i>	<i>And</i>
AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Borrower
Phase-2 Lenders							Lenders' Agent For Phase-2 Lenders
							<i>AB</i>

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1046

Vidhan Bhavan Marg, Nariman Point, Mumbai-400021, in the State of Maharashtra, India (hereinafter referred to as "Lenders' Agent" which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns) , in its capacity as the Lenders' Agent of the **SECOND PART**.

**AND**

**SAHARA HOSPITALITY LIMITED**, a company registered under the Companies Act, 1956 (1 of 1956) and having its Registered Office at Sahara India Point, CTS, 40 & 44, S.V.Road, Goregaon (West), Mumbai-400104 in the State of Maharashtra (hereinafter referred to as the "Borrower" which expression shall, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns) of the **THIRD PART**.

**WHEREAS:**

- A. Initially, the Borrower had sought financial assistance from Housing and Urban Development Corporation Limited, Bank of Baroda, Union Bank of India and UCO Bank (Housing and Urban Development Corporation Limited, Bank of Baroda, Union Bank of India and UCO Bank are hereinafter referred to as the "Project Lenders") to enable it to meet part of the cost of its project envisaging the renovation and reconstruction of the Hotel Sahara Star (formerly known as Hotel Centaur, Mumbai Airport) situate at Vile Parle (east), near Domestic Airport, Mumbai-400099, in the State of Maharashtra, India ("Project").
- B. Accordingly, the Borrower and the Project Lenders entered into a loan agreement dated February 14, 2005 (hereinafter referred to as "Loan Agreement") and other finance and security documents dated on or about February 14, 2005. In terms of the Loan Agreement, the Project Lenders agreed to grant to the Borrower, rupee term loans of an aggregate amount not exceeding **Rs.300,00,00,000.00 (Rupees Three Hundred Crores only)** for part financing the cost of the Project and the Borrower agreed to borrow the same from the Project Lenders.
- C. Subsequently, the Borrower has entered into an amendatory agreement ("Amendatory Agreement") with the Project Lenders dated September 7, 2006, for the purpose of bifurcating the Project into two phases viz. FSI-1 project and FSI-2 project, pursuant to which the Project Lenders have divided their entire sanctioned loan of **Rs.300,00,00,000.00 (Rupees Three Hundred Crores only)** into two phases i.e. **Rs.178,00,00,000.00 (Rupees One Hundred and Seventy Eight Crores only)** ("Phase - 1 Loans") for implementation of the Phase -1 project based on **FSI-1 and Rs.122,00,00,000.00 (Rupees One Hundred and Twenty Two Crores only)** for implementation of the Project based on FSI-2 (the Loan Agreement and the Amendatory Agreement are hereinafter collectively referred to as the "Agreements").
- D. The Borrower has successfully completed the renovation and reconstruction and commenced operations of the Project based on FSI-1 comprising of 223 (two hundred and twenty three) rooms, 10 (ten) restaurants, 6 (six) banquet halls, 5 (five) business centers and 4500 (four thousand five hundred) square feet of commercial space. The Project based on FSI-1 is hereinafter referred to as the "Phase-1 Project".
- E. Pending receipt of statutory approvals for FSI-2, the Borrower was unable to avail **Rs.122,00,00,000.00 (Rupees One Hundred and Twenty Two Crores)** for implementation of the Project based on FSI-2 , accordingly pursuant a termination agreement entered into amongst the Phase-1 Lenders and the Borrower on

3

AB	BOB	Corp.B	IDBI	KBL	UBI	UCO			
Phase-2 Lenders							✓	Lenders' Agent For Phase-2 Lenders	Borrower

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1047  
OR  
3rd MARCH

2010 ("Termination Agreement"), the parties thereto have cancelled the loan amount of Rs. 122,00,00,000.00 (Rupees One Hundred and Twenty Two Crores) sanctioned for the Project based on FSI-2 and all other terms and conditions relating to the Project based on FSI-2 thereby superseding the earlier understanding recorded under the Amendatory Agreement in relation to the Project based on FSI-2 and all other terms and conditions relating to the Phase-1 Project shall remain effective and binding on the parties to the Amendatory Agreement.

F. In terms of the statutory approval for Additional FSI, the Borrower is proposing to expand and develop additional facilities viz., 185 (one hundred and eighty five) rooms, 5 (five) restaurants, 2 (two) banquet halls, 21 (twenty one) business centers and 2,00,000 (two lakhs) square feet commercial space (hereinafter referred to as the "Phase-2 Project").

G. For the purpose of implementation and part financing the cost of the Phase-2 Project, at the request of the Borrower, the Phase-2 Lenders have agreed to lend and advance to the Borrower and the Borrower has agreed to borrow from the Phase-2 Lenders rupee loans, to the maximum extent set out against their respective names in Schedule 1 hereto, aggregating Rs.310,00,00,000.00 (Rupees Three Hundred and Ten Crores only) (including the project letter(s) of credit facility, as a sub limit of the Phase-2 Loans) (hereinafter individually referred to as "the Phase-2 Loan" and collectively as "the Phase-2 Loans") on the terms and subject to the conditions contained in the Phase-2 Common Loan Agreement dated 3rd day of MARCH 2010 entered into, interalia, between the Borrower and the Phase-2 Lenders (hereinafter referred to as "Phase-2 Loan Agreement").

H. At the request of the Borrower, the Phase-2 Lenders have agreed to appoint and to authorise one of them, as the 'Lenders' Agent' through whom the Borrower might deal with the Phase-2 Lenders in matters arising out of or relating to the Phase-2 Loan Agreement and the other Finance Documents, subject to (i) certain limitations as to the authority of the Lenders' Agent; and (ii) the Lenders' Agent undertaking to carry out certain duties and to discharge certain obligations, as are considered necessary and authorised by the Phase-2 Lenders.

I. At the request of the Borrower and as agreed to between the Phase-2 Lenders, Union Bank of India has agreed to act as the Lenders' Agent on behalf of the Phase-2 Lenders under the Finance Documents and has agreed to accept the agency being created under these presents.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL AGREEMENT HEREIN CONTAINED AND OTHER GOOD AND VALUABLE CONSIDERATION, RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED, THE PARTIES HERETO AGREE AS FOLLOWS:

4

AB	BOB Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent For Phase-2 Lenders	Borrower

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1048

ARTICLE I  
INTERPRETATION

1.1 Interpretation

- (a) Capitalised terms used but not otherwise defined in this Agreement shall have the meanings assigned to them in the Phase-2 Loan Agreement.
- (b) A reference to a Finance Document or any other document is a reference to that Finance Document or other document as amended, replaced, novated or supplemented.
- (c) Any reference to the powers, functions, duties, liabilities or obligations of the Lenders' Agent under this Agreement shall, wherever the context so permits, mean a reference to the powers, functions, duties, liabilities or obligations of the Lenders' Agent under the Finance Documents and all other documents and agreements executed and entered into by the Lenders' Agent by virtue of its authority flowing from the Finance Documents and these presents.
- (d) The provisions of Section 1.1 and Section 1.2 of Article I of the Phase-2 Loan Agreement are hereby incorporated in this Agreement and shall apply mutatis mutandis as if the same are set out herein in full.
- (e) In case of any inconsistency between the provisions of this Agreement on the one hand and the Phase-2 Loan Agreement, the provisions of the Phase-2 Loan Agreement, shall prevail over such inconsistent provisions of this Agreement.

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<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>
AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Borrower
Phase-2 Lenders							Lenders' Agent For Phase-2 Lenders

*[Signature]*

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1049

ARTICLE II  
APPOINTMENT OF LENDERS' AGENT

- 2.1 Subject to the terms, conditions and covenants contained in this Agreement, the Phase-2 Lenders, hereby appoint and authorize **Union Bank of India** to act as their agent under the Finance Documents and **Union Bank of India** hereby agrees to act as the Lenders' Agent and perform the duties as are required of the Lenders' Agent under this Agreement, the Phase-2 Loan Agreements and the other Finance Documents together with such other powers, rights, discretions as are reasonably incidental thereto.
- 2.2 The Lenders' Agent may act or delegate any and all of its duties and functions hereunder, through its officers, directors and employees which are hereby authorized by the Phase-2 Lenders.
- 2.3 The Lenders' Agent (which term as used in this sentence shall include reference to its officers and directors and employees):
  - (a) shall not have any duties or responsibilities except those expressly set forth in this Agreement and/or the Finance Documents, nor be construed to be a trustee for any of the Phase-2 Lenders, or the Borrower, nor have a fiduciary relationship with any of the Phase-2 Lenders nor any fiduciary obligation towards the Borrower;
  - (b) shall not be required to take any action or refrain from taking any action which is contrary to the terms of this Agreement or Applicable Law;
  - (c) shall not be required to commence any legal action or incur expenses or undertake risk of its own funds or otherwise incur any personal financial liability in the performance of any of its duties or in the exercise of any rights or powers under this Agreement, unless it has been fully indemnified and assured of reimbursement in full to its satisfaction, or provided with requisite funds as requested by it;
  - (d) shall not be responsible for any action taken or omitted to be taken by it hereunder or under any other document or instrument referred to or provided for herein or therein or in connection herewith or therewith, except for its own gross negligence or willful misconduct; and
  - (e) shall not be responsible for anything done, suffered or omitted in good faith by it in accordance with the advice or opinion of any counsel, accountants, or other skilled Persons appointed by it and not contrary to this Agreement.

Neither the Lenders' Agent, nor any of the Phase-2 Lender shall be responsible to any of the other Phase-2 Lenders or the Lenders' Agent respectively for any recitals, statements, representations or warranties made by the Borrower contained in this Agreement or in any certificate or other document referred to or provided for in, or received by any such Person under this Agreement, for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other document referred to or provided for herein or therein or for any failure by the Borrower to perform its obligations hereunder or thereunder.

<i>[Signature]</i>	<i>on</i>	<i>for</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>And</i>
AB	BOB	Corp.B	IDBI	KBL	UBI	UCO
Phase-2 Lenders						Lenders' Agent For Phase-2 Lenders
						Borrower <i>[Signature]</i>

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ARTICLE III  
DUTIES OF LENDERS' AGENT

3.1 Duties

The Lenders' Agent shall, acting on behalf of the Phase-2 Lenders or any of them as the case may be required or necessary to:

- (a) receive and deal with any request or proposal for waiver, modification, relaxation or other indulgence sought by the Borrower with regard to any of the terms or conditions of the Finance Documents (provided that the Lenders' Agent shall consult the Phase-2 Lenders or the Phase-2 Lender concerned as the case may be on any such proposal relating to (i) waiver or modification of any condition precedent to disbursement(s), (ii) modification in any of the financial terms and conditions, (iii) release or substitution of any security, (iv) waiver of any material default, (v) reschedulement or postponement of repayments, (vi) prepayment of the amounts outstanding otherwise than stipulated, and act in accordance with the decision/instruction thereon of the Phase-2 Lenders or the Phase-2 Lender concerned as the case may be);
- (b) receive requests made by the Borrower for Disbursements, review the requirement of funds and compliance with the conditions precedent to disbursements, if any, and advise the Phase-2 Lenders regarding the same (provided, the final decisions regarding the Borrower's requests and the eventual disbursements shall however, be made by the Phase-2 Lenders or the Phase-2 Lender concerned, as the case may be);
- (c) monitor and require from time to time, compliance by the Borrower of the terms, conditions and covenants contained in the Phase-2 Loan Agreement and apprise the Phase-2 Lenders of any significant or persistent defaults committed by the Borrower;
- (d) follow up, receive and review from time to time, the reports, statements including financial statements and any information required to be submitted by the Borrower to the Phase-2 Lenders pursuant to the Phase-2 Loan Agreement, and to advise the Phase-2 Lenders of any material change in the status of the Borrower or the Phase-2 Project observed therefrom;
- (e) convene, where necessary, meetings of the Phase-2 Lenders to facilitate decisions on matters giving rise to or arising on account of recall of the Phase-2 Loans and to initiate steps to implement the decisions taken at such meetings or otherwise by the Phase-2 Lenders;
- (f) finalise the structure of the Retention Accounts and related documents in consultation with the Phase-2 Lenders and the Borrower;
- (g) issue instructions to the Account Bank regarding the release of payments from the Retention Accounts in accordance with the provisions of the Amended and Restated Trust & Retention Account Agreement, to deal with (where required or deemed necessary in consultation with the Phase-2 Lenders) any request for consent, permission, approval authorisation or clarification, made by the Account Bank and carry out such of its other duties under the Amended and Restated Trust and Retention Account Agreement;
- (h) deal with (where required or deemed necessary in consultation with the Phase-2 Lenders) any request for consent, permission, approval, authorisation or clarification, made by the Security Agent;
- (i) carryout the other duties as may be provided for under any other Finance Documents; and

7

<i>AB</i>	<i>Corp.B</i>	<i>IDBI</i>	<i>KBL</i>	<i>UBI</i>	<i>UCO</i>	<i>L</i>	<i>And</i>	Borrower
Phase-2 Lenders							Lenders' Agent For Phase-2 Lenders	<i>PC</i>

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1051

- (j) generally, facilitate the Borrower in dealing with the Phase-2 Lenders and vice versa, coordinate the meetings of and consideration of issues or matters by the Phase-2 Lenders where required or necessary, facilitate the effective functioning of the Account Bank and the Security Agent by providing timely and appropriate instructions and act in accordance with specific and lawful instructions, if any, given by the Phase-2 Lenders or any of them (to the extent such instructions can be given by them) with regard to any of its duties undertaken under this Agreement.
- (k) monitor the progress of the Phase-2 Project, conduct periodical inspections and report to the Phase-2 Lenders and defects or delay noted by it and call upon the Borrowers to remedy such defects or delay.
- (l) Monitor the compliance of insurance requirements by the Borrower, report to the Phase-2 Lenders and call upon the Borrowers to remedy the defects and shortcomings, if any.

**3.2 Notice of Certain Events**

The Lenders' Agent shall, in the event of its knowledge of occurrence of an Event of Default under the Phase-2 Loan Agreement, give prompt notice thereof to all of the Phase-2 Lenders. The Lenders' Agent shall take or refrain from taking such action with respect to such Event of Default, as shall be instructed by the Phase-2 Lenders in writing.

Provided that pending receipt of Phase-2 Lenders' instruction, and if the circumstances so warrant, the Lenders' Agent may (but is not obliged to) take or refrain from taking such action with respect to the Event of Default as it deems necessary or advisable in the interest of the Phase-2 Lenders, unless any such action requires prior express consent of the Phase-2 Lenders under this Agreement or otherwise outside the scope of this Agreement.

**3.3 Action upon Instructions**

Upon the written instructions of the Phase-2 Lenders or any of them consistent with the provisions of this Agreement and the Phase-2 Loan Agreement, the Lenders' Agent shall take or refrain from taking any action as the Phase-2 Lenders or any of them shall have specified in such instructions.

Provided that if there are conflicting or ambiguous instructions issued by the Phase-2 Lenders, the Lenders' Agent shall promptly endeavor to obtain consensus of or clarity from the Phase-2 Lenders on such instructions, before acting upon the same. The Lenders' Agent shall not incur any liability on account of non-compliance or delayed compliance with any such instructions.

**3.4 Furnishing of Documents**

The Lenders' Agent shall furnish to each of the Phase-2 Lenders promptly, copies of any reports, certificates, statements, documents, or information submitted or furnished to it by the Borrower pursuant to the Phase-2 Loan Agreement or otherwise. The Borrower agrees and undertakes to submit all such reports, certificates, statements, documents or information in duplicate to enable the Lenders' Agent to comply with the provisions of this Section 3.4.

The Lenders Agent in performing its duties and obligations shall exercise all care and caution and ensure that no damage is done as a result of commission or omission.

<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Phase-2 Lenders		
							Lenders' Agent For Phase-2 Lenders	Borrower	

*And*

*[Signature]*

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1052

ARTICLE IV  
AUTHORITY OF THE LENDERS' AGENT

4.1

Authority

The Lenders' Agent shall, in carrying out its duties under this Agreement, have such authority as is necessary or incidental thereto. Without prejudice to this, the Lenders' Agent may:

- (a) execute and deliver and/or accept delivery of all documents, deeds and writings as are all other documents, agreements, instruments, amendments and certificates, as may be contemplated under and/or required pursuant to the Phase-2 Loan Agreement and other Finance Documents, to be executed and delivered by the Phase-2 Lenders;
- (b) represent and act on behalf of the Phase-2 Lenders before any authority, court or tribunal or any person;
- (c) engage and pay for the advice or service of any experts / professionals including lawyers, accountants, surveyors or other experts whose advice or services are reasonably necessary in connection with the due discharge of its duties hereunder;
- (d) rely upon the authenticity of any communication or document believed by it to be authentic;
- (e) receive money or instruments representing money, issue accountable receipt therefore, realise the instruments and deal with the cash or the proceeds of instruments in accordance with the Phase-2 Lenders' instructions; and
- (f) exercise such authority and to do such acts and things as it deems fit and necessary to protect Phase-2 Lenders' interest, in case of an exigency.

4.2

Limitation on Liability

- (a) The Lenders' Agent acting in good faith shall not, in respect of any acts done or omitted to be done under or pursuant to this Agreement, incur any liability or be answerable except for its willful default, breach of trust, gross misconduct or negligence.
- (b) No Party may take any proceedings against any officer or employee of the Lenders' Agent in respect of any claim it might have against the Lenders' Agent, or in respect of any act or omission of any kind by that officer or employee in relation to this Agreement or any other Finance Document.

<i>AB</i>	<i>CP</i>	<i>Jan</i>	<i>ES</i>	<i>D</i>	<i>L</i>	<i>And</i>
AB	BOB	Corp.B	IDBI	KBL	UBI	UCO
Phase-2 Lenders						
				Lenders' Agent For Phase-2 Lenders		Borrower
						<i>[Signature]</i>

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1053

ARTICLE V  
FEE AND EXPENSES

The Parties hereto hereby acknowledge and agree that, the Borrower has agreed to pay to the Lenders' Agent fee for services performed by the Lenders' Agent under or pursuant to this Agreement (the "Fee") and to pay/reimburse all out-of-pocket, legal, travelling and other costs, charges and expenses (the "Expenses") incurred by the Lenders' Agent in the discharge of its duties under this Agreement.

Notwithstanding the above, in the event that the Borrower has failed to pay the Fee and/or reimburse the Expenses when due and payable and in the event of sufficient funds being not available in the related retention account, each of the Phase-2 Lenders shall, upon receipt of written notice thereof given by the Lenders' Agent stating the Fee and Expenses due, pay to the Lenders' Agent its pro rata share of the Fee and Expenses computed on the basis of the principal sum due to respective Phase-2 Lenders under the Phase-2 Loan Agreement and the Security Documents.

10

<i>AB</i>	<i>or</i>	<i>for</i>	<i>B</i>	<i>U</i>	<i>and</i>
AB	BOB	Corp.B	IDBI	KBL	UBI
Phase-2 Lenders					
			UCO	Lenders' Agent For Phase-2 Lenders	
				Borrower	

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1054

**ARTICLE VI  
RESIGNATION, TERMINATION AND SUCCESSOR**

**6.1**

**Resignation**

The Lenders' Agent may resign its appointment hereunder at any time without assigning any reason therefor by giving not less than ninety (90) days prior written notice to that effect to each of the other Parties hereto.

The Lenders' Agent shall cease to act as such, from the expiry of the said period of ninety (90) days.

**6.2**

**Termination**

The Phase-2 Lenders may at any time terminate the appointment of the Lenders' Agent hereunder without assigning any reason therefor by giving not less than sixty (60) days prior written notice to that effect to the Lenders' Agent and the Borrower.

**6.3**

**Consequences of Resignation/ Termination**

Nothing contained in the Section 6.1 and Section 6.2 shall relieve the Lenders' Agent from its obligation to make over to the Phase-2 Lenders (or any of them appointed by them to succeed the Lenders' Agent) any cash or instruments representing cash held by it on account and for the benefit of the Phase-2 Lenders or to account for the same, nor relieve the Borrower and the Phase-2 Lenders to pay or reimburse as the case may be any fees and expenses incurred and outstanding under this Agreement.

**6.4**

**Successor**

Following the notice of resignation issued by the Lenders' Agent or the notice of termination of the Lenders' Agent appointment issued by the Phase-2 Lenders, the Phase-2 Lenders representing at least 60 (sixty) percent of aggregate of the outstanding principal amounts of the Phase-2 Loans may appoint and designate any other Phase-2 Lender to succeed the Lenders' Agent, by a written notice to the Lenders' Agent and the Borrower. Such appointment shall be effective from the effective date of resignation or termination.

In the absence of such appointment by the Phase-2 Lenders at least, fifteen (15) days prior to the date of resignation or termination becoming effective, the Phase-2 Lender with the largest outstanding financial stake or exposure by way of the Phase-2 Loan extended to the Borrower (other than the resigning agent), shall be entitled to select the successor Lenders' Agent or shall act as the successor Lenders' Agent with such rights, duties, responsibilities, obligations and liabilities identical as that of the Lenders' Agent who has resigned or been removed.

The successor Lenders' Agent appointed in accordance thereof shall sign a deed of accession ("**Agent's Deed of Accession**") substantially in the form set out in Schedule II.

11

<i>AB</i>	<i>BOB</i>	<i>Corp.B</i>	<i>IDBI</i>	<i>KBL</i>	<i>UBI</i>	<i>UCO</i>	<i>Lenders' Agent For Phase-2 Lenders</i>	<i>Borrower</i>
Phase-2 Lenders								

*And*

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ARTICLE VII  
MISCELLANEOUS

7.1 Amendments

No amendments or modification to this Agreement shall be valid and effective unless agreed to by all the parties hereto and evidenced in writing.

7.2 Benefit of Agreement

This Agreement shall be binding upon and enure to the benefit of each Party hereto and its successor and assigns. This Agreement is not intended to confer upon any person other than the Parties hereto any rights or remedies hereunder.

Provided, the Lenders' Agent may not assign or transfer any of its obligations, rights or benefits hereunder without the written consent of all the Lenders.

7.3 Notice

Any notice, demand, communication or other request (individually, a "Notice") to be given or made under this agreement shall be in writing. The Notice shall be delivered in any of the following modes viz., by hand, registered mail (postage prepaid), facsimile or electronic mail, by addressing to the party to whom the same is intended, at such party's address specified below or at such other address as such party shall from time to time have designated by at least fifteen (15) days' written Notice to the Parties hereto. The Notice shall be deemed to have been duly given or made when delivered as aforesaid.

FOR THE PHASE-2 LENDERS

Andhra Bank

Chief Manager

Special Corporate Finance Branch,  
16<sup>th</sup> Floor, Earnest House,  
NCPA Marg, Nariman Point,  
Mumbai - 400 021  
Tel: 022 - 2288 4877  
Facsimile: 022 - 2288 5841

For Bank of Baroda

~~Asst.~~ General Manager

Bank of Baroda  
Corporate Financial Service Branch  
10/12 Mumbai Samachar Marg,  
Fort, Mumbai-400001  
Tel: 022-22021434  
Facsimile: 022-22021445

For Corporation Bank

Asst. General Manager  
Large Corporate Branch,  
301 -302, the Eagle's Flight,  
Andheri-Kurla Road,  
Andheri (E),  
Mumbai - 400 093  
Tel: 022 - 26 83 0478/ 26 83 2449  
Facsimile: 022 - 2684 2450

12

AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent For Phase-2 Lenders	Borrower

And

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1056

**FOR IDBI BANK LIMITED**

Dy. General Manager,  
Mid Corporate Branch,  
5<sup>th</sup> Floor, IDBI Tower, WTC Complex,  
Cuffe Parade, Mumbai – 400 005  
Tel: 022-22 18 9111/6655 3355  
Facsimile: 022- 22 16 0785

**For Karnataka Bank Limited**

Chief Manager,  
Fort Branch,  
Perin Nariman Point,  
Amar Building, Opp. R.B.I,  
Fort, Mumbai – 400 001  
Tel: 022- 22 66 3725  
Facsimile: 022- 22 66 1685

**For Union Bank of India**

Dy. General Manager  
Union Bank of India  
Industrial Finance Branch  
First Floor, Union Bank Bhavan  
239, Vidhan Bhavan Marg  
Nariman Point,  
Mumbai-400021  
Tel: 022-22 09 2000  
Facsimile: 022-22 85 5037

**For UCO Bank**

Asst. General Manager  
UCO Bank  
RNA Classic, North Avenue,  
S.V. Road,  
Santacruz (W)  
Mumbai-400054  
Tel: 022-26 00 2912/ 2649 3407/ 26 49 4752  
Facsimile: 022-26 00 2912

**FOR THE LENDERS' AGENT FOR THE PHASE-2 LENDERS**

**UNION BANK OF INDIA**

Dy. General Manager  
Union Bank of India  
Industrial Finance Branch  
First Floor, Union Bank Bhavan  
239, Vidhan Bhavan Marg  
Nariman Point,  
Mumbai-400021  
Tel: 022-22092000  
Facsimile: 022-22855037

13

<i>AB</i>	<i>or</i>	<i>or</i>	<i>or</i>	<i>or</i>	<i>or</i>	<i>or</i>	<i>or</i>	<i>or</i>	<i>or</i>
AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent For Phase-2 Lenders	Borrower	
Phase-2 Lenders									

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1057

**FOR THE BORROWER**  
**Sahara Hospitality Ltd**  
 Chief Executive Officer  
 Sahara Hospitality Limited  
 Opp. Mumbai Domestic Airport  
 Mumbai-400 099  
 Tel: 022- 39 89 5000  
 Fax: 022-39 89 5001

**7.4 Relationship between the Lenders' Agent and the Borrowers**  
 The Lenders' Agent shall not in any respect be an agent of, or trustee for, the Borrowers by virtue of this Agreement.

**7.5 Representation by the parties**  
 Each party to this Agreement represents to each other party that it has the necessary corporate authority to execute this Agreement and declares to each other party that it is valid and binding on and enforceable against it.

**7.6 Counterparts**  
 This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be effective for purposes of binding the parties hereto, but all of which shall together constitute one and the same instrument. A set of counterparts executed by all the parties hereto shall be lodged with the Borrowers, the Lenders' Agent and each of the Phase-2 Lenders.

<i>AM</i>	<i>AB</i>	<i>BOB</i>	<i>Corp.B</i>	<i>for</i>	<i>B</i>	<i>UBI</i>	<i>UCO</i>	<i>B</i>	<i>Bud</i>
AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent For Phase-2 Lenders		Borrower
Phase-2 Lenders									

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1058

SCHEDULE I  
PARTICULARS OF PHASE-2 LENDERS AND PHASE-2 LOANS

<u>Name of Phase-2 Lender</u>	<u>Amount of Phase-2 Loans</u>
AB	60.00 Crores (Rupees Sixty Crores Only)
BOB	48.00 Crores (Rupees Forty Eight Crores Only)
Corp.B	40.00 Crores (Rupees Forty Crores Only)
IDBI	40.00 Crores (Rupees Forty Crores Only)
KBL	22.00 Crores (Rupees Twenty Two Crores Only)
UBI	60.00 Crores (Rupees Sixty Crores Only)
UCO	40.00 Crores (Rupees Forty Crores Only)
<b>TOTAL</b>	<b>Rs.310.00 Crores (Rupees Three Hundred and Ten Crores Only)</b>

15

<i>[Signature]</i> AB	<i>[Signature]</i> BOB	<i>[Signature]</i> Corp.B	<i>[Signature]</i> IDBI	<i>[Signature]</i> KBL	<i>[Signature]</i> UBI	<i>[Signature]</i> UCO	<i>[Signature]</i> Lenders' Agent For Phase-2 Lenders	<i>[Signature]</i> Borrower
Phase-2 Lenders								

*and*

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SCHEDULE II  
AGENT'S DEED OF ACCESSION

THIS DEED dated [ ], [ ] is supplemental to the Lenders' Agent Agreement dated \_\_\_ day of 2010 (the "Lenders' Agent Agreement") entered into by and among the Phase-2 Lenders, the Lenders' Agent and the Borrower.

Words and expressions defined in the Phase-2 Loan Agreement and the Lenders' Agent Agreement have the same meaning when used in this Deed.

[Name of new agent] (the "New Lenders' Agent") hereby agrees with each other Person who is or who becomes a Party to the Lenders' Agent Agreement that with effect on and from the date hereof it will be bound by the Lenders' Agent Agreement as the Lenders' Agent as if it had been party to the Lenders' Agent Agreement in that capacity.

Address for notices of the New Lenders' Agent for the purposes of Section 7.3 of the Lenders' Agent Agreement is:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

This Deed is governed by Indian law.

[Execution under seal]  
[or appropriate execution clause]

<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent For Phase-2 Lenders		Borrower
Phase-2 Lenders									

*and*

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IN WITNESS WHEREOF the Phase-2 Lenders and the Lenders' Agent for the Phase-2 Lenders have caused these presents and copies hereof to be executed by the hands of their respective authorized officials and the Borrower has caused its common seal affixed to these presents and the copies hereof on the date, month and year first hereinabove as hereinafter appearing.

SIGNED AND DELIVERED BY the within named Phase-2 Lender, Andhra Bank by the hand of Mr. K. L. Bhagwan, its Sr. Manager and authorized official.

For Andhra Bank

Shri Bhagwan  
S-Manager 11/21/2010  
Corporate Finance Br., Mumbai  
कृते बैंक ऑफ़ बड़ोदा / For BANK OF BARODA  
सी.एफ.एच. सोड शाखा मुंबई / C.F.S., FORT BOMBAY

SIGNED AND DELIVERED BY the within named Phase-2 Lender, Bank of Baroda by the hand of Mr. D. Ananda Kumar, its Chief Manager and authorized official.

D. Ananda Kumar  
मुख्य प्रबंधक / Chief Manager  
कृते कॉर्पोरेशन बैंक  
For CORPORATION BANK

SIGNED AND DELIVERED BY the within named Phase-2 Lender, Corporation Bank by the hand of Mr. Srinivas S. Nayak, its Asst. General Manager and authorized official.

Srinivas S. Nayak  
सहायक महा प्रबंधक  
Asst. General Manager  
बड़ी कॉर्पोरेट शाखा, अंधेरा (ए), मुंबई.  
Large Corporate Branch, Andheri (E), Mumbai.

SIGNED AND DELIVERED BY the within named Phase-2 Lender, IDBI Bank Limited by the hand of Mr. S. Mohan, its Asst. General Manager and authorized official.

आई.डी.बी. बैंक लि. (म.कॉ.से.)  
IDBI Bank Ltd.  
S. Mohan  
सहायक महा प्रबंधक/Assistant General Manager

SIGNED AND DELIVERED BY the within named Phase-2 Lender, Karnataka Bank Limited by the hand of Mr. B. S. Ramachandra, its Chief Manager and authorized official.

For Karnataka Bank Ltd.  
B. S. Ramachandra  
Chief Manager  
Fort Mumbai-1

SIGNED AND DELIVERED BY the within named Phase-2 Lender, Union Bank of India by the hand of Mr. J. B. Devar, its Sr. Manager and authorized official.

कृते यूनियन बैंक ऑफ़ इंडिया  
For UNION BANK OF INDIA  
J. B. Devar  
Senior Manager  
औद्योगिक वित्त शाखा, मुंबई,  
Industrial Finance Br., Mumbai.

SIGNED AND DELIVERED BY the within named Phase-2 Lender UCO Bank by the hand of Mr. G. K. Kote, its Sr. Manager and authorized official.

कृते युको बैंक  
For UCO BANK  
सांताक्रुज शाखा Santacruz Br

G. K. Kote  
वरिष्ठ प्रबंधक/Sr. Manager 21/10

SIGNED AND DELIVERED BY the within named Lender' Agent for the Phase-2 Lender, Union Bank of India by the hand of Mr. J. B. Devar, its Sr. Manager and authorized official.

कृते यूनियन बैंक ऑफ़ इंडिया  
For UNION BANK OF INDIA  
J. B. Devar  
वरिष्ठ प्रबंधक  
Senior Manager  
औद्योगिक वित्त शाखा, मुंबई,  
Industrial Finance Br., Mumbai.


TRUE COPY

THE COMMON SEAL OF SAHARA HOSPITALITY LIMITED has pursuant to the Resolutions of its Board of Directors passed in that behalf on 5<sup>th</sup> February, 2010 hereunto been affixed in the presence of Mr. O.P. Srivastava Director, who has signed these presents in token thereof and Mrs. Ashu Sood Authorised signatory, who has countersigned in token thereof.

1061

✓ 



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ANNEXURE - 'A' - 32

1062

## HOTEL SAHARA STAR

AMENDED AND RESTATED INTER CREDITOR AGREEMENT

AMONG

HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED  
BANK OF BARODA  
UNION BANK OF INDIA  
UCO BANK  
(AS PHASE-1 LENDERS)

ANDHRA BANK  
BANK OF BARODA  
CORPORATION BANK  
IDBI BANK LIMITED  
KARNATAKA BANK LIMITED  
UNION BANK OF INDIA  
UCO BANK  
(AS PHASE-2 LENDERS)

AND

UNION BANK OF INDIA  
(AS LENDERS' AGENT FOR THE PHASE-2 LENDERS)

AND

HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED  
(AS LENDER'S AGENT FOR THE PHASE-1 LENDERS)

AND

HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED  
(AS SECURITY AGENT FOR THE LENDERS)

DATED 3<sup>rd</sup> DAY OF MARCH 2010

IS

India Law Services  
Advocates & Solicitors  
Dubash House,  
15 J.N. Heredia Marg,  
Ballard Estate,  
Mumbai - 400 001

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TABLE OF CONTENTS

DEFINITIONS AND INTERPRETATION ..... 7

1.1 Definitions ..... 7

1.2 Interpretation ..... 9

1.3 Rights against the Borrower not affected ..... 9

1.4 Supremacy ..... 10

ARTICLE II ..... 10

EXCHANGE OF VIEWS AND SHARING INFORMATION ..... 10

2.1 Sharing of Information ..... 10

2.2 No reliance ..... 11

2.3 Notice of Excess Payment ..... 11

2.4 Exchange of views ..... 11

2.5 Meetings of the Lenders ..... 12

ARTICLE III ..... 12

SHARING & EQUAL TREATMENT ..... 12

3.1 Basic Agreement ..... 13

3.2 Equal Treatment ..... 13

3.3 Redistribution of non-Pro Rata payments ..... 14

3.4 Sharing of expenses ..... 15

ARTICLE IV ..... 15

WAIVERS, CONSENTS AND AMENDMENTS, ACCELERATION AND ENFORCEMENT ACTION ..... 15

4.1 Co-ordination of Action ..... 15

4.2 Waivers, consents and amendments; other actions ..... 15

4.3 Provisions relating to Acceleration and Enforcement Action ..... 17

4.4 Restricted Actions ..... 17

4.5 Recourse against Security ..... 18

4.6 Without Prejudice ..... 19

ARTICLE V ..... 19

MISCELLANEOUS PROVISIONS ..... 19

5.1 Partial Invalidity and Exercise of Remedies ..... 19

5.2 No Waiver, Cumulative Remedies ..... 19

5.3 Benefit of Agreement ..... 19

5.4 Notices ..... 22

5.5 Effective Date ..... 22

5.6 Amendments ..... 23

SCHEDULE I ..... 23

FORM OF ENFORCEMENT ACTION NOTICE ..... 24

SCHEDULE II ..... 24

FORM OF REVOCATION NOTICE ..... 24

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1001 / 1064

**For THE MAHARASHTRA STATE CO-OPERATIVE BANK LTD.**  
 (Incorporating the V.G.R.E.M.A. Co-Operative Bank Ltd.,  
 The Maharashtra State Co-operative Bank Ltd.,  
 Sitaramdas Thackersey Memorial Bldg., 9 Maharashtra Chamber of Commerce Lane, Fort, MUMBAI - 400001  
 D-5/STENATOR, C.R. 1039/01/05/605-608

**AUTHORISED SIGNATORY**

**भारत** 67258  
 143294

SPECIAL ADHESIVE **MAHARASHTRA**  
 FEB 11 2010

ZERO ZERO ZERO ZERO ONE ZERO ZERO 12:15

**Rs. 0000100/-** PB5331

**AMENDED AND RESTATED INTER CREDITOR AGREEMENT**

This **AMENDED AND RESTATED INTER CREDITOR AGREEMENT** (this 'Agreement'), made at **MUMBAI** on this **3<sup>rd</sup>** day of **MARCH** Two Thousand and Ten among:

*[Handwritten signatures]*

**HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED**, a company registered under the Companies Act, 1956 (I of 1956) and having its Registered Office at "HUDCO BHAWAN", India Habitat Center Complex, Lodhi Road, New Delhi-110003 and its Mumbai Regional Office at Shreyas Chambers, 2<sup>nd</sup> Floor, 175, Dr. D.N.Road, Mumbai-400 001, in the State of Maharashtra, India (hereinafter referred to as "HUDCO" which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns); and

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO
<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>

STAMP DUTY MAHARASHTRA

**TRUE COPY**

1065

**BANK OF BARODA**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at Mandvi, Baroda and having a branch office at Corporate Financial Service Branch, 10/12 Mumbai Samachar Marg, Fort, Mumbai-400001, in the State of Maharashtra, India (hereinafter referred to as "BOB"; which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns); and

**UNION BANK OF INDIA**, a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and having its head office at Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai - 400021, in the State of Maharashtra and its Industrial Finance Branch, at First Floor, Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai-400021, in the State of Maharashtra, India (hereinafter referred to as "UBI" which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns); and

**UCO BANK**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at 10, B.T.M. Sarani, Kolkata 700001 and having a branch office at Santacruz (W), Mumbai-400045, in the State of Maharashtra, India (hereinafter referred to as "UCO" which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns);

(Each of **HUDCO**, **BOB**, **UBI** and **UCO** are individually referred to as "Phase-1 Lender" and are collectively referred to as the "Phase-1 Lenders", which expression shall include all or any one or more of them as the context may require or admit) of the **FIRST PART**.

**AND**

**ANDHRA BANK**, a body corporate constituted by and under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 and having its Head Offices at Dr. Pattabhi Bhavan, Saifabad, Hyderabad 500 004, in the State of Andhra Pradesh, India and having a specialized corporate finance branch, at 16<sup>th</sup> Floor, Earnest House, NCPA Marg, Nariman Point, Mumbai - 400 021, in the State of Maharashtra, India (hereinafter referred to as the "AB", which expression shall, unless it be repugnant to the context or meaning thereof, include its successors in office and assigns);

**BANK OF BARODA**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at Mandvi, Baroda and having a branch office at Corporate Financial Service Branch, 10/12 Mumbai Samachar Marg, Fort, Mumbai-400001, in the State of Maharashtra, India (hereinafter referred to as "BOB", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**CORPORATION BANK**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1980, having its Head Office at P.B. No. 88, Mangladevi Temple Road, Mangalore - 575 001, in the State of Karnataka, India and having its large corporate branch office at 301-302, the Eagle's Flight, Andheri Kurla Road, Andheri (E), Mumbai - 400.093 in the State of Maharashtra 4307-C Hart Street Building, Vyttila, Kochi - 682019, in the State of Kerala, India (hereinafter referred to as "Corp.B", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**IDBI BANK LIMITED**, a company incorporated under the Companies Act, 1956 (1 of 1956) and a banking company within the meaning of Section 5(c) of the Banking Regulation Act, 1949 having its registered office and a mid corporate group at IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400 005, in the State of Maharashtra, India

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO

*[Handwritten signatures]*

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1067

**HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED**, a company registered under the Companies Act, 1956 (1 of 1956) and having its Registered Office at "HUDCO BHAWAN", India Habitat Center Complex, Lodhi Road, New Delhi-110 003 and its Mumbai Regional Office at ~~Block No.1, 2<sup>nd</sup> Floor, MIDC Building, Baudia-Kurla Complex, Baudia (East),~~ Mumbai-400 051 (hereinafter referred to as "Security Agent which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns), in its capacity as the Security Agent of the Phase-1 Lenders and the Phase-2 Lenders of the **FIFTH PART**.

**WHEREAS:**

(a) Initially, the Borrower had sought financial assistance from Housing and Urban Development Corporation Limited, Bank of Baroda, Union Bank of India and UCO Bank (Housing and Urban Development Corporation Limited, Bank of Baroda, Union Bank of India and UCO Bank are hereinafter referred to as the "Project Lenders") to enable it to meet part of the cost of its project envisaging the renovation and reconstruction of the Hotel Sahara Star (formerly known as Hotel Centaur, Mumbai Airport) situate at Vile Parle (east), near Domestic Airport, Mumbai-400099, in the State of Maharashtra, India ("Project").

(b) Accordingly, the Borrower and the Project Lenders entered into a loan agreement dated February 14, 2005 (hereinafter referred to as "Loan Agreement") and other finance and security documents dated on or about February 14, 2005. In terms of the Loan Agreement, the Project Lenders agreed to grant to the Borrower, rupee term loans of an aggregate amount not exceeding **Rs.300,00,00,000.00 (Rupees Three Hundred Crores only)** for part financing the cost of the Project and the Borrower agreed to borrow the same from the Project Lenders.

(c) Subsequently, the Borrower has entered into an amendatory agreement ("Amendatory Agreement") with the Project Lenders dated September 7, 2006, for the purpose of bifurcating the Project into two phases viz. FSI-1 project and FSI-2 project, pursuant to which the Project Lenders have divided their entire sanctioned loan of **Rs.300,00,00,000.00 (Rupees Three Hundred Crores only)** into two phases i.e. **Rs.178,00,00,000.00 (Rupees One Hundred and Seventy Eight Crores only)** ("Phase - 1 Loans") for implementation of the Phase - 1 project based on **FSI-1 and Rs.122,00,00,000.00 (Rupees One Hundred and Twenty Two Crores only)** for implementation of the Project based on FSI-2 (the Loan Agreement and the Amendatory Agreement are hereinafter collectively referred to as the "Agreements").

(d) The Borrower has successfully completed the renovation / reconstruction and commenced operations of the Project based on FSI-1 comprising of 223 (two hundred and twenty three) rooms, 10 (ten) restaurants, 6 (six) banquet halls, 5 (five) business centers and 4500 (four thousand five hundred) square feet of commercial space. The Project based on FSI-1 is hereinafter referred to as the "Phase-1 Project" and the Project Lenders as the Phase-1 Lenders.

(e) Pending receipt of statutory approvals for FSI-2, the Borrower was unable to avail **Rs.122,00,00,000.00 (Rupees One Hundred and Twenty Two Crores only)** for implementation of the Project based on FSI-2, accordingly pursuant a termination agreement entered into amongst the Phase-1 Lenders and the Borrower on 3<sup>rd</sup> MARCH 2010 ("Termination Agreement"), the parties thereto have cancelled the loan amount of **Rs. 122,00,00,000.00 (Rupees One Hundred and Twenty Two Crores only)** sanctioned for the Project based on FSI-2 and all other terms and conditions relating to the Project based on FSI-2 thereby superseding the earlier understanding recorded under the Amendatory Agreement in relation to the Project based on FSI-2 and all other terms and conditions relating to the Phase-1

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	
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1068

Project shall remain effective and binding on the parties to the Amending Agreement.

(f) In terms of the statutory approval for Additional FSI, the Borrower is proposing to expand and develop additional facilities viz., 185 (one hundred and eighty five) rooms, 5 (five) restaurants, 2 (two) banquet halls, 21 (twenty one) business centers and 2,00,000 (two lakhs) square feet commercial space (hereinafter referred to as the "Phase-2 Project").

(g) For the purpose of implementation and part financing the cost of the Phase-2 Project, at the request of the Borrower, the Phase-2 Lenders have agreed to lend and advance to the Borrower and the Borrower has agreed to borrow from the Phase-2 Lenders rupee loans, to the maximum extent set out against their respective names in **Schedule 1** hereto, aggregating **Rs.310,00,00,000.00 (Rupees Three Hundred and Ten Crores only)** (including the project letter(s) of credit facility, as a sub limit of the Phase-2 Loans) (hereinafter individually referred to as "the Phase-2 Loan" and collectively as 'the Phase-2 Loans') on the terms and subject to the conditions contained in the Phase-2 Common Loan Agreement dated 3<sup>rd</sup> day of February 2010 entered into, inter alia, between the Borrower and the Phase-2 Lenders (hereinafter referred to as "Phase-2 Loan Agreement").

*(The Phase-1 Lenders and the Phase-2 Lenders are hereinafter collectively referred to as the "Lenders", the Phase-1 Loans and Phase-2 Loans as the "Loans" and the Agreements and Phase-2 Common Loan Agreement are collectively referred to as the "Loan Agreements" and the Phase-1 Project and the Phase-2 Project as "Project").*

(h) In the term of the Loan Agreements, Loans sanctioned by the Lenders to the Borrower for the Project are required secured/to be secured by:

- a) a first mortgage and charge in a form satisfactory to the Lenders of the Borrower's (1) leasehold rights on the land together with the hotel structure situate at Vile Parle bearing CTS No. 2085, Plot No. 7, Gat No., admeasuring 30,047.12 square meters being part of the larger area covered by Survey Nos. 2085 of Village Vile Parle east, Taluka Andheri west, District Mumbai, in the State of Maharashtra, India (2) 6 (six) residential flats, 2 (two) admeasuring 620 (six hundred and twenty) square feet and 4 (four) admeasuring 664 (six hundred and sixty four) square feet each, situate and located at Plot no. 5348, City Survey Nos. 536 and 537, Survey No. 21 Hissa No. 2, Near Gold Spot Factory, Parsi Lane, Andheri (E), Mumbai 400 093 in the Registration District and Sub District of Bombay City and Bombay Suburban in the State of Maharashtra; and (3) all other immovable properties, both present and future;
- b) a first charge by way of hypothecation of the Borrower's all fixed assets including moveable properties, equipments, plant & machinery, screw water chilling machines, pumps, inverters, air handling units, fans, air conditioners, coil units, cooling towers, piping, air distribution system, power generators insulation , installations, storage facilities, machinery spares, tools and accessories, furniture, fixtures, crockery, vehicles, both present and future;
- c) A second charge by way of hypothecation on the Borrower all current assets including stocks of raw materials, consumable stores, book debts and such other movables as may be agreed to by the Phase -2 Lenders;
- d) an assignment by the Borrower of:
  - 1) all the Borrower's Receivables, Accounts and book debts, present and future,

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-2 Lenders	Security Agent		
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1069

- 2) the right, title and interest of the Borrower by way of first charge into and under all (A) of the Project Documents; and (B) the guarantees, other performance warranties, indemnities and securities that may be furnished in favour of the Borrower by the various Contractors under the Project Documents, after obtaining the written consent of the parties thereto, if necessary,
- 3) the right, title and interest of the Borrower by way of first charge in, to and under all the Government Approvals, clearances, insurance policies and insurance proceeds;
  - e) a first charge on all intangible assets of the Borrower including but not limited to goodwill, undertaking and uncalled capital of the Borrower;
  - f) pledge of 51% (fifty one percent) of the paid up and voting equity shares held by the Promoters in the equity share capital of the Borrower during the currency of the Loans;
  - g) irrevocable and unconditional personal guarantees from S/Shri Subrata Roy Sahara, O. P. Srivastava and J. B. Roy;
  - h) irrevocable and unconditional corporate guarantee from Sahara Prime City Limited.

*Provided* that the aforesaid mortgages, charges and assignments created shall in all respects rank pari passu on first charge basis inter se the Lenders i.e the Phase-1 Lenders and the Phase-2 Lenders.

*Provided further that*, the Working Capital Lenders shall have first pari-passu charge over the current assets (as may be permitted by the Lenders) and a second and subservient charge on the fixed assets of the Borrower, as permitted by the Lenders.

- (i) The Lenders acknowledge that exercise by any of the Lenders of the rights, powers and discretions available under the Loan Agreements or under any other Finance Document including giving any consent or waiver, accepting any modifications or amendments to the Loan Agreements or any Finance Document, Acceleration and Enforcement Action will have a direct effect on the interests of all the other Lenders, and therefore, the Lenders are desirous that there should be a coordinated approach and all the Lenders shall use all efforts to adopt singular stand or course of action.
- (j) In order to give effect to the aforementioned understanding, the Parties have agreed to suitably amend and restate the Inter Creditor Agreement, in the manner as provided herein.

**NOW IN CONSIDERATION OF THE ABOVE PREMISES, THE PARTIES HERETO AGREE AS FOLLOWS:**

6

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO
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1070

ARTICLE I  
DEFINITIONS AND INTERPRETATION

1.1 Definitions

The following terms wherever used in this Agreement, shall, unless the context otherwise requires, have the meaning given below:

“Acceleration” shall mean a notice referred to in Section 4.3(a) accelerating amounts outstanding under the Loan Agreements, declaring all amounts thereunder to be due and payable forthwith.

“Account Bank” shall mean the bank with which the Retention Accounts are opened pursuant to the Amended and Restated Trust and Retention Account Agreement.

“Amended and Restated Trust and Retention Account Agreement” shall mean the agreement entered/to be entered, inter-alia, among the Borrower, the Lenders, the Lenders’ Agent, the Security Agent and the Account Bank for the Project.

“Controlling Enforcement Action” shall have the meaning described in Section 4.3(c).

“Enforcement” shall mean, with respect to all or any portion of the Security, a sale, execution pursuant to any proceedings for sale or any other disposition of the Security or applicable portion thereof or exercise of any right available or conferred under or pursuant to any Finance Documents or under any special or general law in connection with an Enforcement Action.

“Enforcement Action” shall mean the exercise of any right available or conferred under or pursuant to the respective Loan Agreements or under any special or general law, including Acceleration and/or initiation of legal proceedings before any court or tribunal for realisation of the Security by sale or otherwise for recovery of all or any of the Secured Obligations and any preparatory action pertaining thereto, provided that any action taken by any of the Lenders and/or the Security Agent and/or the Lenders Agent (a) to preserve or protect any interest in the Secured Property or rights or interest in relation to the Transaction Documents; and (b) appointment of Nominee Director(s) on the board of the Borrower shall not constitute as an enforcement action.

“Enforcement Action Notice” shall have the meaning described in Section 4.3 (b).

“Enforcement Intending Party” shall have the meaning assigned thereto in Section 4.3 (b).

“Event of Default” shall mean any event of default as specified in the respective Loan Agreements.

“Finance Documents” shall mean this Agreement, the Loan Agreements, the Lenders’ Agent Agreement, the Amended and Restated Trust and Retention Account Agreement, the Security Documents, all documents as may be required to be executed or obtained under this Agreement or any other Finance Document, any other agreement designated as a Finance Document by the Lenders’ Agent and all documents that are required to perfect and validate this Agreement and other Finance Documents or to protect rights of the Lenders hereunder and thereunder.

“Government” shall mean to include Government of India and the Government of State of Maharashtra.

7

As Phase-1 Lenders				As Phase-2 Lenders							Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent
HUMCO	BOB	UBI	UCO	AD	BOB	Corp.B	IBBI	KBL	UBI	UCO	HUMCO	UBI	HUMCO

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1072

“Security Agent” shall mean HUDCO appointed as such by the Lenders under the Amended and Restated Security Agent Agreement.

“Security Documents” shall mean all the documents executed/ to be executed and/or procured and furnished/ to be procured and furnished by the Borrower for creation or effecting creation of Security for Phase-1 Project and Phase-2 Project as stipulated under their respective Loan Agreements.

**1.2 Interpretation**

In this Agreement, unless the context otherwise requires:

- (i) the singular includes the plural and vice versa and reference to any gender includes a reference to all other genders;
- (ii) references to the words “include” or “including” shall be construed without limitation;
- (iii) references to this Agreement or to any other agreement or any deed or other instrument shall be construed as a reference to such agreement, deed or other instrument as the same may from time to time be amended, varied, supplemented or novated; and
- (iv) Capitalised terms used and not defined in this Agreement shall have the meaning assigned to them under the respective Loan Agreements.

**1.3 Rights against the Borrower not affected**

Nothing in this Agreement is intended or meant to alter, modify, and impair any of the rights of any of the Lenders against the Borrower under the Transaction Agreements.

**1.4 Supremacy**

If there is any conflict between the terms of this Agreement and the terms of any other Finance Documents, the terms of this Agreement shall prevail.

As Phase-1 Lenders				As Phase-2 Lenders							Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDRI	KBL	UBI	UCO	HUDCO	UBI	HUDCO
<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>

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1073

**ARTICLE II  
EXCHANGE OF VIEWS AND SHARING INFORMATION**

**2.1**

**Sharing of Information**

Each of the Lenders shall use reasonable efforts to promptly make available to the other Lenders and/or the Relevant Lenders' Agent any material information which it receives having a bearing on:-

- (a) the operation of the Project or the financial condition or business of the Borrower;
- (b) the Borrower's ability to pay the Secured Obligations undertaken under the Finance Documents when due;
- (c) the Security created by or pursuant to the Security Documents;
- (d) failure of any Promoter to perform its obligations under any of the Finance Documents;
- (e) any circumstance affecting the availability of material or other facilities or services for the Project;
- (f) occurrence of an Event of Default; and
- (g) any other matter pertaining to the Borrower and Loans including without the limitation (i) information obtained by a Lender from its nominee director on the board of directors of the Borrower and (ii) any material communication of common interest with the Government, Reserve Bank of India and Government Authority regarding Loans, Project or any of the Finance Documents;

Provided, however that this Section 2.1 shall not cast an obligation on any of the Lenders to make available to any other Lenders or the Relevant Lenders' Agent (i) information which is subject to confidentiality or similar restriction which prohibit such disclosure (ii) any analyses, data, memoranda or reports prepared by a Lender for its own internal review of the Project, the Borrower, any Promoters or in compliance with any law, regulation or accounting guidelines applicable to it and (iii) any information which is required by the express terms of any of the Finance Documents to be made available to all Lenders by the Borrower or any other person.

For removal of doubt it is further clarified that no Lender shall incur any liability for any inaccuracy or incompleteness of any information made available by it in good faith pursuant to this Section or for any failure to furnish any information pursuant to this Section 2.1 except for its wilful concealment/suppression of such information when requested by any other Lender or the Relevant Lenders' Agent.

**2.2**

**No reliance**

- (a) Notwithstanding any other provision of this Agreement to the contrary, it is hereby agreed and understood that no Lender has relied or shall rely on any other Lender/ Relevant Lenders' Agent/Security Agent (i) to inquire into or verify the accuracy or completeness of any information provided by or on behalf of the Borrower, Promoters or made available by any Lender to the other Lender on or prior to the date hereof or hereafter pursuant to Section 2.1; or (ii) to review or evaluate the conditions of the Borrower, Project, the Government or any other person.
- (b) Each of the Lenders has decided or determined to make its Loan(s) on the basis of its own independent judgement, without reliance on any information provided by or views expressed by any other Lenders or the Relevant Lenders' Agent.

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders		Lenders' Agent for Phase-2 Lenders		Security Agent	
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1074

2.3

Notice of Excess Payment

Each of the Lenders hereby agrees and undertakes to notify the Relevant Lenders' Agent of any payment received in respect of the Secured Obligations which is known to such Lender to be in excess of the amount to which such Lender is then entitled pursuant to the Loan Agreement(s).

2.4

Exchange of views

All the Lenders agree that (a) in addition to their respective obligations mentioned in this Agreement elsewhere, to the extent practicable, at the request of any Lender, they shall consult with each other about any action they have taken, or taking or proposes to take that could affect the Project, the Borrower, the Security or the Secured Obligations and (b) at the request of any Lender, they shall exchange views on any perceived change by any Lender in the financial and operating health of the Borrower, the Security created pursuant to the Security Documents, the construction, operation, and maintenance of the Project or the prospects of the timely payment of the Secured Obligations.

2.5

Meetings of the Lenders

- (a) Any of the Lenders of the Lenders Group, may, at any time following the occurrence and during the continuance of an Event of Default request the Relevant Lenders' Agent to convene a meeting of the Lenders Group within reasonable time and upon such request having been given in accordance with this Section, such meeting shall be convened as provided herein.
- (b) A request for a meeting of the Lenders Group shall be made by way of a written notice given to the Relevant Lenders' Agent as provided in Section 5.4. Upon receipt of such request the Relevant Lenders' Agent shall within a period of 15 days notify each of the Lenders of the Lenders Group the date of such meeting, the location thereof and the broad outlines of the issues to be discussed at such meeting. Each Lender shall bear its own expenses and costs for attending of the meeting and participating in such meeting.
- (c) The Relevant Lenders' Agent, who received the notice as provided in Section 2.5 (a) shall call the joint meeting of all the Lenders to take a joint decision in accordance with the procedure laid down in clause (b) of the Section 4.3 hereto.

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO
<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>

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1075

**ARTICLE III  
SHARING & EQUAL TREATMENT**

**3.1 Basic Agreement**

- (a) All the Lenders expressly acknowledge and agree that it is the intention of the Lenders in committing to make, and in making, their respective Loans that, except as expressly provided herein or in the Amended and Restated Trust Retention Account Agreement, the proceeds of the Security by way of Enforcement Action, Insurance Proceeds, any compensation money received from requisition, acquisition of any property covered by Security, any termination payment made by Airport Authority of India and all other revenues, cash, investments and other assets of the Borrower which are available for payment of the Secured Obligations due and payable at any time to the Lenders are to be shared Pro-Rata amongst the Lenders and the Lenders, as amongst themselves, agree that, such proceeds, revenues, cash, investments and other assets shall subject to clause (g) hereof be shared on such basis. Each of the Lenders hereby agrees that it shall direct the Security Agent to make distributions of all monies held by them from time to time pursuant to the Security Documents in accordance with the aforesaid intention and agreement.
- (b) During the subsistence of the Security, all insurance policies in respect of the assets covered by the Security which are taken out by the Borrower in the joint names of the Borrower and the Lenders with an insurance company or companies in such manner and for such value and against such risks as may be determined by the Lenders shall be held and retained by the Security Agent in its custody for the mutual benefit of the Lenders and the same shall be made available by the Security Agent or the Relevant Lenders' Agent whenever required by them or any of them against their accountable receipt for the same.
- (c) All the title deeds and documents relating to the assets covered by the Security shall be held by and remain in custody of the Security Agent for the mutual benefit of the Lenders and the Security Agent shall as and when required by one or more of the Lenders, make available to them the said title deeds and documents against its/their accountable receipt or furnish at the expense of the Borrower photo copies thereof.
- (d) If, pursuant to any permission in writing that may be given by the Lenders to the Borrower to sell any assets forming part of the Security, the Borrower sells any such assets, the sale proceeds realised by the Borrower out of the sale of such assets shall, if the Relevant Lenders so consent, be allowed to be utilised by the Borrower in acquiring additional capital assets and in the absence of such consent, the sale proceeds thereof shall be utilised by the Security Agent for appropriation in the same manner as provided in Section 3.1 (a) hereof.
- (e) Unless otherwise agreed to in writing among the Lenders, the Borrower shall not be allowed to prepay any part of the Secured Obligations of the Borrower without offering to prepay and prepaying a proportionate amount of the Secured Obligations due to the other or others of the Lenders.
- (f) Notwithstanding anything contained in clause (e) above, no Lenders shall be under any obligation to accept any prepayment of the Secured Obligations due to them.
- (g) Notwithstanding anything to the contrary contained in or by virtue of or arising from or implied by the Security or the Security Documents, all monies available for distribution, shall be received and applied/distributed by the Security Agent with all convenient despatch in the manner hereinafter provided:

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IRBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO
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1076

- i) Firstly, to pay such monies or provisions made thereat for the costs, charges, expenses incurred by the Security Agent and/or the Lender (s) and/or the Relevant Lenders' Agent for and incidental to the enforcement and realisation of the Security;
- ii) Secondly, the balance of such monies shall:

- (a) in the event of the monies so available for distribution being sufficient to pay to each of the Lenders the full amount of the Secured Obligations owed to each of the Lenders, be applied simultaneously in the payment to each of the Lenders their respective Secured Obligations in full;
- (b) in the event of the monies available for distribution being insufficient to pay to each of the Lenders the full amount of the respective Secured Obligations owed to each of them, be applied Pro-Rata as nearly as may be practicable towards payment to each of them without any preference or priority whatsoever;
- (iii) thirdly, the surplus, if any, out of such moneys shall be paid to the person or persons entitled thereto.

- (h) Any payment made to any of the Lenders in accordance with the provisions of this clause shall be in pro-tanto satisfaction of its Secured Obligations under their respective Loan Agreements.

**3.2 Equal Treatment**

In furtherance of the agreement contained in Section 3.1, each Lender agrees that it shall neither solicit nor accept whether on its own behalf or on behalf of any other person any compensation or consideration, whether direct or indirect, in cash or in kind, in connection with any consent, waiver, amendment, modification, permission or similar approval or action under the Loan Agreements or related Security Documents unless each of the other Lenders shall have been offered compensation or consideration in connection therewith which is no less favourable than that to be solicited by or offered to be paid to any other Lender.

**3.3**

**Redistribution of non-Pro Rata payments**

Each Lender agrees that in the event (i) such Lender shall obtain payment of any amounts in respect of the Secured Obligations, whether through exercise of a right of set-off, lien or counterclaim or from any Security or from any realisation (whether through attachment, foreclosure or otherwise) of the Security or from any revenue, cash, investments or other assets of the Borrower or from or as a result of any proceedings before any civil court, administrative body or special recovery tribunal (including any such proceeding brought under the Recovery of Debt Due to Banks and Financial Institution Act, 1993) or as a result of proceedings under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 or the substitution legislation or any replacement therefore, or shall obtain any other like payment and (ii) such payment is not a Pro-Rata payment to such Lender vis-à-vis other Lenders, then, such Lender shall promptly remit the full amount of such payment together with a statement to the Account Bank and the Security Agent, for Pro- Rata distribution according to Section 3.1 (g) to the Lenders all in accordance with the terms of this Agreement and the Amended and Restated Trust and Retention Account Agreement(s). On such distribution, the liability of the Borrower to each of the Lenders shall stand reduced correspondingly.

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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course of action is approved by all the Lenders together holding more than 75 % of the then outstanding Secured Obligations, then all the Lenders shall jointly take or cause to be taken by the Relevant Lenders' Agent/Security Agent such approved course of action.

(ii) In case the course of action mentioned in the Enforcement Action Notice or any other specific course of action is not approved by all the Lenders holding more than 75 % of the then outstanding Secured Obligations, then the Lenders shall continue to discuss and make good faith efforts for a period of 45 days following the date such disapproval to arrive at unanimity as to the need or otherwise for taking Enforcement Action and the course of action to be adopted. If the Lenders arrive at unanimity or all the Lenders holding more than 60% of the then outstanding Secured Obligations approve the course of action proposed in the Enforcement Action notice or any other course of action, then all the Lenders shall jointly take or cause to be taken by the Relevant Lenders' Agent/Security Agent such approved course of action.

(iii) In case the Lenders fail to arrive at unanimity after consultations and negotiations as envisaged under Section 4.3 (b) (ii) above, then the Relevant Lenders' Agent shall call upon the Borrower to find another bank/financial agency ("New Bank") and arrange for takeover of the relevant Loan of the Enforcement Intending Party by the New Bank after the following day on which the period of 45 days referred to in Section 4.3 (b) (ii) above expires.

(iv) In case the Borrower fails to identify a New Bank or the takeover of Enforcement Intending Party's loan by the New Bank does not happen, then the Lenders shall, with in 15 days following the day on which the 45 days time frame specified in Section 4.3 (b) (iii) above expires, hold consultations among them and take a review of the situation. If pursuant to such consultations and review the Lenders holding more than 50% of the then outstanding Secured Obligations approve the action proposed by the Enforcement Intending Party in the Enforcement Action Notice or any other course of action, then all the Lenders shall jointly take or cause to be taken by the Relevant Lenders' Agent/Security Agent such approved course of action.

(v) In the event of the Lenders arriving at unanimity or the action proposed by the Enforcement Intending Party secures approval of the Lenders holding such percentage of the outstanding Secured Obligations as prescribed under Section 4.3 (i), Section 4.3 (ii) and Section 4.3 (iv) above, the Security Agent shall co-ordinate with all the Lenders and endeavour to ensure that the approved course of action is initiated and diligently pursued. The Security Agent shall act in accordance with the instructions in this regard of the Lenders.

(vi) In case the course of action mentioned in the Enforcement Action Notice or any other specific course of action is not approved by the Lenders holding more than 50 % of the then outstanding Secured Obligations then Enforcement Intending Party and any Lender approving said course of action shall be free to take the Enforcement Action proposed in its Enforcement Action Notice

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO

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1080

after expiry of said period of 15 days.

- (c) If any Lender, or a group of Lenders acting collectively, shall have commenced an Independent Enforcement Action in accordance Section 4.3 (b) (vi) above and, subsequent thereto there is a fresh consultation process resulting in the Lenders holding more than 50% of the total Secured Obligations agreeing on a different course of Enforcement Action, then such course of action shall become Controlling Enforcement Action and those Lenders involved in prosecuting the Independent Enforcement Action shall thereupon take steps to do whatever is required to fully synchronise the Independent Enforcement Action with the Controlling Enforcement Action and if such synchronisation is not possible, shall conduct the Independent Enforcement Action in such a way so as not to come in direct or indirect conflict with the Controlling Enforcement Action or shall give up the Independent Enforcement Action and join the Controlling Enforcement Action.
- (d) An Enforcement Action Notice may be revoked by the Enforcement Intending Party that has issued such notice by the delivery of a notice to each of the Security Agent and the Lenders' Agent substantially in the form set out in Schedule II (a "Revocation Notice"). Any such Revocation Notice shall be effective when the Revocation Notice is received by the Relevant Lenders' Agent and the Security Agent.

**4.4 Restricted Actions**

Except as is specifically permitted pursuant to and following compliance with the requirements under Sections 4.1 to 4.3 hereinabove, no Lender shall:

- (a) accelerate the maturity of, or institute any proceedings to enforce the payment of, any of the Secured Obligations;
- (b) take any other action under their respective Loan Agreements that would require payment by the Borrower of any amount in advance of any repayment schedule date;
- (c) cancel any un-disbursed Loan as a consequence of the occurrence of any Event of Default or otherwise except as expressly provided in their respective Loan Agreements;
- (c) agree to any amendment to or waiver of any of the provisions of, or make any other agreement affecting, the Loan Agreements except in compliance with Section 4.2;
- (e) enforce any interest in the Security;
- (f) sell, repossess or take possession of any goods or assets of the Borrower's forming part of Security as a consequence of Event of Default or otherwise;
- (g) take any action for the winding-up, liquidation, official management, receivership, bankruptcy, insolvency or dissolution of the Borrower or any analogous process; and
- (h) levy distress against the Borrower or its property forming part of Security on account of Event of Default (or otherwise) or attach, levy, execute, arrest or otherwise exercise any Lender's process in respect of any asset of the Borrower unless such action is taken to preserve or protect any interest in the Security and without causing a sale of the Security.

**4.5 Recourse against Security**

Each Lender acknowledges and agrees that Security Agent acting on the instruction of one or more of the Lenders pursuant to the terms of this Agreement, as provided in the Enforcement Provisions, shall have the right to bring any Enforcement Action in relation to the Security.

As Phase-1 Lenders				As Phase-2 Lenders				Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent			
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO

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18

4.6

**Without Prejudice**

The aforesaid provisions shall take effect between the Lenders without prejudice to any other rights any of them may have against the Borrower.

*[A large, faint, handwritten signature or scribble spans across the middle of the page.]*

As Phase-1 Lenders				As Phase-2 Lenders							Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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**ARTICLE V  
MISCELLANEOUS PROVISIONS**

**5.1**

**Partial Invalidity and Exercise of Remedies**

If at any time any provision hereof is or becomes illegal, invalid or unenforceable that provision shall not invalidate or in any way impair or affect the legality, validity or enforceability remaining provisions of this Agreement.

**5.2**

**No Waiver, Cumulative Remedies**

No failure to exercise, and no delay in exercising any right, power or privilege hereunder, shall operate as a waiver or relaxation thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude or require any other. All rights, powers and remedies granted to any party hereto and all other agreements, instruments and documents executed in connection with this Agreement shall be cumulative, may be exercised singly or concurrently and shall not be exclusive of any rights or remedies provided by law.

**5.3**

**Benefit of Agreement**

- (a) This Agreement shall be binding upon and enure for the benefit of each party hereto and its successors and assigns.
- (b) Subject to the Finance Documents, any of the Lenders may at any time assign to anyone or more banks or other institutions or other persons to whom such Lender has assigned or transferred all or any part of its rights and obligations under (and in accordance with the terms of) any of the Finance Documents all or, as the case may be, such equivalent part of such Lender's rights and benefits hereunder, and in that event any such assignment or transfer shall be made expressly subject to the terms and conditions of this Agreement and the assignee will get the benefit of the Agreement only if it signs a Deed of Adherence agreeing to the provisions of this Agreement. The assignee shall have the same rights and obligations hereunder as it would have had if it had been a party hereto.

**5.4**

**Notices**

- (a) All notices or other communications to be given or made under these presents, shall be in writing, shall either be delivered personally or sent by courier, registered or certified mail or facsimile. The address for service of each of the Security Agent, the Relevant Lenders' Agent and the Lenders are as follows:

**FOR PHASE-1 LENDERS**

**HUDCO**

The Regional Chief  
Mumbai Regional office  
Housing & Urban Development Corporation Ltd.  
Shreyas Chambers,  
2<sup>nd</sup> Floor, 175,  
Dr. D.N.Road, Fort,  
Mumbai-400 001  
Tel: 022-22690080-84  
Fax: 022-22690086

**Bank of Baroda**

Asst. General Manager  
Corporate Financial Service Branch  
10/12 Mumbai Samachar Marg,  
Fort, Mumbai-400001  
Tel: 022-22021434

As Phase-1 Lenders				As Phase-2 Lenders				Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent			
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDRI	KBL	UBI	UCO	HUDCO	UBI	HUDCO
K	b	g	v	on	b	oo	for	for	for	L	K	B	K

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Fax: 022-22021445

**Union Bank of India**

Dy. General Manager  
Industrial Finance Branch  
First Floor,  
Union Bank Bhavan,  
239, Vidhan Bhavan Marg,  
Nariman Point,  
Mumbai-400021  
Tel: 022-22092000  
Facsimile: 022-22855037

**UCO Bank**

Asst. General Manager  
Santacruz (W)  
Mumbai-400054  
Tel: 022-26494752  
Facsimile: 022-26002912

**FOR PHASE-2 LENDERS**

**Andhra Bank**

**Chief Manager**

Special Corporate Finance Branch,  
16<sup>th</sup> Floor, Earnest House,  
NCPA Marg, Nariman Point,  
Mumbai – 400 021  
Tel: 022 – 2288 4877  
Facsimile: 022 – 2288 5841

**Bank of Baroda**

**Asst. General Manager**

Bank of Baroda

Corporate Financial Service Branch  
10/12 Mumbai Samachar Marg,  
Fort, Mumbai-400001  
Tel: 022-22021434  
Facsimile: 022-22021445

*Signature*

**Corporation Bank**

**Asst. General Manager**

Large Corporate Branch,  
301 -302, the Eagle's Flight,  
Andheri-Kurla Road,  
Andheri (E),  
Mumbai – 400 093  
Tel: 022 – 26 83 0478/ 26 83 2449  
Facsimile: 022 - 2684 2450

**IDBI Bank Limited**

Dy. General Manager,  
Mid Corporate Branch,  
5th Floor, ` Tower, WTC Complex,  
Cuffe Parade, Mumbai – 400 005

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO
<i>✓</i>	<i>✓</i>	<i>✓</i>	<i>✓</i>	<i>✓</i>	<i>✓</i>	<i>✓</i>	<i>✓</i>	<i>✓</i>	<i>✓</i>	<i>✓</i>	<i>✓</i>	<i>✓</i>	<i>✓</i>

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Tel: 022 -22 18 9111/ 6655 3355  
Facsimile: 022- 22 16 0785

**Karnataka Bank Limited**

Chief Manager,  
Fort Branch,  
Perin Nariman Point,  
Amar Building, Opp. R.B.I,  
Fort, Mumbai – 400 001  
Tel: 022- 22 66 3725  
Facsimile: 022- 22 66 1685

**Union Bank of India**

Dy. General Manager  
Union Bank of India  
Industrial Finance Branch  
First Floor, Union Bank Bhavan  
239, Vidhan Bhavan Marg  
Nariman Point,  
Mumbai-400021  
Tel: 022-22092000  
Facsimile: 022-22855037

**UCO Bank**

Asst. General Manager  
UCO Bank  
RNA Classic, North Avenue,  
S.V. Road,  
Santacruz (W)  
Mumbai-400054  
Tel: 022-26 00 2912/ 2649 3407/ 26 49 4752  
Facsimile: 022-26 00 2912

**FOR LENDERS' AGENT FOR THE PHASE-1 LENDERS  
HUDCO**

The Regional Chief  
Mumbai Regional office  
Housing & Urban Development Corporation Ltd.  
Shreyas Chambers,  
2<sup>nd</sup> Floor, 175,  
Dr. D.N.Road, Fort,  
Mumbai-400 001  
Tel: 022-22690080-84  
Fax: 022-22690086

As Phase-1 Lenders				As Phase-2 Lenders							Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDRI	KBL	UBI	UCO	HUDCO	UBI	HUDCO
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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**FOR LENDERS' AGENT FOR THE PHASE-2 LENDERS**

Union Bank of India  
 Dy. General Manager  
 Industrial Finance Branch  
 First Floor,  
 Union Bank Bhavan,  
 239, Vidhan Bhavan Marg,  
 Nariman Point,  
 Mumbai-400021  
 Tel: 022-22092000  
 Facsimile: 022-22855037

**FOR THE SECURITY AGENT  
 HUDCO**

The Regional Chief  
 Mumbai Regional office  
 Housing & Urban Development Corporation Ltd.  
 Shreyas Chambers,  
 2<sup>nd</sup> Floor, 175,  
 Dr. D.N.Road, Fort,  
 Mumbai-400 001  
 Tel: 022-22690080-84  
 Fax: 022-22690086

- (b) All notices shall be effective upon actual receipt. Without prejudice to the foregoing, a party giving a notice or communication by facsimile shall promptly deliver a copy of such notice or communication personally or by courier or by mail to the addressee of such notice or communication.
- (c) Any party may in writing to the Lenders' Agent and Security Agent change its designated address. Such change shall take effect from the date the Lenders' Agent and Security Agent receives the same. Similarly, the Lenders' Agent and Security Agent may change their respective addresses by giving notice to all the Lenders.

**5.5 Effective Date**

This Agreement shall become binding on the parties on and from the date first above written.

**5.6 Amendments**

Any amendments of any provision of this Agreement shall be in writing and be valid and binding only if signed by the parties hereto.

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	
HUDCO	BOB	UBI	UCO	AB	BOB	Corn.B	IDBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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SCHEDULE I

**FORM OF ENFORCEMENT ACTION NOTICE**

[Letterhead of Lender]

[Lenders' Agent for Phase-1 Lenders]

[Lenders' Agent for Phase-2 Lenders]

[Security Agent]

[Other Lenders]

**Re: Sahara Hospitality Limited—HOTEL SAHARA STAR – Enforcement Action Notice**

This notice is delivered pursuant to the Amended and Restated Inter Creditor Agreement, dated \_\_\_\_\_ (the “**Agreement**”), among the Lenders, the Lenders’ Agent for Phase-1 Lenders, the Lenders’ Agent for Phase-2 Lenders and the Security Agent. Capitalized terms used herein without definition shall have the meaning specified in the Agreement.

Pursuant to Section 4.3 (b) (i) of the Agreement, the undersigned (the “**Enforcement Intending Party**”) hereby notifies you that:

An Event of Default has occurred in respect of the obligations under Loan Agreements and Finance Documents.

[The Secured Obligations are entitled to be, and have been, accelerated.]

The Enforcement Intending Party [intends] / [hereby directs] [the Lenders’ Agent] and/or [the Security Agent] to take the Enforcement Action specified below.

[Name] \_\_\_\_\_  
By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	
HUDCO	BOB	UBI	UCO	AB	BOB	Comp.B	IDBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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SCHEDULE II

**FORM OF REVOCATION NOTICE**

[Letterhead of Lender]

[Lenders' Agent for Phase-1 Lenders]

[Lenders' Agent for Phase-2 Lenders]

[Security Agent]

**Re: Sahara Hospitality Limited – HOTEL SAHARA STAR – Enforcement Action Notice**

This notice is delivered pursuant to the Amended and Restated Inter Creditor Agreement, dated [ ] (the "Agreement"), among the Lenders, the Lenders' Agent for the Phase-1 Lenders, the Lenders' Agent for Phase-2 Lenders and the Security Agent. Capitalized terms used herein without definition shall have the meaning specified in the Agreement.

Pursuant to Section 4.3 (d) of the Agreement, the undersigned (the "Enforcement Intending Party") hereby revokes its Enforcement Action Notice dated \_\_\_\_\_.

[Institution Name]

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	INBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO
V	d	2		V	d	02	g	B	2	V		B	V

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IN WITNESS WHEREOF the Lenders, the Lenders' Agent for the Phase-1 Lenders, the Lenders' Agent for Phase-2 Lenders and the Security Agent have caused these presents and the copies hereof on the date, month and year first hereinabove written as hereinafter appearing.

SIGNED AND DELIVERED BY the within named Phase-1 Lender, HUDCO by the hand of K. R. Pillai, its Dy. Chief and authorized official.

K. R. Pillai  
K. R. Pillai / K. G. R. Pillai  
Dy. Chief / Dy. Chief  
HUDCO Regional Office, Mumbai.

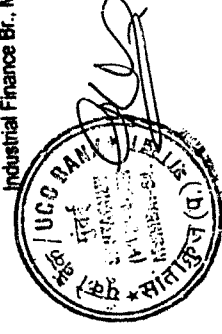
SIGNED AND DELIVERED BY the within named Phase-1 Lender, Bank of Baroda by the hand of D. ANAND KUMAR, Chief Manager and authorized official.

D. Anand Kumar  
मुख्य प्रबंधक / Chief Manager  
कृते बैंक ऑफ बड़ौदा / For BANK OF BARODA  
सी.एफ.एस., फोर्ट शाखा मुंबई / C.F.S., FORT BRANCH, MUMBAI

SIGNED AND DELIVERED BY the within named Phase-1 Lender, Union Bank of India by the hand of J. P. Devits S. R. Kumar and authorized official.

J. P. Devits S. R. Kumar  
Senior Manager  
औद्योगिक वित्त शाखा, मुंबई.  
Industrial Finance Br., Mumbai.

SIGNED AND DELIVERED BY the within named Phase-1 Lender, UCO Bank by the hand of G. K. Kolte its Sr. Manager and authorized official.



SIGNED AND DELIVERED BY the within named Phase-2 Lender, Andhra Bank by the hand of Mr. K. L. Patil, its Sr. Manager and authorized official.

For Andhra Bank

K. L. Patil  
11/12/2010

SIGNED AND DELIVERED BY the within named Phase-2 Lender, Bank of Baroda by the hand of Mr. D. ANANDA KUMAR its Chief Manager and authorized official.

D. Anand Kumar  
मुख्य प्रबंधक / Chief Manager  
Corporate Finance Br. Mumbai  
कृते बैंक ऑफ बड़ौदा / For BANK OF BARODA  
सी.एफ.एस., फोर्ट शाखा मुंबई / C.F.S., FORT BRANCH, MUMBAI

SIGNED AND DELIVERED BY the within named Phase-2 Lender, Corporation Bank by the hand of Mr. S. S. Rajan, its Chief Manager and authorized official.

कृते कॉर्पोरेशन बैंक  
For CORPORATION BANK

S. S. Rajan  
सहायक महा प्रबंधक  
Asst. General Manager  
बड़ी कॉर्पोरेट शाखा, अंधेरा (ए), मुंबई.  
Large Corporate Branch, Andheri (E), Mumbai.

SIGNED AND DELIVERED BY the within named Phase-2 Lender, IDBI Bank Limited by the hand of Mr. S. S. Rajan, its Chief Manager and authorized official.

आईडीबीआई बैंक लि. (म.का.स.)  
IDBI Bank Ltd.

S. S. Rajan  
सहायक महा प्रबंधक / Assistant General Manager  
For Karnataka Bank Ltd.

SIGNED AND DELIVERED BY the within named Phase-2 Lender, Karnataka Bank Limited by the hand of Mr. B. S. Ramachandra, its Chief Manager and authorized official.


B. S. Ramachandra  
Chief Manager  
Fort Mumbai-1

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कृते यूनियन बँक ऑफ इंडिया  
For UNION BANK OF INDIA

SIGNED AND DELIVERED BY the within  
named Phase-2 Lender, Union Bank of India by  
the hand of Mr J B Dave, its  
S A Manager and authorized official.

  
Senior Manager  
औद्योगिक वित्त शाखा, मुंबई,  
Industrial Finance Br., Mumbai.



SIGNED AND DELIVERED BY the within  
named Phase-2 Lender, UCO Bank by the hand  
of Mr G. K. Koiri its  
Sr. Manager and authorized official.


  
Senior Manager  
औद्योगिक वित्त शाखा, मुंबई,  
Industrial Finance Br., Mumbai.

SIGNED AND DELIVERED BY the within  
named Lender' Agent for Phase-1 Lenders,  
HUDCO by the hand of Mr K. G. R. Pillai, its  
Dy. ch-y (con) and authorized official.

कृते यूनियन बँक ऑफ इंडिया  
रुप कृते यूनियन बँक ऑफ इंडिया  
औद्योगिक वित्त शाखा, मुंबई,  
Industrial Finance Br., Mumbai.

SIGNED AND DELIVERED BY the within  
named Lender' Agent for Phase-2 Lenders, Union  
Bank of India by the hand of  
Mr J B Dave, its S A Manager and  
authorized official.

कृते यूनियन बँक ऑफ इंडिया  
For UNION BANK OF INDIA

  
Senior Manager  
औद्योगिक वित्त शाखा, मुंबई,  
Industrial Finance Br., Mumbai.

SIGNED AND DELIVERED BY the within  
named Security Agent, HUDCO by the hand of  
Mr K. G. R. Pillai, its Dy chief (con) and  
authorized official.

कृते यूनियन बँक ऑफ इंडिया  
रुप कृते यूनियन बँक ऑफ इंडिया  
औद्योगिक वित्त शाखा, मुंबई,  
Industrial Finance Br., Mumbai.

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ANNEXURE - 'A' - 33

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4

**HOTEL SAHARA STAR**

AMENDED AND RESTATED SECURITY AGENT AGREEMENT

AMONG  
HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED  
BANK OF BARODA  
UNION BANK OF INDIA  
UCO BANK  
(AS PHASE-1 LENDERS)

AND

ANDHRA BANK  
BANK OF BARODA  
CORPORATION BANK  
IDBI BANK LIMITED  
KARNATAKA BANK LIMITED  
UNION BANK OF INDIA  
UCO BANK  
(AS PHASE-2 LENDERS)

AND

UNION BANK OF INDIA  
(AS LENDERS' AGENT FOR THE PHASE-2 LENDERS)

AND

HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED  
(AS LENDER' S AGENT FOR THE PHASE-1 LENDERS)

AND

HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED  
(AS SECURITY AGENT FOR THE LENDERS)

AND

SAHARA HOSPITALITY LIMITED  
(AS BORROWER)

DATED 3<sup>rd</sup> DAY OF MARCH 2010



India Law Services  
Advocates & Solicitors  
Dubash House,  
15 J.N. Heredia Marg,  
Ballard Estate,  
Mumbai - 400 001

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## TABLE OF CONTENTS

ARTICLE I .....	6
INTERPRETATION .....	6
1.1 Interpretation .....	6
ARTICLE II .....	7
APPOINTMENT OF SECURITY AGENT .....	7
2.1 Appointment .....	7
2.2 Declaration by the Security Agent .....	8
ARTICLE III .....	9
DUTIES OF THE SECURITY AGENT .....	9
3.1 Duties .....	9
3.2 Notice of Certain Events .....	10
3.3 Action upon Instructions .....	10
3.4 Furnishing of Documents .....	10
3.5 Books and Records .....	10
3.6 Safe Custody of Documents .....	11
3.7 Segregation of Funds and Property Interest .....	11
ARTICLE IV .....	12
AUTHORITY OF THE SECURITY AGENT .....	12
4.1 Authority .....	12
4.2 Acceptance of Responsibility and Liability .....	12
4.3 Delegation .....	12
4.4 Release of Security .....	13
4.5 Reliance .....	13
4.6 Limitation on Liability .....	13
FEEs AND EXPENSES .....	14
5.1 Fees and Expenses .....	14
ARTICLE VI .....	15
RESIGNATION AND REMOVAL OF SECURITY AGENT .....	15
6.1 Resignation .....	15
6.2 Termination .....	15
6.3 Consequences of Resignation/Termination .....	15
6.4 Successor .....	15
ARTICLE VII .....	16
MISCELLANEOUS .....	16
7.1 Benefit of Agreement .....	16
7.2 Amendments .....	16
7.3 Relationship between the Security Agent and the Borrower .....	16
7.4 No Waiver, Cumulative Remedies .....	16
7.5 Notices .....	16
SCHEDULE I .....	20
PARTICULARS OF LENDERS & LOANS .....	20
SCHEDULE II .....	21
AGENT'S DEED OF ACCESSION .....	21

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**BANK OF BARODA**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at Mandvi, Baroda and having a branch office at Corporate Financial Service Branch, 10/12 Mumbai Samachar Marg, Fort, Mumbai-400001, in the State of Maharashtra, India (hereinafter referred to as “**BOB**”, which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns); and

**UNION BANK OF INDIA**, a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and having its head office at Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai – 400021, in the State of Maharashtra and its Industrial Finance Branch, at First Floor, Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai-400021, in the State of Maharashtra, India (hereinafter referred to as “**UBI**” which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns); and

**UCO BANK**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at 10, B.T.M. Sarani, Kolkata 700001 and having a branch office at Santacruz (W), Mumbai-400045, in the State of Maharashtra, India (hereinafter referred to as “**UCO**” which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns);

(Each of **HUDCO**, **BOB**, **UBI** and **UCO** are individually referred to as “**Phase-1 Lender**” and are collectively referred to as the “**Phase-1 Lenders**”, which expression shall include all or any one or more of them as the context may require or admit) of the **FIRST PART**.

AND

**ANDHRA BANK**, a body corporate constituted by and under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 and having its Head Offices at Dr. Pattabhi Bhavan, Saifabad, Hyderabad 500 004, in the State of Andhra Pradesh, India and having a specialized corporate finance branch, at 16<sup>th</sup> Floor, Earnest House, NCPA Marg, Nariman Point, Mumbai – 400 021, in the State of Maharashtra, India (hereinafter referred to as the “**AB**”, which expression shall, unless it be repugnant to the context or meaning thereof, include its successors in office and assigns);

**BANK OF BARODA**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at Mandvi, Baroda and having a branch office at Corporate Financial Service Branch, 10/12 Mumbai Samachar Marg, Fort, Mumbai-400001, in the State of Maharashtra, India (hereinafter referred to as “**BOB**”, which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**CORPORATION BANK**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1980, having its Head Office at P.B. No. 88, Mangladevi Temple Road, Mangalore – 575 001, in the State of Karnataka, India and having its large corporate branch office at 301-302, the Eagle’s Flight, Andheri Kurla Road, Andheri (E), Mumbai – 400 093 in the State of Maharashtra, India (hereinafter referred to as “**Corp.B**”, which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**IDBI BANK LIMITED**, a company incorporated under the Companies Act, 1956 (1 of 1956) and a banking company within the meaning of Section 5(c) of the Banking Regulation Act, 1949 having its registered office and a mid corporate group at IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400 005, in the State of Maharashtra, India (hereinafter referred to as “**IDBI**”, which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

As Phase-1 Lenders				As Phase-2 Lenders				Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Borrower	
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	HUDCO	UBI

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and

1094

**KARNATAKA BANK LIMITED**, a company incorporated under the Indian Companies Act, 1913 having its registered office and head office at Mahaveera Circle, Kankanady, Mangalore – 575 002, in the State of Karnataka, India and having its branch amongst other places at Fort, Perin Nariman point Street, Amar Building, Opp. R.B.I, Fort, Mumbai – 400 054, in the State of Maharashtra, India (hereinafter referred to as “**KBL**”, which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**UNION BANK OF INDIA**, a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and having its head office at Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai – 400021, in the State of Maharashtra and its Industrial Finance Branch, at First Floor, Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai-400021, in the State of Maharashtra, India (hereinafter referred to as “**UBI**”, which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**UCO BANK**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at 10, B.T.M. Sarani, Kolkata-700001 and having a branch office at RNA Classic, North Avenue, S. V. Road, Santacruz (W), Mumbai-400054, in the State of Maharashtra, India (hereinafter referred to as “**UCO**”, which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

(Each of **AB**, **BOB**, **Corp.B**, **IDBI**, **KBL**, **UBI** and **UCO** are individually referred to as “**Phase-2 Lender**” and are collectively referred to as the “**Phase-2 Lenders**”, which expression shall include all or any one or more of them as the context may require or admit) of the **SECOND PART**.

**AND**

**UNION BANK OF INDIA**, a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and having its head office at Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai – 400021, in the State of Maharashtra and its Industrial Finance Branch, at First Floor, Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai-400021, in the State of Maharashtra, India (hereinafter referred to as “**Lenders’ Agent**” which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns), in its capacity as the **Lenders’ Agent of the Phase-2 Lenders of the THIRD PART**.

**AND**

**HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED**, a company registered under the Companies Act, 1956 (1 of 1956) and having its Registered Office at “**HUDCO BHAWAN**”, India Habitat Center Complex, Lodhi Road, New Delhi-110 003 and its Mumbai Regional Office at Shreyas Chambers, 2<sup>nd</sup> Floor, 175 Dr. D. N. Road, Fort, Mumbai – 400001, in the State of Maharashtra, India (hereinafter referred to as “**Lenders’ Agent**” which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns), as confirming party in its capacity as the **Lenders’ Agent of the Phase-1 Lenders of the FOURTH PART**.

**AND**

**HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED**, a company registered under the Companies Act, 1956 (1 of 1956) and having its Registered Office at “**HUDCO BHAWAN**”, India Habitat Center Complex, Lodhi Road, New Delhi-110 003

As Phase-1 Lenders				As Phase-2 Lenders				Lenders’ Agent for Phase-1 Lenders	Lenders’ Agent for Phase-2 Lenders	Security Agent	Borrower			
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO	
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and its Mumbai Regional Office at Shreyas Chambers, 2<sup>nd</sup> Floor, 175 Dr. D. N. Road, Fort, Mumbai – 400001, in the State of Maharashtra, India (hereinafter referred to as “**Security Agent**” which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns), in its capacity as the Security Agent of the Phase-1 Lenders and the Phase-2 Lenders of the **FIFTH PART**.

**AND**

**SAHARA HOSPITALITY LIMITED**, a company registered under the Companies Act, 1956 (1 of 1956) and having its Registered Office at Sahara India Point, CTS, 40 & 44, S.V. Road, Goregaon (West), Mumbai-400104 in the State of Maharashtra (hereinafter referred to as the “**Borrower**” which expression shall, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns) of the **SIXTH PART**.

**WHEREAS:**

- (a) Initially, the Borrower had sought financial assistance from Housing and Urban Development Corporation Limited, Bank of Baroda, Union Bank of India and UCO Bank (Housing and Urban Development Corporation Limited, Bank of Baroda, Union Bank of India and UCO Bank are hereinafter referred to as the “**Project Lenders**”) to enable it to meet part of the cost of its project envisaging the renovation and reconstruction of the Hotel Sahara Star (formerly known as Hotel Centaur, Mumbai Airport) situate at Vile Parle (east), near Domestic Airport, Mumbai-400099, in the State of Maharashtra, India (“**Project**”).
- (b) Accordingly, the Borrower and the Project Lenders entered into a loan agreement dated February 14, 2005 (hereinafter referred to as “**Loan Agreement**”) and other finance and security documents dated on or about February 14, 2005. In terms of the Loan Agreement, the Project Lenders agreed to grant to the Borrower, rupee term loans of an aggregate amount not exceeding **Rs.300,00,00,000.00 (Rupees Three Hundred Crores only)** for part financing the cost of the Project and the Borrower agreed to borrow the same from the Project Lenders and pursuant to the finance and security documents, the parties thereto appointed Housing and Urban Development Corporation Limited, as the lenders’ agent and the security agent, for the Project.
- (c) Subsequently, the Borrower has entered into an amendatory agreement (“**Amendatory Agreement**”) with the Project Lenders dated September 7, 2006, for the purpose of bifurcating the Project into two phases viz. FSI-1 project and FSI-2 project, pursuant to which the Project Lenders have divided their entire sanctioned loan of **Rs.300,00,00,000.00 (Rupees Three Hundred Crores only)** into two phases i.e. **Rs.178 Crores (Rupees One Hundred and Seventy Eight Crores only)** (“**Phase - 1 Loans**”) for implementation of the Phase - 1 project based on **FSI-1 and Rs.122 crores (Rupees One Hundred and Twenty Two Crores only)** for implementation of the Project based on FSI-2 (the Loan Agreement and the Amendatory Agreement are hereinafter collectively referred to as the “**Agreements**”).
- (d) The Borrower has successfully completed the renovation and reconstruction and commenced operations of the Project based on FSI-1 comprising of 223 (two hundred and twenty three) rooms, 10 (ten) restaurants, 6 (six) banquet halls, 5 (five) business centres and 4500 (four thousand five hundred) square feet of commercial space. The Project based on FSI-1 is hereinafter referred to as the “**Phase-1 Project**” and the Project Lenders as the Phase-1 Lenders.
- (e) Pending receipt of statutory approvals for FSI-2, the Borrower was unable to avail **Rs.122,00,00,000.00 (Rupees One Hundred and Twenty Two Crores only)** for

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Borrower	
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IMBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO	
<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>

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implementation of the Project based on FSI-2, accordingly pursuant a termination agreement entered into amongst the Phase-1 Lenders and the Borrower on 2nd MARCH 2010 ("Termination Agreement"), the Parties thereto have cancelled the loan amount of Rs.122,00,000.00 (Rupees One Hundred and Twenty Two Crores) sanctioned for the Project based on FSI-2 and all other terms and conditions relating to the Project based on FSI-2 thereby superseding the earlier understanding recorded under the Amendatory Agreement in relation to the Project based on FSI-2 and all other terms and conditions relating to the Phase-1 Project shall remain effective and binding on the parties to the Amendatory Agreement

(f) In terms of the statutory approval for Additional FSI, the Borrower is proposing to expand and develop additional facilities viz., 185 (one hundred and eighty five) rooms, 5 (five) restaurants, 2 (two) banquet halls, 21 (twenty one) business centers and 2,00,000 (two lakhs) square feet commercial space (hereinafter referred to as the "Phase-2 Project").

(g) For the purpose of implementation and part financing the cost of the Phase-2 Project, at the request of the Borrower, the Phase-2 Lenders have agreed to lend and advance to the Borrower and the Borrower has agreed to borrow from the Phase-2 Lenders rupee loans, to the maximum extent set out against their respective names in **Schedule 1** hereto, aggregating **Rs.310,00,00,000.00 (Rupees Three Hundred and Ten Crore only)** (including the project letter(s) of credit facility, as a sub limit of the Phase-2 Loans) (hereinafter individually referred to as "**the Phase-2 Loan**") and collectively as '**the Phase-2 Loans**') on the terms and subject to the conditions contained in the Phase-2 Common Loan Agreement dated 3rd day of February 2010 entered into, interalia, between the Borrower and the Phase-2 Lenders (hereinafter referred to as "**Phase-2 Loan Agreement**").

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*(The Phase-1 Lenders and the Phase-2 Lenders are hereinafter collectively referred to as the "Lenders", the Phase-1 Loans and Phase-2 Loans as the "Loans" and the Agreements and Phase-2 Common Loan Agreement are collectively referred to as the "Loan Agreements". HUDCO or UBI are hereinafter referred to as the "Relevant Lenders Agent", as the context requires).*

(h) At a request of the Borrower and Phase-2 Lenders, HUDCO has also agreed to act as the Security Agent for and on behalf of the Phase-2 Lenders along with the Phase-1 Lenders under the Finance Documents and to hold in good faith all the Security Interest created/ to be created under the Security Documents.

(i) In order to give effect to the aforementioned understanding, the Parties have agreed to suitably amend and restate this Agreement, in the manner as provided herein.

**NOW, THEREFORE**, in consideration of the mutual agreements herein contained and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Borrower
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO
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1097

**ARTICLE I  
INTERPRETATION**

**1.1 Interpretation**

- (a) Capitalised terms used in this Agreement shall have the meanings assigned to them in the respective Loan Agreements.
- (b) A Finance Document or any other document is a reference to that Finance Document or other document as amended, replaced, novated or supplemented.
- (c) Any reference to the powers, functions, duties, liabilities or obligations of the Security Agent under this Agreement shall, wherever the context so permits, mean a reference to the powers, functions, duties, liabilities or obligations of the Security Agent under the Finance Documents and all other documents and agreements executed and entered into by the Security Agent by virtue of its authority flowing from the Finance Documents and these presents.
- (d) The provisions of Section 1.1 and Section 1.2 of Article I of the Loan Agreements are hereby incorporated in this Agreement and shall apply as if the same are set out herein in full.

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Borrower	
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO	
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**ARTICLE II  
APPOINTMENT OF SECURITY AGENT**

**2.1**

**Appointment**

Subject to the terms, conditions and covenants contained in this Agreement, the Lenders hereby appoint HUDCO and HUDCO hereby agrees to act as the Security Agent. The Borrower shall in accordance with the Loan Agreements create Security Interest in the following assets and accounts relating to the Project in favour of the Lenders and the Security Agent shall act on behalf of the Lenders in accordance with the provisions of this Agreement;

a) a first mortgage and charge in a form satisfactory to the Lenders of the Borrower's (1) leasehold rights on the land together with the hotel structure situate at Vile Parle bearing CTS No. 2085, Plot No. -, Gat No.-, admeasuring 30,047.12 square meters being part of the larger area covered by Survey Nos. 2085 of Village Vile Parle east, Taluka Andheri west, District Mumbai, in the State of Maharashtra, India (2) 6 (six) residential flats, 2 (two) admeasuring 620 (six hundred and twenty) square feet and 4 (four) admeasuring 664 (six hundred and sixty four) square feet each, situate and located at Plot no. 5348, City Survey Nos. 536 and 537, Survey No. 21 Hissa No. 2, Near Gold Spot Factory, Parsi Lane, Andheri (E), Mumbai 400 093 in the Registration District and Sub District of Bombay City and Bombay Suburban in the State of Maharashtra; and (3) all other immovable properties, both present and future;

1. a first charge by way of hypothecation of the Borrower's all the Borrower's all fixed assets including moveable properties, equipments, plant & machinery, screw water chilling machines, pumps, inverters, air handling units, fans, air conditioners, coil units, cooling towers, piping, air distribution system, power generators insulation, installations, storage facilities, machinery spares, tools and accessories, furniture, fixtures, crockery, vehicles, both present and future;

2. A second charge by way of hypothecation on the Borrower all current assets including stocks of raw materials, consumable stores, book debts and such other movables as may be agreed to by the Phase -2 Lenders.

3. an assignment by the Borrower of:

- (i) all the Borrower's Receivables, Accounts and book debts, present and future,
- (ii) the right, title and interest of the Borrower by way of first charge into and under all (A) of the Project Documents; and (B) the guarantees, other performance warranties, indemnities and securities that may be furnished in favour of the Borrower by the various Contractors under the Project Documents, after obtaining the written consent of the parties thereto, if necessary,
- (iii) the right, title and interest of the Borrower by way of first charge in, to and under all the Government Approvals, clearances, insurance policies and insurance proceeds;
- (iv) a first charge on all intangible assets of the Borrower including but not limited to goodwill, undertaking and uncalled capital of the Borrower;
- (v) pledge of 51% (fifty one percent) of the paid up and voting equity shares held by the Promoters in the equity share capital of the Borrower during the currency of the Loans;

As Phase-1 Lenders				As Phase-2 Lenders						Borrower				
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Borrower
											HUDCO	UBI	HUDCO	

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1099

- (vi) irrevocable and unconditional personal guarantees from S/Shri Subrata Roy Sahara, O. P. Srivastava and J. B. Roy;
- (vii) irrevocable and unconditional corporate guarantee from Sahara Prime City Limited.

*Provided* that the aforesaid mortgages, charges and assignments created shall in all respects rank pari passu on first charge basis interse the Lenders i.e the Phase-1 Lenders and the Phase-2 Lenders.

*Provided further that*, the Working Capital Lenders shall have first pari-passu charge over the current assets (as may be permitted by the Lenders) and a second and subservient charge on the fixed assets of the Borrower, as permitted by the Lenders.

**2.2 Declaration by the Security Agent**

The Security Agent hereby declares that, pursuant to this Agreement and in accordance with the Finance Documents, it shall hold in good faith and for the benefit of the Lenders and all the beneficiaries of the Security Interest created under the Security Documents:-

- (i) all the documents of title and other documents and information, if any, delivered to it pursuant to creation of Security Interest, and
- (ii) all the benefits and rights under or pursuant to the Security Documents and all monies or instruments representing monies received by it on account of or upon enforcement of Security and realisation of Security Interest or otherwise received under this Agreement or under the Security Documents (save for any sums received solely for its own account).

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders		Lenders' Agent for Phase-2 Lenders		Security Agent		Borrower
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	JPB	KBL	UBI	UCO	HUDCO	UBI	HUDCO	UBI	HUDCO	
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**ARTICLE III  
DUTIES OF THE SECURITY AGENT**

**3.1 Duties**

The Security Agent shall, acting on behalf of the Lenders, or any of them, as the case may be or as may be required or as may be necessary:

- (a) investigate or cause to be investigated by a legal counsel or firm of solicitors the title of the Borrower to its immovable assets, including but not limited to requisite searches in the records of the concerned land registry and scrutiny of the records of the concerned Registrar of Companies (ROC);
- (b) obtain Security Documents, and obtain Security Interest in favour of all the Lenders in accordance with this Agreement, the Loan Agreements and the Applicable Laws;
- (c) ensure that the particulars of Security Interest created in favour of the Lenders by the Borrower, where required under law, are duly filed with the concerned Registrar of Companies (ROC) for registration within the prescribed time limit and obtain satisfactory evidence and proof of such registration and preserve the same;
- (d) monitor and require from time to time, compliance by the Borrower of the terms, conditions and covenants contained in the Security Documents and apprise the Lenders of any significant or persistent defaults committed by the Borrower and take such action as the Relevant Lenders' Agent may instruct in writing;
- (e) accept, manage and administer the Secured Property and to perform all such acts, deeds and things which the Security Agent may from time to time deem necessary or appropriate for or incidental to the management and administration of the rights and security from time to time vested in the Lenders as the Security Agent under, pursuant to or in connection with the Finance Documents;
- (f) take all relevant actions (or refrain from taking any, as the case may be) to preserve the rights and Security Interest constituted under the Security Documents as and where necessary to do so and to refrain from any acts and avoid any omission which might prejudice the value or the validity of the rights and Security Interest constituted under the Security Documents, all in accordance with the terms and conditions of this Agreement and the other Finance Documents;
- (g) to perform all such acts, deeds and things which the Security Agent may from time to time deem necessary or appropriate for or incidental to enable the Lenders to enforce their rights and foreclose the Security constituted by the Security Documents, all in accordance with the terms and conditions of this Agreement and the other Finance Documents;
- (h) disburse / distribute the proceeds received or realised through enforcement or otherwise of any security interest created in favour of the Lenders pursuant to the Security Documents, in accordance with the terms of the respective Loan Agreements / Amended and Restated Trust & Retention Account Agreement or instructions of the Relevant Lenders' Agent; and
- (i) forward notice of any tax or Security Interest of any third party received by the Security Agent to the Lenders and when monies are deposited by the Borrower or the Lenders (at their absolute discretion) pay or discharge any tax or any third party's Security Interest with respect to or passed or levied against any part of the Security.

As Phase-1 Lenders				As Phase-2 Lenders						Security Agent		Borrower		
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	HUDCO	

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1100

1101

Provided that the Security Agent shall not do any act, deed or thing which is prejudicial or detrimental to the interest of the Lenders or is not for the benefit of the Lenders.

Provided further that the Security Agent shall have only those duties, obligations and responsibilities expressly specified in this Agreement and in other Finance Documents, and shall not have any other implied duties, obligations or responsibilities except to the extent provided by Applicable Law.

### 3.2 Notice of Certain Events

In the event that the Security Agent shall have knowledge of occurrence of any Event of Default, it shall give notice thereof to all of the Lenders. The Security Agent shall not take or refrain from taking such action, which are inconsistent with the provisions of the Loan Agreements/Security Documents with respect thereto or take such action as the Relevant Lenders' Agent shall direct by written instructions, with simultaneous notice to the other Lenders.

Provided that pending receipt of Lenders' instruction, and if the circumstances so warrant, the Security Agent may (but not obliged to) take or refrain from taking such action with respect to the Event of Default as it deems necessary or advisable in the interest of the Lenders, unless any such action required prior express consent of the Lenders under this Agreement or otherwise outside the scope of this Agreement.

### 3.3 Action upon Instructions

Upon the written instructions of a Lender with notice to the other Lenders of such instruction consistent with the provisions of this Agreement and the Loan Agreements/Security Documents, the Security Agent shall take or refrain from taking such actions in relation to the Security Interest pursuant to this Agreement, as may reasonably be specified in such instructions. The Security Agent shall be under no obligation to exercise any of the rights and remedies conferred under any Security Document unless the Security Agent receives directions so to do from the Lenders.

Provided that if there are conflicting or ambiguous instructions issued by the Lenders or the Relevant Lenders' Agent, the Security Agent shall promptly endeavour to obtain consensus of or clarity from the Relevant Lenders' Agent on such instruction, before acting upon the same. The Security Agent shall not incur any liability on account of non-compliance or delayed compliance with any such instructions.

### 3.4 Furnishing of Documents

The Security Agent shall furnish to each of the Lenders promptly, copies of any reports, certificates, statements, documents or information submitted or furnished to it by the Borrower pursuant to the Security Documents or otherwise. The Borrower agrees and undertakes to submit all such reports, certificates, statements, documents or information in quadruplicate to enable the Security Agent to comply with the provisions of this Article.

### 3.5 Books and Records

The Security Agent shall keep all customary books and records relating to the receipt and payment of all money, which it may receive or be entitled to receive under the Security Documents. The Security Agent, upon request, shall furnish to the Lenders all such information as may reasonably be required by them.

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders		Lenders' Agent for Phase-2 Lenders		Security Agent		Borrower	
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO	UBI	HUDCO	UBI	
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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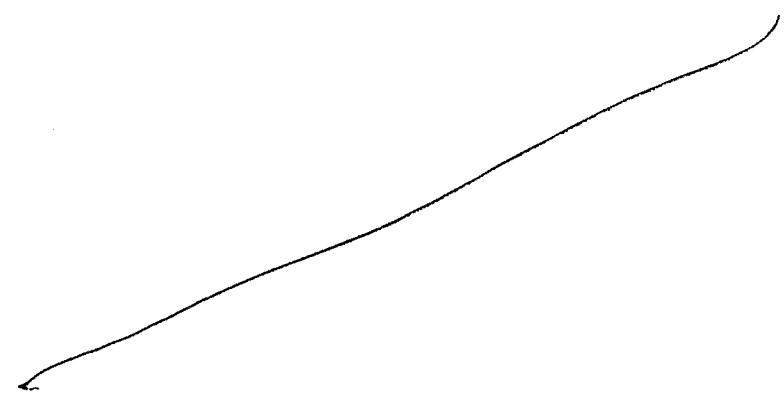
**Safe Custody of Documents**

The Security Agent shall be at liberty to keep the Security Documents, this Agreement and any other documents including documents of title relating to the Security Interest, if any, delivered to or deposited with the Security Agent pursuant to this Agreement, at its office or elsewhere or if the Security Agent so decides with any Lender or body corporate whose business includes undertaking the safe custody of documents or with any advocates or firm of solicitors and the Security Agent may incur/pay all sums required to be paid on account of or in respect of any such deposit/custody.

3.7

**Segregation of Funds and Property Interest**

Monies and other property received by the Security Agent pursuant to this Agreement/Security Documents shall, until used or applied as herein-provided, be held in trust for the purposes for which they were received and shall be segregated and held distinct from its own monies and assets. For the avoidance of doubt, the parties agree, acknowledge and confirm, that the monies and other assets constituting or representing Security Interest held by the Security Agent shall not to be considered as part of the assets of the Security Agent, shall not, in the case of bankruptcy or liquidation of the Security Agent, be considered as its assets and shall not be available to the liquidator, bankruptcy trustee or other creditor of the Security Agent and such monies and properties shall be wholly excluded from the assets of the Security Agent in such bankruptcy.



As Phase-1 Lenders				As Phase-2 Lenders								Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Borrower	
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO			
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1103

**ARTICLE IV  
AUTHORITY OF THE SECURITY AGENT**

**4.1 Authority**

- (i) The Security Agent shall, in carrying out its duties under this Agreement, have such authority as is necessary or incidental thereto. Without prejudice to this, the Security Agent may:
  - (a) execute where necessary and or accept delivery of all documents, deeds and writings as are necessary in connection with creation of Security Interest in favour of the Lenders as contemplated herein; represent and act on behalf of the Lenders before any authority, court or tribunal or any person;
  - (b) engage and pay for the advice or service of any experts/professionals including lawyers, accountants, surveyors or other experts whose advice or services are reasonably necessary in connection with the due discharge of its duties hereunder;
  - (d) receive money or instruments representing money, issue accountable receipts therefore, realise the instruments and deal with the cash or the proceeds of instruments in accordance with the Relevant Lenders' Agent's instructions;
  - (e) rely upon the authenticity of any communication or document believed by it to be authentic; and
  - (f) exercise such authority and to do such acts and things as it deems fit and necessary to protect Lenders' interest, in case of any exigency.

**(ii) Authority for Certain Actions**

Notwithstanding anything contained in these presents, the Security Agent shall, before initiating any action or exercising any right or performing any duty or granting any consent or waiver under this Agreement or any Security Document seek instructions from the Lenders and only upon receipt of such instructions in accordance with the Finance Documents, the Security Agent shall exercise its rights and perform its duties and obligations under this Agreement and the Security Documents.

**4.2 Acceptance of Responsibility and Liability**

- (i) The Security Agent accepts (in relation to the Lenders), its obligations and duties set out hereunder and agrees to perform the same, but only upon the terms and provisions of this Agreement.
- (ii) The Security Agent shall be answerable to or accountable to the Lenders for any loss in relation to the Security or the title deeds or any rights in respect thereto only under circumstances arising out of its gross negligence, wilful default, fraud or breach of or failure to comply with the terms and conditions of the Finance Documents or written instructions of the Lenders.

**4.3 Delegation**

The Security Agent may act through its personnel and agents and may, with prior written consent of the Lenders delegate by power of attorney or otherwise to any person or persons or fluctuating body of persons (whether being a joint agent or not) all or any of the trusts, powers and authorities vested in it by this Agreement, any Finance Document or any document relating to any of them and such delegation may be made upon such terms and subject to such conditions (including power to sub-delegate) and subject to such regulations as the Lenders think fit after

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders		Lenders' Agent for Phase-2 Lenders		Security Agent		Borrower	
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IRBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO	UBI	HUDCO		
<i>h</i>	<i>h</i>	<i>h</i>	<i>h</i>	<i>h</i>	<i>h</i>	<i>h</i>	<i>h</i>	<i>h</i>	<i>h</i>	<i>h</i>	<i>h</i>	<i>h</i>	<i>h</i>	<i>h</i>	<i>h</i>	<i>h</i>	<i>h</i>

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11064

having due regard to the nature of trusts, powers or authorisations it proposes to delegate.

4.4 Release of Security

Subject to the terms of this Agreement and the other Finance Documents and with the written consent of the Lenders, the Security Agent shall, execute all necessary releases of any Security, the Security Documents and/or title deeds given by the Borrower in relation to the disposal or substitution, temporarily or permanently, of any asset which is permitted under or consented to in accordance with the Finance Documents including, without limitation:

- (i) any formal release of any asset which the Lenders consider necessary or desirable in connection with that disposal or release; and
- (ii) any release of any Security or at any time after the Final Settlement Date.

4.5 Reliance

The Security Agent may:

- (i) rely on any notice or document reasonably believed by it to be genuine and correct and to have been signed by, or with the authority of, the proper Person;
- (ii) rely on any statement made by a director or employee of any person regarding any matters which may reasonably be assumed to be within his knowledge or within his power to verify; and
- (iii) engage and rely on legal or other professional advisers (including those in its employment and those representing a party other than itself) and shall not be liable for anything done or omitted to be done by it acting in good faith and in accordance with the advice of any legal or other professional advisers (other than for its gross negligence, wilful default, fraud or failure to comply with the terms of the Finance Documents or express instructions of the Lenders).

4.6 Limitation on Liability

- (a) The Security Agent acting in good faith shall not, in respect of any acts done or omitted to be done under or pursuant to this Agreement, incur any liability or be answerable except for its wilful misconduct or negligence.
- (b) Notwithstanding anything to the contrary contained herein or in the Loan Agreements or in any Security Documents, the Security Agent shall not be required to expend or risk its own funds or otherwise incur any personal financial liability in the performance of any of its duties or in the exercise of any of its authority, unless indemnified to its satisfaction by the Borrower. The Security Agent shall not be required to initiate any legal action or proceedings pursuant to this Agreement unless it has been provided with requisite funds as would reasonably be indicated by it in that behalf, or unless it has been indemnified to its satisfaction against any and all liability, costs and expense which may be incurred by it by reason of such legal action or proceedings.

As Phase-1 Lenders				As Phase-2 Lenders							Security Agent	Borrower		
HUDCO	BOB	UBI	UCO	AB	ROB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	HUDCO	
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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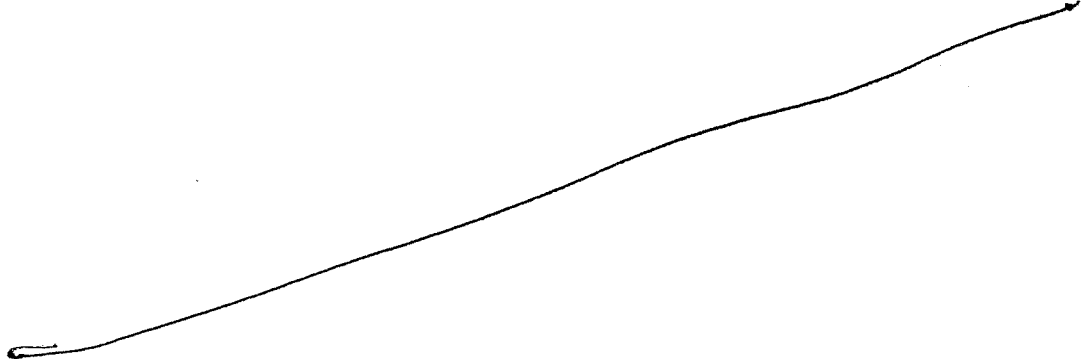
ARTICLE V  
FEES AND EXPENSES

5.1

Fees and Expenses

The parties hereby acknowledge and agree that, the Borrower has agreed to pay to the Security Agent fee for services performed by the Security Agent under or pursuant to this Agreement (the "Fee"), and to pay/reimburse all out of pocket, legal, travelling and other costs, charges and expenses (the "Expenses") incurred by the Security Agent in the proper discharge of its duties under this Agreement.

Notwithstanding the above, in the event that the Borrower has failed to pay the Fee and/or reimburse the Expenses when due and payable and in the event of sufficient funds being not available in the related retention account, each of the Lenders shall, upon receipt of written notice thereof given by the Security Agent stating the Fee and the Expenses due, pay to the Security Agent its pro rata share of the Fee and Expenses computed on the basis of the principal sum due to respective Lenders under the Loan Agreements and the Security Documents.



As Phase-1 Lenders				As Phase-2 Lenders							Security Agent	Borrower		
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IRBI	KBL	UBI	UCO	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	HUDCO	
											HUDCO	UBI	HUDCO	

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ARTICLE VI  
RESIGNATION AND REMOVAL OF SECURITY AGENT

6.1 Resignation

The Security Agent may resign its appointment hereunder at any time without assigning any reason therefore by giving not less than ninety (90) days prior written notice to that effect to each of the other parties hereto. The Security Agent shall cease to act as such, from the expiry of the said period of ninety (90) days.

6.2 Termination

The Lenders may at any time terminate the appointment of the Security Agent hereunder without assigning any reason therefore by giving not less than sixty (60) days prior written notice to that effect to the Security Agent and the Borrower.

6.3 Consequences of Resignation/Termination

Nothing contained in the Section 6.1 and Section 6.2 shall relieve the Security Agent from its obligation to make over to the Lenders (or any of them appointed by them to succeed the Security Agent) any cash or instruments representing cash and documents and books of accounts relating to the Security Interest held by it pursuant to this Agreement, nor relieve the Borrower and the Lenders to pay or reimburse as the case may be any Fee or Expenses accrued/incurred and outstanding under this Agreement.

6.4 Successor

Following the notice of resignation issued by the Security Agent or the notice of termination of the Security Agent appointment issued by the Lenders, the Lenders representing at least 60% (sixty percent) of aggregate of the outstanding principal amounts of the Loans may appoint and designate any other agency to succeed the Security Agent, by a written notice to the Security Agent and the Borrower. Such appointment shall be effective from the effective date of resignation or termination.

In the absence of such appointment by the Lenders at least (15) fifteen days prior to the date of resignation or termination becoming effective, the Lender with the largest outstanding financial stake or exposure by way of Loan extended to the Borrower (other than the resigning agent), shall be entitled to select the successor Security Agent or shall act as the successor Security Agent with such rights, duties, responsibilities, obligations and liabilities identical as that of the Security Agent who has resigned or been removed.

The successor Security Agent appointed in accordance thereof shall sign a deed of accession ("Agent's Deed of Accession") substantially in the form set out in Schedule 2.

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Borrower	
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IRBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO	

*[Handwritten signature]*

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**ARTICLE VII  
MISCELLANEOUS**

**7.1 Benefit of Agreement**

This Agreement shall be binding upon and enure to the benefit of each party hereto and its successors and assigns. This Agreement is not intended to confer upon any person other than the parties hereto any rights or remedies hereunder. Provided, the Security Agent shall not assign or transfer any of its obligations, rights and benefits hereunder without the written consent of all of the Lenders.

**7.2 Amendments**

No amendments or modification to this Agreement shall be valid and effective unless agreed to by all the parties hereto and evidenced in writing.

**7.3 Relationship between the Security Agent and the Borrower**

The Security Agent shall not in any respect be an agent of, or trustee for, the Borrower by virtue of this Agreement.

**7.4 No Waiver, Cumulative Remedies**

No failure to exercise, and no delay in exercising any right, power or privilege hereunder, shall operate as a waiver or relaxation thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude or require any other or future exercise thereof or the exercise of any right, power or privilege hereunder preclude or require any other or future exercise thereof or the exercise of any right, power or privilege. All rights, powers and remedies granted to any party hereto and all other agreements, instruments and documents executed in connection with this Agreement shall be cumulative, may be exercised singly or concurrently and shall not be exclusive of any rights or remedies provided by law.

**7.5 Notices**

Any notice, demand communication or other request (individually, a "Notice") to be given or made under this Agreement shall be in writing. Such Notice shall be delivered by hand, airmail (postage prepaid), internationally-recognised overnight courier service, facsimile, cable or telex to the party to which it is addressed at such party's address specified below or at such other address as such party shall from time to time have designated by fifteen (15) days written Notice to the party giving such Notice, and shall be deemed to have been duly given or made when delivered as aforesaid.

**FOR PHASE-1 LENDERS**

**HUDCO**

The Regional Chief  
Mumbai Regional office  
Housing & Urban Development Corporation Ltd.  
Shreyas Chambers,  
2<sup>nd</sup> Floor, 175,  
Dr. D.N.Road, Fort,  
Mumbai-400 001  
Tel: 022-22690080-84  
Fax: 022-22690086

**Bank of Baroda**

As Phase-1 Lenders				As Phase-2 Lenders						Security Agent		Borrower		
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IRBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO	
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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Asst. General Manager  
Corporate Financial Service Branch  
10/12 Mumbai Samachar Marg,  
Fort, Mumbai-400001  
Tel: 022-22021434  
Fax: 022-22021445

**Union Bank of India**  
Dy. General Manager  
Industrial Finance Branch  
First Floor,  
Union Bank Bhavan,  
239, Vidhan Bhavan Marg,  
Nariman Point,  
Mumbai-400021  
Tel: 022-22092000  
Facsimile: 022-22855037

**UCO Bank**  
Asst. General Manager  
Santacruz (W)  
Mumbai-400054  
Tel: 022-26494752  
Facsimile: 022-26002912

#### FOR LENDERS' AGENT FOR THE PHASE-1 LENDERS

**HUDCO**  
The Regional Chief  
Mumbai Regional office  
Housing & Urban Development Corporation Ltd.  
Shreyas Chambers,  
2<sup>nd</sup> Floor,  
175 Dr. D. N. Road,  
Fort,  
Mumbai - 400001  
Tel: 022-22690080-84  
Fax: 022-22690086

#### FOR PHASE-2 LENDERS

**For Andhra Bank**  
**Chief Manager**  
Special Corporate Finance Branch,  
16<sup>th</sup> Floor, Earnest House,  
NCPA Marg, Nariman Point,  
Mumbai - 400 021  
Tel: 022 - 2288 4877  
Facsimile: 022 - 2288 5841

**For Bank of Baroda**  
**Asst. General Manager**  
Bank of Baroda  
Corporate Financial Service Branch  
10/12 Mumbai Samachar Marg,  
Fort, Mumbai-400001

As Phase-1 Lenders				As Phase-2 Lenders						Security Agent	Borrower			
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	UBI	HUDCO

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Tel: 022-22021434  
Facsimile: 022-22021445

**For Corporation Bank**

Asst. General Manager  
Large Corporate Branch,  
301 -302, the Eagle's Flight,  
Andheri-Kurla Road,  
Andheri (E),  
Mumbai - 400 093  
Tel: 022 - 26 83 0478/ 26 83 2449  
Facsimile: 022 - 2684 2450

**FOR IDBI Bank Limited**

Dy. General Manager,  
Mid Corporate Branch,  
5<sup>th</sup> Floor, IDBI Tower, WTC Complex,  
Cuffe Parade, Mumbai - 400 005

Tel: 022 -22 18 9111/ 6655 3355  
Facsimile: 022- 22 16 0785

**For Karnataka Bank Limited**

Chief Manager,  
Fort Branch,  
Perin Nariman Point,  
Amar Building, Opp. R.B.I,  
Fort, Mumbai - 400 001  
Tel: 022- 22 66 3725  
Facsimile: 022- 22 66 1685

**For Union Bank of India**

Dy. General Manager  
Union Bank of India  
Industrial Finance Branch  
First Floor, Union Bank Bhavan  
239, Vidhan Bhavan Marg  
Nariman Point,  
Mumbai-400021  
Tel: 022-22 09 2000  
Facsimile: 022-22 85  
5037

**For UCO Bank**

Asst. General Manager  
UCO Bank  
RNA Classic, North  
Avenue, S.V. Road,  
Santacruz (W)  
Mumbai-400054  
Tel: 022-26 00 2912/ 2649 3407/ 26 49 4752  
Facsimile: 022-26 00 2912

**FOR THE LENDERS' AGENT FOR THE PHASE-2 LENDERS**

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Borrower	
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO	
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓ and

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**Union Bank of India**  
 Asst. General Manager  
 Industrial Finance Branch  
 First Floor,  
 Union Bank Bhavan,  
 239, Vidhan Bhavan Marg,  
 Nariman Point,  
 Mumbai-400021  
 Tel: 022-22092000  
 Facsimile: 022-22855037

**FOR THE SECURITY AGENT  
 HUDCO**

The Regional Chief  
 Mumbai Regional office  
 Housing & Urban Development Corporation Ltd.  
 Shreyas Chambers,  
 2<sup>nd</sup> Floor,  
 175 Dr. D. N. Road,  
 Fort,  
 Mumbai – 400001  
 Tel: 022-22690080-84  
 Fax: 022-22690086

**For the Borrower**

**Sahara Hospitality Ltd.**  
 Chief Executive Officer  
 Sahara Hospitality Limited  
 Opp. Mumbai Domestic Airport  
 Mumbai- 400 099  
 Tel: 022- 39 89 5000  
 Fax: 022-39 89 5001

As Phase-1 Lenders				As Phase-2 Lenders							Lenders' Agent for Phase-1 Lenders		Lenders' Agent for Phase-2 Lenders		Security Agent	Borrower
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO	UBI		
h	d	a														

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**SCHEDULE I  
PARTICULARS OF LENDERS & LOANS**

**A. FOR PHASE-1 PROJECT**

Name of Phase -1 Lender	Amount of Phase-1 Loans
HUDCO	Rs 78.00 crores (Rupees Seventy Eight Crores only)
BOB	Rs 27.83 crores (Rupees Twenty Seven Crores and Eighty Three Lacs only)
UBI	Rs 27.83 crores (Rupees Twenty Seven Crores and Eighty Three Lacs only)
UCO	Rs 44.34 crores (Rupees Forty Four Crores Thirty Four Lacs only)
<b>TOTAL</b>	<b>Rs. 178.00 Crores (Rupees One Hundred and Seventy Eight Crores Only)</b>

**B. FOR PHASE-2 PROJECT**

Name of Phase-2 Lender	Amount of Phase-2 Loans
AB	60.00 Crores (Rupees Sixty Crores Only)
BOB	48.00 Crores (Rupees Forty Eight Crores Only)
Corp.B	40.00 Crores (Rupees Forty Crores Only)
IDBI	40.00 Crores (Rupees Forty Crores Only)
KBL	22.00 Crores (Rupees Twenty Two Crores Only)
UBI	60.00 Crores (Rupees Sixty Crores Only)
UCO	40.00 Crores (Rupees Forty Crores Only)
<b>TOTAL</b>	<b>Rs.310.00 Crores (Rupees Three Hundred and Ten Crores Only)</b>

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Borrower	
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO	
h	g	g	g	g	g	g	g	g	g	g	g	g	g	g

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1112

SCHEDULE II  
AGENT'S DEED OF ACCESSION

THIS DEED dated [ ], [ ] is supplemental to the Amended and Restated Security Agent Agreement dated \_\_\_ day of \_\_\_ 2010 (the "Security Agent Agreement") entered into by and among the Lenders, the respective Lenders' Agent, the Security Agent and the Borrower.

Words and expressions defined in the Loan Agreements and the Security Agent Agreement have the same meaning when used in this Deed.

[Name of new agent] (the "New Security Agent") hereby agrees with each other Person who is or who becomes a Party to the Security Agent Agreement that with effect on and from the date hereof it will be bound by the Security Agent Agreement as the Security Agent as if it had been party to the Security Agent Agreement in that capacity.

Address for notices of the New Security Agent for the purposes of Section 7.5 of the Security Agent Agreement is:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

This Deed is governed by Indian law.

[Execution under seal]  
[or appropriate execution clause]

As Phase-1 Lenders				As Phase-2 Lenders						Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Borrower	
HUDCO	BOB	UBI	UCO	AB	BOB	Corp.B	IDBI	KBL	UBI	UCO	HUDCO	UBI	HUDCO	
✓										✓	✓	✓	✓	✓

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IN WITNESS WHEREOF the Lenders, the Security Agent and the Lenders' Agent of Phase-1 Lenders and the Lenders' Agent of Phase-2 Lenders have caused these presents and copies hereof to be executed by the hands of their respective authorized officials and the Borrower has caused its common seal affixed to these presents and the copies hereof on the date, month and year first hereinabove as hereinafter appearing.

SIGNED AND DELIVERED BY the within named Phase-1 Lender, HUDCO by the hand of K. R. Pillai, its Dy. Chief (cont) and authorized official.

SIGNED AND DELIVERED BY the within named Phase-1 Lender, Bank of Baroda by the hand of D. ANANDA KUMAR, Chief Manager, and authorized official.

SIGNED AND DELIVERED BY the within named Phase-1 Lender, Union Bank of India by the hand of J. B. Das, its SR. MANAGER and authorized official.

SIGNED AND DELIVERED BY the within named Phase-1 Lender, UCO Bank by the hand of G. K. Kolte, its Sr. Manager and authorized official.

SIGNED AND DELIVERED BY the within named Phase-2 Lender, Andhra Bank by the hand of Mr K. L. PATIL, its \_\_\_\_\_, and authorized official.

SIGNED AND DELIVERED BY the within named Phase-2 Lender, Bank of Baroda by the hand of Mr D. ANANDA KUMAR, its Chief Manager and authorized official.

SIGNED AND DELIVERED BY the within named Phase-2 Lender, Corporation Bank by the hand of Mr Prakash. P. Nayak, its AGM and authorized official.

SIGNED AND DELIVERED BY the within named Phase-2 Lender, IDBI Bank Limited by the hand of Mr S. MOHAN, its \_\_\_\_\_, and authorized official.

SIGNED AND DELIVERED BY the within named Phase-2 Lender, Karnataka Bank Limited by the hand of Mr B. S. Ramachandra, its Chief Manager and authorized official.

संज्ञित वरिष्ठ अधिकारी (संज्ञित वरिष्ठ अधिकारी) (यु.एच.डी.सी. (कॉन्ट)) द्वारा प्रमाणित किया गया है।

HUDCO  
कृते बैंक ऑफ बड़ोदा / FOR BANK OF BARODA  
सी.एफ.एस., कोर्टे शाखा मुंबई / C.F.S., FORT BRANCH MUMBAI  
D. Anand Kumar  
मुख्य प्रबंधक / Chief Manager

कृते यूनियन बैंक ऑफ इंडिया  
FOR UNION BANK OF INDIA

J. B. Das  
वरिष्ठ प्रबंधक  
Senior Manager  
औद्योगिक वित्त शाखा, मुंबई,  
कोर्टे शाखा, मुंबई / Industrial Finance Branch, Mumbai.

कृते युको बैंक  
सांताक्रुज शाखा Santacruz Br

G. K. Kolte  
वरिष्ठ प्रबंधक / Sr. Manager

For Andhra Bank

K. L. Patil  
Manager-cum  
Corporate Finance Br. Mumbai

कृते बैंक ऑफ बड़ोदा / For BANK OF BARODA

सी.एफ.एस., कोर्टे शाखा मुंबई / C.F.S., FORT BRANCH MUMBAI  
D. Anand Kumar  
मुख्य प्रबंधक / Chief Manager

कृते कॉर्पोरेशन बैंक  
FOR CORPORATION BANK

Prakash. P. Nayak  
सहायक महा प्रबंधक  
Asst. General Manager  
बड़ी कॉर्पोरेट शाखा, अधुन (ग) मंडल  
Large Corporate Branch, Adun (G) Mandal (Mumbai.)  
IDBI BANK Ltd.

सहायक महा प्रबंधक / Assistant General Manager

FOR KARNATAKA BANK LTD


B. S. Ramachandra  
Chief Manager  
Fort. Mumbai-1

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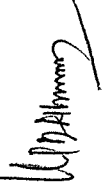
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कृते युनियन बैंक ऑफ इंडिया  
For UNION BANK OF INDIA

SIGNED AND DELIVERED BY the within  
named Phase-2 Lender, Union Bank of India by  
the hand of Mr J. B Dave, its  
Sr Manager and authorized official.


  
Senior Manager  
औद्योगिक वित्त शाखा, मुंबई,  
Industrial Finance Br., Mumbai.

कृते युको बैंक For UCO BANK  
SIGNED AND DELIVERED BY the within  
named Phase-2 Lender, UCO Bank by the hand  
of Mr C. K. Kolte, its  
Sr. Manager and authorized official.

  
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वरिष्ठ प्रबंधक/Sr. Manager  


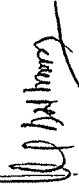
SIGNED AND DELIVERED BY the within  
named Lender' Agent for Phase-1 Lenders,  
HUDCO by the hand of Mr K. G. R. Pillai, its  
Dy chf (com) and authorized official.

कृते युनियन बैंक ऑफ इंडिया  
For UNION BANK OF INDIA



  
Senior Manager  
औद्योगिक वित्त शाखा, मुंबई,  
Industrial Finance Br., Mumbai.

SIGNED AND DELIVERED BY the within  
named Lender' Agent for Phase-2 Lenders, Union  
Bank of India by the hand of  
Mr J B Dave, its Sr Manager and  
authorized official.

SIGNED AND DELIVERED BY the within  
named Security Agent, HUDCO by the hand of  
Mr K. R. Pillai, its Dy chf (com) and  
authorized official.

  
Senior Manager  
औद्योगिक वित्त शाखा, मुंबई,  
Industrial Finance Br., Mumbai.

THE COMMON SEAL OF SAHARA  
HOSPITALITY LIMITED has pursuant to the  
Resolutions of its Board of Directors passed in that  
behalf on 5th day of February, 2010  
hereunto been affixed in the presence of  
Mr O. P. Srinastana, Director, who has  
signed these presents in token thereof and  
Mrs. Ash Seed, Authorised  
signatory, who has countersigned in token thereof.

  
O. P. Srinastana  


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ANNEXURE - 'A' - 34

1115

**HOTEL SAHARA STAR**

**AMENDED AND RESTATED TRUST AND RETENTION  
ACCOUNT AGREEMENT**

AMONG

SAHARA HOSPITALITY LIMITED  
(AS BORROWER)

AND

HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED  
(AS LENDERS' AGENT FOR THE PHASE-1 LENDERS AS MENTIONED  
UNDER SCHEDULE I PART A)

AND

UNION BANK OF INDIA  
(AS LENDERS' AGENT FOR THE PHASE-2 LENDERS AS MENTIONED  
UNDER SCHEDULE I PART B)

AND

UCO BANK  
(AS ACCOUNT BANK)

AND

HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED  
(AS SECURITY AGENT)

AT MUMBAI

DATED 18 DAY OF MAY 2010

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## TABLE OF CONTENTS

1.1	Definitions.....	6
1.2.A	Construction & Interpretation .....	9
1.2B.	Supremacy .....	9
1.3	Operating Procedure .....	9
1.4	Miscellaneous.....	10
1.5	Effectiveness And Operational Convenience.....	10
2.	MAINTAINENCE OF THE ACCOUNTS .....	10
3.	RETENTION ACCOUNTS .....	10
4.	PROJECT PROCEEDS ACCOUNT .....	12
5.	STATUTORY DUES SUB -ACCOUNT .....	14
6.	CONSTRUCTION FUND SUB-ACCOUNT .....	14
7.	O&M EXPENSES SUB-ACCOUNT .....	15
8.(A)	PHASE-1 DEBT SERVICE SUB-ACCOUNT .....	15
8.(B)	PHASE-2 DEBT SERVICE SUB-ACCOUNT .....	16
9.(A)	PHASE-1 DEBT SERVICE RESERVE SUB-ACCOUNT .....	16
9.(B)	PHASE-2 DEBT SERVICE RESERVE SUB-ACCOUNT .....	17
10.	INSURANCE PROCEEDS ACCOUNT .....	17
11.	SURPLUS SUB-ACCOUNT .....	18
12.	ENFORCEMENT PROCEEDS ACCOUNT .....	18
13.	WITHDRAWALS.....	19
14.	UNDERTAKINGS OF THE BORROWER.....	20
15.	CLOSING OF RETENTION ACCOUNTS .....	21
16.	STATEMENT OF ACCOUNTS.....	21
17.	GENERAL.....	21
18.	PERMITTED INVESTMENTS .....	22
19.	GENERAL UNDERTAKINGS .....	24
20.	ACCOUNT BANK.....	25
21.	MISCELLANEOUS.....	30
	SCHEDULE I .....	36
	PARTICULARS OF LENDERS & LOANS .....	36
	SCHEDULE II.....	37

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PERMITTED INVESTMENTS ..... 37

SCHEDULE III ..... 38

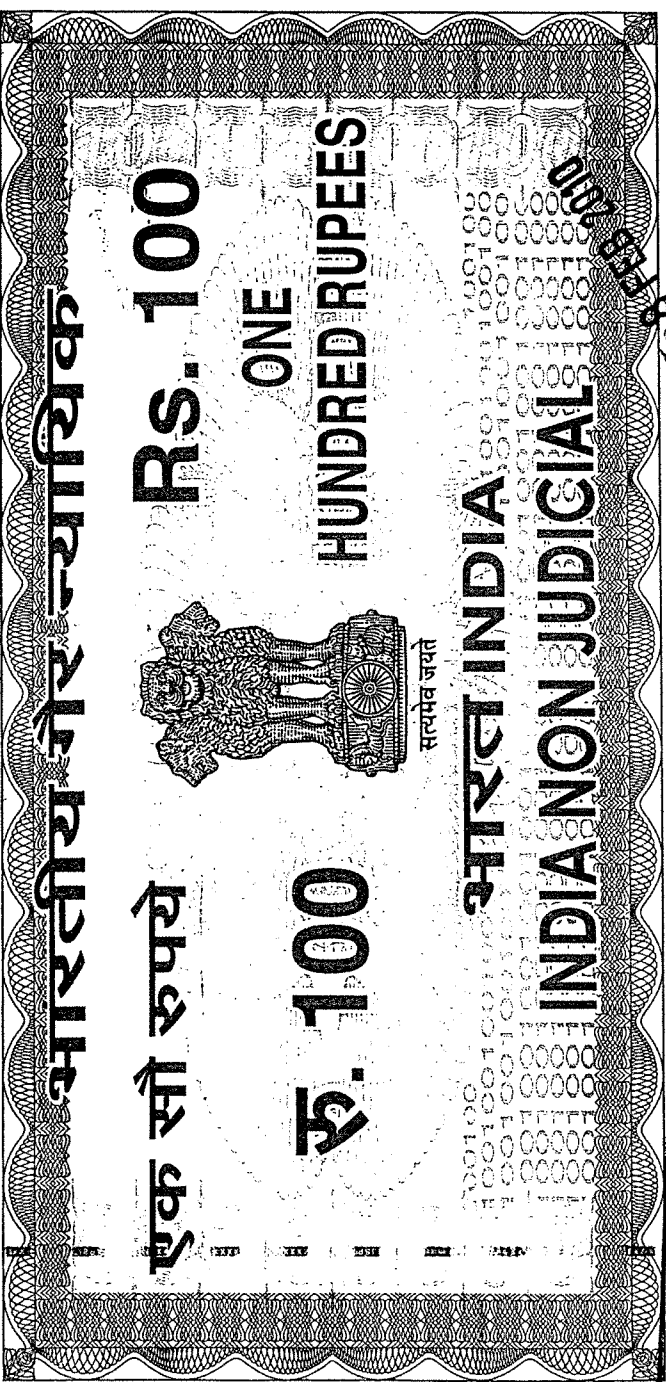
OPERATING PROCEDURES ..... 38

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 सत्यमेव जयते

**SHRI. M. D. KADAM**

THIS FORMS A PART AND PARCEL OF AMENDED AND RESTATED TRUST  
 AND RETENTION ACCOUNT AGREEMENT DATED \_\_\_\_\_  
 ENTERED INTO BETWEEN BORROWER, LENDER'S AGENT FOR PHASE-1  
 LENDERS, LENDER'S AGENT FOR PHASE-2 LENDERS, SECURITY AGENT  
 AND ACCOUNT BANK.

*Shri M. D. Kadam* & *Rohangate*

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**HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED**, a company registered under the Companies Act, 1956 (1 of 1956) and having its Registered Office at "HUDCO BHAWAN", India Habitat Center Complex, Lodhi Road, New Delhi-110 003 and its Mumbai Regional Office at Shreyas Chambers, 2<sup>nd</sup> Floor, 175, Dr. D.N.Road, Fort, Mumbai-400 001, in the State of Maharashtra, India (hereinafter referred to as "**HUDCO**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns);

**BANK OF BARODA**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at Mandvi, Baroda-and having a branch office at Corporate Financial Service Branch, 10/12 Mumbai Samachar Marg, Fort, Mumbai-400001, in the State of Maharashtra, India (hereinafter referred to as "**BOB**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns);

**UNION BANK OF INDIA**, a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and having its head office at Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai – 400021, in the State of Maharashtra and its Industrial Finance Branch, at First Floor, Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai-400021, in the State of Maharashtra, India (hereinafter referred to as "**UBI**" which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns); and

**UCO BANK**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at 10, B.T.M. Sarani, Kolkata 700001 and having a branch office at Santacruz (W), Mumbai-400045, in the State of Maharashtra, India (hereinafter referred to as "**UCO**" which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns)

(Each of **HUDCO**, **BOB**, **UBI** and **UCO** are individually referred to as "**Phase-1 Lender**" and are collectively referred to as the "**Phase-1 Lenders**", which expression shall include all or any one or more of them as the context may require or admit) and **HUDCO** is also acting as the Lenders' Agent for the Phase-1 Lenders and the Phase-1 Lenders are being represented by the **Lenders' Agent for the Phase-1 Lenders of the SECOND PART**;

**AND**

**ANDHRA BANK**, a body corporate constituted by and under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 and having its Head Offices at Dr. Pattabhi Bhavan, Saifabad, Hyderabad 500 004, in the State of Andhra Pradesh, India and having a specialized corporate finance branch, at 16<sup>th</sup> Floor, Earnest House, NCPA Marg, Nariman Point, Mumbai – 400 021, in the State of Maharashtra, India (hereinafter referred to as the "**AB**", which expression shall, unless it be repugnant to the context or meaning thereof, include its successors in office and assigns);

**BANK OF BARODA**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at Mandvi, Baroda- and having a branch office at Corporate Financial Service Branch, 10/12 Mumbai Samachar Marg, Fort, Mumbai-400001, in the State of Maharashtra, India (hereinafter referred to as "**BOB**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**CORPORATION BANK**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1980, having its Head Office at P.B. No. 88, Mangladevi Temple Road, Mangalore – 575 001, in the State of Karnataka, India and having its large corporate branch office at 301-302, the Eagle's Flight, Andheri Kurla Road, Andheri (E), Mumbai – 400 093 in the State of Maharashtra, India (hereinafter referred to as "**Corp.B**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Baroda</i>	HUDCO <i>Rohanjith</i>	UBI <i>&amp;</i>	HUDCO <i>Rohanjith</i>	UCO <i>Rohanjith</i>

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**IDBI BANK LIMITED**, a company incorporated under the Companies Act, 1956 (1 of 1956) and a banking company within the meaning of Section 5(c) of the Banking Regulation Act, 1949 having its registered office and a mid corporate group at IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400 005, in the State of Maharashtra, India (hereinafter referred to as "**IDBI**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**KARNATAKA BANK LIMITED**, a company incorporated under the Indian Companies Act, 1913 having its registered office and head office at Mahaveera Circle, Kankanady, Mangalore – 575 002, in the State of Karnataka, India and having its branch amongst other places at Fort, Perin Nariman point Street, Amar Building, Opp. R.B.I, Fort, Mumbai – 400 054, in the State of Maharashtra, India (hereinafter referred to as "**KBL**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**UNION BANK OF INDIA**, a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and having its head office at Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai – 400021, in the State of Maharashtra and its Industrial Finance Branch, at First Floor, Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai-400021, in the State of Maharashtra, India (hereinafter referred to as "**UBI**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns); and

**UCO BANK**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at 10, B.T.M. Sarani, Kolkata-700001 and having a branch office at RNA Classic, North Avenue, S.V. Road, Santacruz (W), Mumbai-400054, in the State of Maharashtra, India (hereinafter referred to as "**UCO**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns)

(Each of **AB, BOB, Corp.B, IDBI, KBL, UBI** and **UCO** are individually referred to as "**Phase-2 Lender**" and are collectively referred to as the "**Phase-2 Lenders**", which expression shall include all or any one or more of them as the context may require or admit) and **UBI** is also acting as the Lenders' Agent for the Phase-2 Lenders and the Phase-2 Lenders are being represented by the **Lenders' Agent for the Phase-2 Lenders of the THIRD PART**;

**AND**

**UCO BANK**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at 10, B.T.M. Sarani, Kolkata 700001 and having a branch office at Santacruz (W), Mumbai-400054 in the State of Maharashtra (hereinafter referred to as "**Account Bank**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns) of the **FOURTH PART**.

**AND**

**HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED**, a company registered under the Companies Act, 1956 (1 of 1956) and having its Registered Office at "**HUDCO BHAWAN**", India Habitat Center Complex, Lodhi Road, New Delhi-110 003 and its Mumbai Regional Office at Shreyas Chambers, 2<sup>nd</sup> Floor, 175, Dr. D. N. Road, Fort, Mumbai – 400001, in the State of Maharashtra, India (hereinafter referred to as "**Security Agent**" which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns), in its capacity as the Security Agent of the Phase-1 Lenders and the Phase-2 Lenders of the **FIFTH PART**.

(Each of the parties mentioned above, are hereinafter collectively referred to as the






BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Amal</i>	HUDCO <i>Robinjith</i>	UBI <i>ks</i>	HUDCO <i>Robinjith</i>	UCO <i>ks</i>

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“Parties” and individually as a “Party”)

**WHEREAS:**

- (a) Initially, the Borrower had sought financial assistance from Housing and Urban Development Corporation Limited, Bank of Baroda, Union Bank of India and UCO Bank (Housing and Urban Development Corporation Limited, Bank of Baroda, Union Bank of India and UCO Bank are hereinafter referred to as the “**Project Lenders**”) to enable it to meet part of the cost of its project envisaging the renovation and reconstruction of the Hotel Sahara Star (formerly known as Hotel Centaur, Mumbai Airport) situate at Vile Parle (east), near Domestic Airport, Mumbai-400099, in the State of Maharashtra, India (“**Project**”).
- (b) Accordingly, the Borrower and the Project Lenders entered into a loan agreement dated February 14, 2005 (hereinafter referred to as “**Loan Agreement**”) and other finance and security documents dated on or about February 14, 2005. In terms of the Loan Agreement, the Project Lenders agreed to grant to the Borrower, rupee term loans of an aggregate amount not exceeding **Rs.300,00,00,000.00 (Rupees Three Hundred Crores only)** as mentioned in **Schedule 1** hereto, for part financing the cost of the Project and the Borrower agreed to borrow the same from the Project Lenders and pursuant to the finance and security documents, the parties thereto appointed Housing and Urban Development Corporation Limited, as the lenders’ agent and the security agent, for the Project. One of the terms of the Loan Agreement was that the Company shall open/establish with an account bank, the Retention Accounts, into which all the Project Proceeds of the Company shall be deposited. Accordingly, the Company, the UCO Bank, appointed as the Account Bank and HUDCO (acting in its capacity as the lenders agent and the security agent for and on behalf of the lenders) had executed a trust and retention account agreement dated February 14, 2005 (“**Trust and Retention Account Agreement**”) and the Retention Accounts were established.
- (c) Subsequently, the Borrower has entered into an amendatory agreement (“**Amendatory Agreement**”) with the Project Lenders dated September 7, 2006, for the purpose of bifurcating the Project into two phases viz. FSI-1 project and FSI-2 project, pursuant to which the Project Lenders have divided their entire sanctioned loan of **Rs.300,00,00,000.00 (Rupees Three Hundred Crores only)** into two phases i.e. **Rs.178 Crores (Rupees One Hundred and Seventy Eight Crores only)** (“**Phase - 1 Loans**”) for implementation of the Phase -1 project based on **FSI-1 and Rs.122 crores (Rupees One Hundred and Twenty Two Crores only)** for implementation of the Project based on FSI-2 (the Loan Agreement and the Amendatory Agreement are hereinafter collectively referred to as the “**Phase-1 Loan Agreements**”).
- (d) The Borrower has successfully completed the renovation and reconstruction and commenced operations of the Project based on FSI-1 comprising of 223 (two hundred and twenty three) rooms, 10 (ten) restaurants, 6 (six) banquet halls, 5 (five) business centres and 4500 (four thousand five hundred) square feet of commercial space. The Project based on FSI-1 is hereinafter referred to as the “**Phase-1 Project**” and the Project Lenders as the **Phase-1 Lenders**.
- (e) Pending receipt of statutory approvals for FSI-2, the Borrower was unable to avail **Rs.122,00,00,000.00 (Rupees One Hundred and Twenty Two Crores only)** for implementation of the Project based on FSI-2, accordingly pursuant a termination agreement entered into amongst the Phase-1 Lenders and the Borrower on 3 March 2010 (“**Termination Agreement**”), the Parties thereto have cancelled the loan amount of **Rs.122,00,00,000.00 (Rupees One Hundred and Twenty Two Crores)** sanctioned for the Project based on FSI-2 and all other terms and conditions relating to the Project based on FSI-2 thereby superseding the earlier understanding recorded under the Amendatory Agreement in relation to the Project based on FSI-2

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
	HUDCO 	UBI 	HUDCO 	UCO 

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and all other terms and conditions relating to the Phase-1 Project shall remain effective and binding on the parties to the Amendatory Agreement.

- (f) In terms of the statutory approval for Additional FSI, the Borrower is proposing to expand and develop additional facilities viz., 185 (one hundred and eighty five) rooms, 5 (five) restaurants, 2 (two) banquet halls, 21 (twenty one) business centers and 2,00,000 (two lakhs) square feet commercial space (hereinafter referred to as the "Phase-2 Project").
- (g) For the purpose of implementation and part financing the cost of the Phase-2 Project, at the request of the Borrower, the Phase-2 Lenders have agreed to lend and advance to the Borrower and the Borrower has agreed to borrow from the Phase-2 Lenders rupee loans, to the maximum extent set out against their respective names in **Schedule 1** hereto, aggregating **Rs.310,00,00,000.00 (Rupees Three Hundred and Ten Crore only)** (including the project letter(s) of credit facility, as a sub limit of the Phase-2 Loans) (hereinafter individually referred to as "**the Phase-2 Loan**") and collectively as "**the Phase-2 Loans**") on the terms and subject to the conditions contained in the Phase-2 Common Loan Agreement dated 3 March 2010 entered into, inter alia, between the Borrower and the Phase-2 Lenders (hereinafter referred to as "**Phase-2 Loan Agreement**").

*(The Phase-1 Lenders and the Phase-2 Lenders are hereinafter collectively referred to as the "Lenders", the Phase-1 Loans and Phase-2 Loans as the "Loans" and the Phase-1 Loan Agreements and Phase-2 Loan Agreement are collectively referred to as the "Loan Agreements". HUDCO or UBI are hereinafter referred to as the "Relevant Lenders' Agent", as the context requires).*

- (h) The Company has also approached each of the Union Bank of India, UCO Bank and IDBI Bank Limited ("**Working Capital Lenders**") and the Working Capital Lenders have agreed to provide the working capital facilities aggregating to **Rs. 20.67 Crores (Rupees Twenty Crores and Sixty Seven Lacs only)** (hereinafter referred to as "**Working Capital Facility**") or "**Working Capital Facilities**" as the context may admit) as mentioned in **Schedule 1** hereto, for the purpose of operation and maintenance of its Project, on the terms and conditions contained in the working capital agreement dated **25 May 2007, 1 July 2008, 23<sup>rd</sup> April 2010** entered *inter alia* between the Borrower and each of the Working Capital Lenders respectively (hereinafter referred to as "**Working Capital Agreement**") and has established cash credit account(s) with them.

- (i) It is one of the conditions precedent for the Phase-2 Lenders making available the Phase-2 Loans to the Company for its Phase-2 Project that the Retention Accounts shall have been opened / established with Account Bank into which all the Project Proceeds of the Company be deposited and appropriated in the manner specified in this Agreement.

- (j) At a request of the Borrower, the Phase-1 Lenders, UCO Bank has also agreed to act as the Account Bank for and on behalf of the Phase-2 Lenders along with the Phase-1 Lenders under the Finance Documents.

- (k) In order to give effect to the aforementioned understanding, the Parties have agreed to suitably amend and restate this Agreement, in the manner as provided herein and the Trust and Retention Account Agreement stands superseded herewith.

**NOW, THEREFORE**, in consideration of the premises and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
Abund	HUDCO Rohini Pathak	UBI &	HUDCO Rohini Pathak	UCO

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## 1. DEFINITIONS AND INTERPRETATION

### 1.1 Definitions

Each term used herein and not otherwise defined shall have the definition assigned to such term in the respective Loan Agreements. Unless the context otherwise requires the following terms shall have the following meanings:

“**AAI Lease Rental Payment**” means the amount required to pay the lease rental pursuant to the lease agreement.

“**Annual Cash Transfer Date**” means the 15th day of April each calendar year and if that day is not a Business Day on any year, then the immediately following Business Day.

“**Approved Budget**” means the budget for the relevant year starting on 1<sup>st</sup> April and ending on 31st March of the succeeding year or part thereof including the variations and or modifications duly approved in accordance with the Loan Agreements.

“**Business Day**” shall mean a day, which is not a Sunday, or a bank holiday in India.

“**Cash Transfer Date**” means any of the Monthly Cash Transfer Date or Annual Cash Transfer Date or the Distribution Date, as the case may be.

“**Construction Costs**” shall mean the amounts of the financial obligations, liabilities, costs and expenses incurred / to be incurred by the Borrower in connection with the setting up of the Phase-2 Project in accordance with the cost of the Phase-2 Project and specified as such in the Approved Budget.

“**Construction Fund Sub- account**” shall mean a sub-ledger account of the Project Proceeds Account or any other account, designated in the name of the Borrower.

“**Default**” means any event, act, omission or condition which is or which amounts to non-compliance of any of the obligations of the Transaction Agreement and which with notice, lapse of time, or both, or the fulfillment of any other requirement provided for in the Transaction Agreement would become an Event of Default.

“**Distribution Account**” shall mean an account in the name of the Borrower designated as such and established with the Account Bank into which such portion of the amounts from the Surplus Sub-account will have to be transferred as may have been approved for distribution by way of dividends.

“**Distribution Date**” means each date for re-payment of instalment of principal or payment of interest or both stipulated under the Loan Agreements which shall also be the dates of distribution of amounts out of the Retention Account towards the Company’s payment obligations under the Loan Agreements and includes each date on which proceeds of any security upon realisation, proceeds of Insurance Contract or otherwise are distributed.

“**Enforcement Proceeds Account**” shall mean an account in the name of the Borrower designated as such and established with the Account Bank.

“**Enforcement Action**” means any action or proceedings by the Lenders against the Borrower, the Project or all or any part of the security interest taken for the purpose of (i) enforcing the rights of the Lenders under or in respect of the security, the security interest or the Security Documents, including without limitation, the initiation of any non-judicial action or any action in any court or before any administrative agency or governmental tribunal to enforce such rights, including any action initiated under or pursuant to the special recovery statute, any action to appoint a receiver or liquidator and any action to exercise any rights provided under various financing documents or (ii) adjudicating or

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
Amud	HUDCO Rohiniyath	UBI vs Rohiniyath	HUDCO Rohiniyath	UCO

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seeking a judgement on a claim.

“**General Compensation**” shall mean all proceeds or liquidated damages awarded relating to any warranty, indemnity or other claims, damages, refunds or other awards or settlements (excluding Insurance Proceeds), any compensation arising from termination, seizure, compulsory acquisition, expropriation or nationalization of any assets or shares of the Borrower received by the Borrower, including proceeds of any enforcement action arising out of the Security Documents, in each case, from any party (other than the Borrower) to any Project Documents and/or any other contract entered into by the Borrower, for or in relation to the Project.

“**Insurance Proceeds**” shall mean all proceeds of insurance with respect to the Project including insurance, business interruption insurance and advance loss of profit insurance payable to or received by the Borrower under and all claims arising out of any insurance policy in relation to the Project in effect and held by or for the benefit of the Borrower.

“**Insurance Proceeds Account**” shall mean an account in the name of the Borrower designated as such and established with the Account Bank.

“**Investment Income**” shall mean any interest, dividends or other income arising from or in respect of a Permitted Investment except the foreign currency denominated investments.

“**Investment Proceeds**” shall mean any net proceeds received by the Account Bank upon disposal or realisation; or any sum received by the Account Bank upon maturity, in respect of a Permitted Investment in Rupee denomination, but excluding all Investment Income.

“**Lenders’ Agents**” shall collectively mean the Lenders’ Agent for the Phase-1 Lenders and Lenders’ Agent for the Phase-2 Lenders.

“**Monthly Cash Transfer Date**” shall mean the last day of each calendar month, or if such day is not a Business Day, the immediately preceding Business Day.

“**O&M Expenses**” shall mean the amounts as specified in the Approved Budget for operations and minor and/or major maintenance of the Project, including, without limitation, any administrative expenses, Working Capital Payments, or any other expenses payable to the Lenders or any premium paid/ payable for the required insurance policies including the cost of major maintenance on annual basis (as specified in the Approved Budget, if any), any miscellaneous expenses & petroleum related expenses, the fees and expenses payable to the agents for and/or in connection with performance of their respective services in accordance with the related agreements and/or the appointment letters.

“**O & M Expenses Sub-account**” shall mean a sub-ledger account of the Project Proceeds Account or any other account designated in the name of the Borrower.

“**Permitted Investment**” shall mean, subject to the terms of this Agreement, any investment listed in the **Schedule II** hereto.

“**Person**” means any individual, corporation, a partnership, association or trust or any other entity or organisation, including any government or political subdivision or any agency or instrumentality thereof.

“**Phase-1 Debt Service**” shall mean with respect to the interest on the Phase-1 Loans, repayment of installments of principal amounts of the Phase-1 Loans and costs, charges, expenses, fees and other financing costs to the Phase-1 Lenders, the Security Agent, Lenders’ Agent for the Phase-1 Lenders and the Account Bank under or pursuant to any Finance Document due during the relevant calendar month.

BORROWER	Lenders’ Agent for Phase-1 Lenders	Lenders’ Agent for Phase-2 Lenders	Security Agent	Account Bank
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“**Phase-1 Debt Service Sub-account**” shall mean a sub-ledger account of the Project Proceeds Account or any other account, designated in the name of the Borrower.

“**Phase-1 Debt Service Reserve Requirement**” at any point of time means the amount equivalent to the aggregate of (a) the interest on the Phase-1 Loans; and (b) installments of principal amounts of the Phase-1 Loans as per the amortisation schedules in the Phase-1 Loan Agreement, payable by the Borrower during the immediately following two quarter.

“**Phase-1 Debt Service Reserve Sub-account**” shall mean a sub-ledger account of the Project Proceeds Account or any other account, designated in the name of the Borrower.

“**Phase-2 Debt Service**” shall mean with respect to the interest on the Phase-2 Loans, repayment of installments of principal amounts of the Phase-2 Loans and costs, charges, expenses, fees and other financing costs to the Phase-2 Lenders, the Security Agent, Lenders’ Agent for the Phase-2 Lenders and the Account Bank under or pursuant to any Finance Document due during the relevant calendar month.

“**Phase-2 Debt Service Sub-account**” shall mean a sub-ledger account of the Project Proceeds Account or any other account, designated in the name of the Borrower.

“**Phase-2 Debt Service Reserve Requirement**” at and from the COD means the amount equivalent to the aggregate of (a) the interest on the Phase-2 Loans; and (b) installments of principal amounts of the Phase-2 Loans as per the amortisation schedules of Phase-2 Loan Agreement, payable by the Borrower during the immediately following one quarter, and to be created from the Receivables pertaining to the Phase-2 Project.

“**Phase-2 Debt Service Reserve Sub-account**” shall mean a sub-ledger account of the Project Proceeds Account or any other account, designated in the name of the Borrower.

“**Project Proceeds**” shall mean all disbursements by the Lenders and all monies due and to become due to the Borrower at any time including without limitation, subscriptions to shares in the share capital of the Borrower, fees, subordinated debt contributions of the promoters, Working Capital Facilities, cash credit, credit card receivables, commercial complex rents/ licence fees, petrol pump income/earning, all monies due or to become due to the Borrower under the Project Documents or any other agreements, and under all performance bonds, letters of credit, insurance policies and instruments of a similar nature issued in its favour in respect of the Project except i) amounts with respect to i). Insurance Proceeds; and ii) General Compensation.

“**Project Proceeds Account**” shall mean an account in the name of the Borrower designated as such and established with the Account Bank.

“**Pro-Rata**” shall mean, for any account, as on the relevant Cash Transfer Date, the proportion which the Required Amount in respect of that account bears to the aggregate of the Required Amount in respect of all the other accounts expressed to be in the same Order of Priority pursuant to Section 4.2 of this Agreement.

“**Release Date**” shall mean the date on which the Lenders’ Agents certifies to the Parties that all Loans and other amounts owing under or in respect of the Finance Documents have been irrevocably paid in full and there are no contingent liabilities of the Borrower to any of the Lenders, the Security Agent, the Lenders’ Agents, the Account Bank and/or their agents.

“**Request**” shall have the meaning given to it in **Schedule III** of this Agreement.

“**Required Amounts**” shall mean the amounts required to be transferred from the Project Proceeds Account into the other Retention Accounts on the relevant Cash Transfer Date as specified in the Approved Budget and/or as specified in this Agreement and/or as may be advised by the Lenders’ Agents.

BORROWER	Lenders’ Agent for Phase-1 Lenders	Lenders’ Agent for Phase-2 Lenders	Security Agent	Account Bank
Good	HUDCO <i>Rohit Pathak</i>	UBI <i>ts</i>	HUDCO <i>Rohit Pathak</i>	UCO <i>Li</i>

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“Retention Accounts” shall mean to include (a) the Project Proceeds Account, each sub or ledger account of the Project Proceeds Account viz., the Statutory Dues Sub-account, Construction Fund Sub-account, O&M Expenses Sub-account, Phase-1 Debt Service Sub-account, Phase-2 Debt Service Sub-account, Phase-1 Debt Service Reserve Sub-account, Phase-2 Debt Service Reserve Sub-account and the Surplus Sub-account; (b) Enforcement Proceeds Account; (c), Insurance Proceeds Account, individually, any one of the same and shall include each sub or ledger account of that account(s) and any replacement account(s) established pursuant to this Agreement.

“Rupee” or “Rs.” shall mean the lawful currency for the time being of India.

“Statutory Dues” shall mean the amounts required for meeting all the statutory taxes, levies, charges, impost, fees, cesses and duties, including, without limitation, customs duty, excise duty, sales tax, service tax, profession tax, income tax imposed or levied or assessed by any Government Authority on the Borrower in connection with the Project activities and earnings, due in any month or quarter or year, as the case may be, including AAL Lease Rental Payment, as set out in the Approved Budget.

“Statutory Dues Sub-account” shall mean a sub-ledger account of the Project Proceeds Account, or any other account, designated in the name of the Borrower.

“Surplus Sub-account” shall mean a sub-ledger account of the Project Proceeds Account, or any other account, designated in the name of the Borrower.

“Test Date” shall mean the 31<sup>st</sup> day of March of every calendar year starting from the date of repayment of first principal installment of Phase-2 Loans or such other earlier date(s) as may be mutually agreed with the Lenders and the Borrower.

“Transaction Agreement” shall have the meaning ascribed to it under the Loan Agreements.

“Working Capital Payments” shall mean the payments, interest, expenses and other monies payable to Working Capital Lenders by the Company for availing the Working Capital Facilities.

**1.2.A Construction & Interpretation**

- (a) Capitalised terms used but not otherwise defined in this Agreement shall have the meaning given to those terms in the Loan Agreements.
- (b) Clause 1.1 (Definitions) and Clause 1.2 (Interpretation) of the Loan Agreements apply to this Agreement as if expressly set out herein with each reference to the Loan Agreements being a reference to this Agreement.

**1.2B. Supremacy**

If there is any conflict between the terms of this Agreement and the Loan Agreements, the terms of the Loan Agreements will prevail.

**1.3 Operating Procedure**

The Account Bank and the Borrower have prior to execution of this Agreement agreed (after consultation with the Relevant Lenders’ Agent) on the terms and conditions and operating procedures for the Retention Accounts (as set out in Schedule-III to this Agreement), provided however, in the event of any inconsistency between this Agreement and such terms and conditions or operating procedures, this Agreement shall prevail.

BORROWER	Lenders’ Agent for Phase-1 Lenders	Lenders’ Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Arud</i>	HUDCO <i>Rohini Pathak</i>	UBI <i>R</i>	HUDCO <i>Rohini Pathak</i>	UCO <i>R</i>

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Notwithstanding anything contained in this Agreement, the Account Bank shall act only as per the written instructions of the Relevant Lenders' Agent and/ or the Borrower in accordance with the terms of this Agreement.

**1.4 Miscellaneous**

In this Agreement, unless the context requires otherwise, a bank account includes each sub or ledger account of that account and any replacement account.

**1.5 Effectiveness And Operational Convenience**

This Agreement shall be effective from the date hereof. Provided however, notwithstanding anything to the contrary contained herein, the Parties hereto agree that either the Borrower, the Relevant Lenders' Agent or the Account Bank may require that this Agreement be reviewed for operational convenience at any time and any changes to be made to this Agreement shall be mutually agreed by the Borrower, the Lenders' Agents and the Account Bank.

**2. MAINTAINENCE OF THE ACCOUNTS**

2.1 The Account Bank shall, save otherwise provided herein, maintain the Retention Accounts in accordance with the terms of this Agreement and its usual practices and applicable regulations.

2.2 The Account Bank shall supervise, manage and administer the Retention Accounts, and hold all the credit balances from time to time standing to the credit of those accounts, in each case in accordance with the terms of this Agreement and the Account Banks' usual practices and applicable regulations.

2.3 The Account Bank's rights and obligations under this Agreement shall continue until the Lenders' Agents directs the Account Bank otherwise in writing; and be suspended (if the Account Bank fails to discharge its obligations to the satisfaction of the Lenders' Agents) on the giving by the Lenders' Agents of written notice to the Borrower and the Account Bank that it intends to exercise exclusive control over such Retention Account(s) or dispose of such Retention Account(s) (in which case the Account Bank shall act only upon the instructions of the Lenders' Agents), until the Lenders' Agents notifies the Account Bank in writing otherwise.

**2.4 Borrower's Authorization**

The Borrower hereby irrevocably:

- (a) authorises the Lenders' Agents to give instructions to the Account Bank in respect of the Retention Accounts as set forth in this Agreement; and
- b) directs the Account Bank to act upon the instructions of the Lenders' Agents.

**2.5 Approved Budget**

The Borrower agrees that it shall provide Approved Budget to the Account Bank in accordance with the provisions of Article 14 (g) of this Agreement.

**3. RETENTION ACCOUNTS**

**3.1 Opening and Maintenance of the Retention Accounts**

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
Chord	HUDCO <i>Robinfath</i>	UBI <i>*</i>	HUDCO <i>Robinfath</i>	UGO <i>Uj</i>

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- (a) The Borrower, in terms of the Trust and Retention Account Agreement dated February 14, 2005 has opened the Trust and Retention Account bearing No. 00610200053360 with UCO Bank, Santacruz (W), Mumbai-400 054 for the benefit of the Phase-I Lenders. The Parties agree that the said Trust and Retention Account shall now be redesignated as the Project Proceeds Account on the date this Agreement is signed for the benefit of all the Lenders in accordance with the terms of this Agreement.
- (b) The Borrower agrees to keep open and maintain, at its own expense, the Retention Accounts until the Release Date.

### 3.2 No other Accounts

The Borrower shall not without the prior written approval of all the Lenders open or maintain any bank or other account other than the Retention Accounts and the Distribution Account.

### 3.3 Declaration of Trust: Vesting and Control of Retention Accounts

The Borrower hereby settles in trust with the Account bank the sum of Rs.1,000/- (Rupees One Thousand only) and hereby declares that all beneficial rights, title and interest in and to the Retention Accounts, documents pertaining to Permitted Investments, funds in the Retention Accounts, Investment Income and Investment Proceeds shall be held by the Account Bank in trust for the Lenders and the Borrower in accordance with the terms of this Agreement. The Account Bank hereby accepts the above amount of Rs. 1,000/- (Rupees One thousand only) in trust hereby declared upon the terms and conditions set forth in this Agreement. All the amounts deposited in the Retention Accounts from time to time shall be held in trust and applied as provided in this Agreement, and shall be subject to the obligations set forth in this Agreement. No Person (including without limitation, any Person entitled to receive any payment hereunder) other than the Lenders and the Borrower shall be treated, or have any rights hereunder, as beneficiaries under this Agreement. Nothing in this Agreement, expressed or implied, shall give or be construed to give to any Person other than the Parties hereto any legal or equitable right, remedy or claim under this Agreement, or under any covenant or provision herein contained, all such covenants and provisions being for the sole benefit of the Parties hereto.

### 3.4 Authorisation to Disclose

The Borrower hereby irrevocably authorises the Account Bank to disclose to the Lenders' Agents, the Security Agent and the Lenders any information relating to the Retention Accounts and the credit balances from time to time therein as the Lenders' Agents or the Security Agent or any Lender may, from time to time, request in writing. The Lenders may specify the purpose for which the information is required.

### 3.5 Instructions

Except as otherwise provided in this Agreement, the Account Bank shall act in relation to the Retention Accounts solely on the instructions of the Lenders' Agents. Save as expressly otherwise set out in this Agreement, the Account Bank shall make transfers to and/or from any Retention Account only in the manner and for the purposes set forth in this Agreement.

### 3.6 Misdirected Amounts

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
Good	HUDCO Rohinfath	UBI %	HUDCO Rohinfath	UCO Rohinfath

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The Borrower shall transmit to the Project Proceeds Account or other account as may be indicated by the Account Bank, any amount transferred to the Borrower or received by the Borrower from the Account Bank in error (for whatever reason) promptly upon written notice from the Account Bank or the Lenders' Agents, without set off, defense or counterclaim, and until so transmitted, such amount shall be held by the Borrower on behalf of and for the benefit of the Account Bank.

#### 4. PROJECT PROCEEDS ACCOUNT

##### 4.1 Deposits into the Project Proceeds Account

- (i) The Borrower shall deposit or cause to be deposited into the Project Proceeds Account, immediately on receipt, any Project Proceeds received by the Borrower from any source whatsoever, as whether received by the Borrower or by any other Person. Unless otherwise provided in this Agreement, the Borrower further undertakes to direct in all invoices and other demands or requests for payment of amounts relating to the Project owed or payable or to be owed or payable to the Borrower from whatever source, shall be so directed that such amounts are payable by telegraphic transfer to, or by any other means which shall result in the payment of such amounts directly into the Project Proceeds Account or shall result in the deposit/ transfer of such amounts into the Project Proceeds Account and shall ensure that such amounts are either paid directly into the Project Proceeds Account or are deposited/ transferred into the Project Proceeds Account. The Borrower shall deposit into the Project Proceeds Account, without limitation:
- (a) All Project Proceeds;
  - (b) Retention Account Transfer: all amounts required or permitted to be transferred to the Project Proceeds Account from any other Retention Account in accordance with the terms of this Agreement; and
  - (c) Investment Income: all Investment Income from the investments made from the proceeds of the Retention Accounts save to the extent that the Borrower is allowed to reinvest such Investment Income in any Permitted Investment in accordance with this Agreement.

- (ii) The Borrower shall, within five Business Days of the date of this Agreement, transfer to the Project Proceeds Account cash balances then standing to the credit of any bank or other accounts maintained by the Borrower or otherwise held by on behalf of the Borrower.

#### 4.2

##### Withdrawals from the Project Proceeds Account

Save as expressly otherwise set out in this Agreement, the Account Bank shall, subject to the compliance of the relevant applicable provision(s), if any, of Section 13 of this Agreement, permit withdrawal / make transfers from out of the Project Proceeds Account on the relevant Cash Transfer Date, only for the following purposes, at the following times and in the following order of priority ("Order of Priority"):

- (a) Statutory Dues Sub-account: **firstly**, an amount necessary to make the amount standing to the credit of the Statutory Dues Sub-account equivalent to the Statutory Dues to be transferred by the Account Bank from the Project Proceeds Account into the Statutory Dues Sub-account upon Request from the Borrower on every Monthly Cash Transfer Date for utilization by the Borrower to make payment of all such Statutory Dues in the forthcoming month or quarter or year, as the case may be;

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
Chord	HUDCO <i>Rohitgupta</i>	UBI <i>R</i>	HUDCO <i>Rohitgupta</i>	UCO <i>R</i>

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- (b) Construction Fund Sub-account: **Secondly (a)**, an amount necessary to make the amount standing to the credit of the Construction Fund Sub-account equivalent to the Construction Costs as specified in the Approved Budget as falling due for payment during such month to be transferred by the Account Bank from the Project Proceeds Account into the Construction Fund Sub-account upon Request from the Borrower on every Monthly Cash Transfer Date for utilization by the Borrower to enable the Borrower to meet the cost of Phase-2 Project in an amount no greater than that set out in the Approved Budget with respect to the relevant period; and  
(The transfer of amounts in the Construction Fund Sub-account shall be on the basis of the Approved Budget only. All the disbursement made out of the Phase-2 Loans, or pursuant to the cost overrun undertaking shall be transferred solely to Construction Fund Sub-account)
- (c) O&M Expenses Sub-account: **Secondly (b)**, an amount necessary to make the amount standing to the credit of the O&M Expenses Sub-account equivalent to the aggregate of the O&M Expenses specified in the Approved Budget to be transferred by the Account Bank from the Project Proceeds Account into the O&M Expenses Sub-account upon Request by the Borrower on every Monthly Cash Transfer Date for utilization by the Borrower during that month to meet the payment of O&M Expenses;
- (d) Phase-1 Debt Service Sub-account: **Thirdly (a)**, an amount necessary to make the amount standing to the credit of the Phase-1 Debt Service Sub-account equivalent to Phase-1 Debt Service to be transferred by the Account Bank from the Project Proceeds Account into the Phase-1 Debt Service Sub-account, on every Monthly Cash Transfer Date with respect to the interest and repayment of installments of principal amounts of the Phase-1 Loans including costs, charges, expenses, fees and other financing costs, for utilization of such amounts during that period to meet the Phase-1 Debt Service requirement; and
- (e) Phase-2 Debt Service Sub-account: **Thirdly (b)**, an amount necessary to make the amount standing to the credit of the Phase-2 Debt Service Sub-account equivalent to Phase-2 Debt Service to be transferred by the Account Bank from the Project Proceeds Account into the Phase-2 Debt Service Sub-account, on every Monthly Cash Transfer Date with respect to the interest and repayment of installments of principal amounts of the Phase-2 Loans including costs, charges, expenses, fees and other financing costs, for utilization of such amounts during that period to meet the Phase-2 Debt Service requirement; and

(The transfer of amounts in paragraphs (d) to (e) shall be on Pro-Rata basis.)

Notwithstanding the above, in the event that the Relevant Lenders' Agent intimates to the Account Bank prior to any Monthly Cash Transfer Date, any additional or further amounts to be transferred to the Phase-1 Debt Service Sub-account and Phase-2 Debt Service Sub-account as the case may be, on the immediately following Monthly Cash Transfer Date on account of any change in the rate of interest and other financing costs, the Account Bank shall transfer such amounts as intimated by the Relevant Lenders' Agent into the Phase-1 Debt Service Sub-account and Phase-2 Debt Service Sub-account accordingly on the immediately following Monthly Cash Transfer Date irrespective of the provision in the Approved Budget;

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
Asand	HUDCO <i>Robanpathy</i>	UBI <i>vs</i>	HUDCO <i>Robanpathy</i>	UGO <i>Uj</i>

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- (f) Phase-1 Debt Service Reserve Sub-account: **Fourthly (a)**, an amount necessary to make the amount standing to the credit of the Phase-1 Debt Service Reserve Sub-account equivalent to the Phase-1 Debt Service Reserve Requirement to be transferred by the Account Bank from the Project Proceeds Account into the Phase-1 Debt Service Reserve Sub-account on every Monthly Cash Transfer Date so as to ensure continued compliance with the Phase-1 Debt Service Reserve Requirement stipulation of the Phase 1 Lenders.
- (g) Phase-2 Debt Service Reserve Sub-account: **Fourthly (b)**, an amount necessary to make the amount standing to the credit of the Phase-2 Debt Service Reserve Sub-account equivalent to the Phase-2 Debt Service Reserve Requirement to be transferred by the Account Bank from the Project Proceeds Account into the Phase-2 Debt Service Reserve Sub-account on every Monthly Cash Transfer Date so as to ensure continued compliance with the Phase-2 Debt Service Reserve Requirement stipulation of the Phase-2 Lenders.
- (The transfer of amounts in paragraphs (f) to (g) shall be on a Pro-Rata basis.)
- (h) Surplus Sub-account: **Fifthly**, all surplus amounts, that is, the amount that remains to the credit of the Project Proceeds Account after transferring the Required Amounts or such other amounts in accordance with Section 4.2 (a) through Section 4.2 (g) hereinabove, to be transferred by the Account Bank into the Surplus Sub-account on every Monthly Cash Transfer Date.

## 5. STATUTORY DUES SUB -ACCOUNT

### (a) Deposits into the Statutory Dues Sub-account

To the extent that there are sufficient funds available, the transfers to be made into this account shall be as set out in Section 4.2 (a) hereof. In the event that there are insufficient funds available in the Project Proceeds Account on any Monthly Cash Transfer Date to transfer the amount required to be transferred into the Statutory Dues Sub-account, the Account Bank shall transfer such amounts (to the extent of the Required Amount) from the Surplus Sub-account.

### (b) Withdrawals from the Statutory Dues Sub-account

The Borrower may withdraw and/or Account Bank may transfer such amounts as may be required to pay the Statutory Dues in accordance with Section 13.2 and with the Approved Budget.

If, on any Monthly Cash Transfer Date, the aggregate of the balances standing to the credit of the Statutory Dues Sub-account exceeds the amount of Statutory Dues required to be deposited in this account pursuant to this Agreement, the surplus shall be transferred by the Account Bank to the Project Proceeds Account and applied in the Order of Priority.

## 6. CONSTRUCTION FUND SUB-ACCOUNT

### (a) Deposits into the Construction Fund Sub-account

To the extent that there are sufficient funds available in the Project Proceeds Account, the transfers to be made into this account shall be as set out in Section 4.2 (b) hereof.

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
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1133

**(b) Withdrawals from the Construction Fund Sub-account**

The Borrower may submit the amounts required to be withdrawn from the Construction Fund Sub-account to meet the cost of Phase-2 Project falling due from time to time in accordance with the Approved Budget. The Account Bank may transfer such amounts standing to the credit of the Construction Fund Sub-account only if the procedure as set out in Section 13.2 hereof has been complied with.

The Account Bank may provide cheque book facility to the Borrower for the purpose of making payments for meeting the Construction Costs pertaining to the Phase-2 Project, as may be advised by the Lenders' Agents, from time to time.

**7. O&M EXPENSES SUB-ACCOUNT****(a) Deposits into O & M Expenses Sub-account**

To the extent that there are sufficient funds available in the Project Proceeds Account, the transfers to be made into this account shall be as set out in Section 4.2 (c) hereof.

In the event that there are insufficient funds available in the Project Proceeds Account on any Monthly Cash Transfer Date to transfer of the amount required to be transferred into the O&M Expenses Sub-account, the Account Bank shall transfer such amounts (to the extent of the Required Amount) from the Surplus Sub-account.

**(b) Withdrawals from the O&M Expenses Sub-account**

The Account Bank may transfer such amounts from the O&M Expenses Sub-account to meet the O&M Expenses falling due from time to time in accordance with the Approved Budget. The Borrower may withdraw such amounts standing to the credit of the O&M Expenses Sub-account only if the procedure as set out in Section 13.2 hereof has been complied with.

If, on any Monthly Cash Transfer Date, the aggregate of the balances standing to the credit of any of the O&M Expenses Sub-account exceeds the Required Amount, the surplus shall be transferred by the Account Bank to the Project Proceeds Account and applied in the Order of Priority.

The Account Bank may provide cheque book facility to the Borrower for the purpose of making payments for meeting the O&M Expenses, as may be advised by the Lenders' Agents, from time to time.

**8.(A) PHASE-1 DEBT SERVICE SUB-ACCOUNT****(a) Deposits into the Phase-1 Debt Service Sub-account**

To the extent that there are sufficient funds available in the Project Proceeds Account after making the prior transfers required to be made in accordance with the Order of Priority, the transfers to be made into this account shall be as set out in Section 4.2 (d) hereof.

In the event that there are insufficient funds available in the Project Proceeds Account on any Monthly Cash Transfer Date to transfer the amounts required to be transferred into the Phase-1 Debt Service Sub-account as set forth in Section 4.2 (d) hereof, the Account Bank shall transfer such amounts (to the extent of the Required Amount) required to be transferred into the Phase-1 Debt Service Sub-account as set forth in

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Alvina</i>	HUDCO <i>Robynghat</i>	UBI <i>Robynghat</i>	HUDCO <i>Robynghat</i>	UCO <i>Robynghat</i>

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Section 4.2 (d) hereof from the Surplus Sub-account, and Phase-1 Debt Service Reserve Sub-account in that order in each case after exhausting the balances in the previous Retention Accounts.

(b) **Withdrawals from the Phase-1 Debt Service Sub-account**

The Borrower shall, and if the Borrower fails to do so, the Lenders' Agent for Phase-1 Lenders may withdraw amounts standing to the credit of the Phase-1 Debt Service Sub-account to meet the payment of the Phase-1 Debt Service and other financing costs falling due from time to time in accordance with the Approved Budget.

**8.(B) PHASE-2 DEBT SERVICE SUB-ACCOUNT**

(a) **Deposits into the Phase-2 Debt Service Sub-account**

To the extent that there are sufficient funds available in the Project Proceeds Account after making the prior transfers required to be made in accordance with the Order of Priority, the transfers to be made into this account shall be as set out in Section 4.2 (e) hereof.

In the event that there are insufficient funds available in the Project Proceeds Account on any Monthly Cash Transfer Date to transfer the amounts required to be transferred into the Phase-2 Debt Service Sub-account as set forth in Section 4.2 (e) hereof, the Account Bank shall transfer such amounts (to the extent of the Required Amount) required to be transferred into the Phase-2 Debt Service Sub-account as set forth in Section 4.2 (e) hereof from the Surplus Sub-account and Phase-2 Debt Service Reserve Sub-account in that order in each case after exhausting the balances in the previous accounts.

(b) **Withdrawals from the Phase-2 Debt Service Sub-account**

The Borrower shall, and if the Borrower fails to do so, the Lenders' Agent for Phase-2 Lenders may, withdraw amounts standing to the credit of the Phase-2 Debt Service Sub-account to meet the payment of the Phase-2 Debt Service and other financing costs falling due from time to time in accordance with the Approved Budget.

**9.(A) PHASE-1 DEBT SERVICE RESERVE SUB-ACCOUNT**

(a) **Deposits into the Phase-1 Debt Service Reserve Sub-account**

To the extent that there are sufficient funds available in the Project Proceeds Account after making the prior transfers required to be made in priority in accordance with the Order of Priority the transfers to be made into this Account shall be as set out in Section 4.2 (f) hereof.

In the event that there are insufficient funds available in the Project Proceeds Account on a Monthly Cash Transfer Date to transfer the amounts required to be transferred into the Phase-1 Debt Service Reserve Sub-account, the Account Bank shall transfer such amounts (to the extent of any shortfall in the Phase-1 Debt Service Reserve Requirement) from the Surplus Sub-account.

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>CBM</i>	HUDCO <i>Rohinfath</i>	UBI <i>ix</i>	HUDCO <i>Rohinfath</i>	UCB <i>Rohinfath</i>

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1155

**(b) Withdrawals from the Phase-1 Debt Service Reserve Sub-account**

The Account Bank may transfer amounts from the Phase-1 Debt Service Reserve Sub-account only for topping up the Phase-1 Debt Service Sub-account to the extent required to ensure that Required Amount will be available in the Phase-1 Debt Service Sub-account on a Monthly Cash Transfer Date, only in the event of insufficiency of funds in the Project Proceeds Account and Surplus Sub-account.

If, on any Monthly Cash Transfer Date, the aggregate of the balances standing to the credit of the Phase-1 Debt Service Reserve Sub-account exceeds the Required Amount, the surplus shall be transferred by the Account Bank to the Project Proceeds Account and applied in the Order of Priority.

**9.(B) PHASE-2 DEBT SERVICE RESERVE SUB-ACCOUNT****(a) Deposits into the Phase-2 Debt Service Reserve Sub-account**

To the extent that there are sufficient funds available in the Project Proceeds Account after making the prior transfers required to be made in priority in accordance with the Order of Priority the transfers to be made into this account shall be as set out in Section 4.2 (g) hereof.

In the event that there are insufficient funds available in the Project Proceeds Account on a Monthly Cash Transfer Date to transfer the amounts required to be transferred into the Phase-2 Debt Service Reserve Sub-account, the Account Bank shall transfer such amounts (to the extent of any shortfall in the Phase-2 Debt Service Reserve Requirement) from the Surplus Sub-account.

**(b) Withdrawals from the Phase-2 Debt Service Reserve Sub-account**

The Account Bank may transfer amounts from the Phase-2 Debt Service Reserve Sub-account only for topping up the Phase-2 Debt Service Sub-account to the extent required to ensure that Required Amount will be available in the Phase-2 Debt Service Sub-account on a Monthly Cash Transfer Date, only in the event of insufficiency of funds in the Project Proceeds Account and Surplus Sub-account.

If, on any Monthly Cash Transfer Date, the aggregate of the balances standing to the credit of the Phase-2 Debt Service Reserve Sub-account exceeds the Required Amount, the surplus shall be transferred by the Account Bank to the Project Proceeds Account and applied in the Order of Priority.

**10. INSURANCE PROCEEDS ACCOUNT****(a) Deposits into the Insurance Proceeds Account**

Any monies received by the Borrower under all the insurance policies including the advance loss of profit & business interruption policies shall be deposited into the Insurance Proceeds Account without set-off or counterclaim or any restriction or conditions or otherwise.

**(b) Withdrawals from the Insurance Proceeds Account**

The Account Bank may transfer the Insurance Proceeds for the purposes of replacing and/or repairing the lost and/or damaged fixed assets or any other assets, as the case may be. The surplus, if any, in the Insurance Proceeds Account after replacing and /or repairing such assets and/or payment/ repayment of loans, if any,

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Armed</i>	HUDCO <i>Robyath</i>	UBI <i>vs</i>	HUDCO <i>Robyath</i>	UCO <i>Robyath</i>

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1186

raised for the replacing and/or repairing any such assets shall be transferred by the Account Bank into the Project Proceeds Account on Monthly Cash Transfer Date.

#### 11. SURPLUS SUB-ACCOUNT

##### (a) Payments into the Surplus Sub-account

To the extent that there are sufficient funds available in the Project Proceeds Account after making the transfers required to be made in priority in accordance with the Order of Priority, the payment to be made into the Surplus Sub-account shall be as set out in Section 4.2(h) hereof.

##### (b) Payments out of the Surplus Sub-account

(i) The Borrower shall withdraw amounts standing to the credit of the Surplus Sub-account to make payments into the Distribution Account for distribution by way of dividends as and when declared or for other purposes as may be approved by the Lenders, only if all the other Retention Accounts have been funded to the extent of the Required Amounts or otherwise provided in this Agreement

Provided that, such payments shall be made only after the Borrower has demonstrated on the Test Date, to the satisfaction of the Lenders, that:

- (ii) there is no Event of Default that has occurred and/or is continuing under any of the Finance Documents; and
- (iii) all payments to be made in terms of the applicable Order of Priority have been made in full and each of the other Retention Accounts have such amounts lying to its balance as is required in terms of this Agreement;
- (iv) Prior to any payment being made under Section 11(b), above, amounts lying to the credit of the Surplus Sub-account shall also be utilized to make payments into the Statutory Dues Sub-account as set forth in Section 5(a) hereof; into the Construction Fund Sub-account as set forth in Section 6(a) hereof; into O&M Expense Sub-account Account as set forth in Section 7(a) hereof; into the Phase-1 Debt Service Sub-account as set forth in Section 8 (A) (a) hereof; into the Phase-2 Debt Service sub-account as set forth in Section 8 (B) (a) hereof; into the Phase-1 Debt Service Reserve Sub-account as set forth in Section 9 (A) (a) hereof; into the Phase-2 Debt Service Reserve Sub-account as set forth in Section 9 (B) (a) hereof.

(v) The amounts in the Surplus Sub-account that are not transferred to the Distribution Account as set forth in Section 11(b) hereinabove, such amounts shall be transferred by the Account Bank to the Project Proceeds Account and applied in the applicable Order of Priority.

#### 12. ENFORCEMENT PROCEEDS ACCOUNT

##### (a) Deposits into the Enforcement Proceeds Account

The Parties agree that notwithstanding anything to the contrary in this Agreement but subject to Applicable Laws, all proceeds of any enforcement action arising out of the Security Documents, amounts lying in all the Retention Account and amounts in respect of General Compensation shall be deposited into the Enforcement Proceeds Account and that each of them shall procure all the Enforcement Proceeds are to be deposited into the Enforcement Proceeds Account without set-off or counterclaim or any restriction or condition or other deductions or otherwise.

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Chowd</i>	HUDCO <i>Robinjith</i>	UBI <i>is</i>	HUDCO <i>Robinjith</i>	UCO <i>is</i>

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**(b) Withdrawals from the Enforcement Proceeds Account**

All proceeds of any Enforcement Action arising out of the Security Documents shall be utilised entirely for the purposes of making payment of all monies payable by the Borrower under the Finance Documents to the Lenders, the Lenders' Agents, the Security Agent, the Account Bank and/or their agents, as the case may be, on pro rata basis and the Account Bank shall disburse the proceeds of this account directly to the entitled parties to the extent of their entitlements to be determined in accordance with the Amended and Restated Inter-Creditor Agreement and notified by the Security Agent to the Account Bank.

If the Lenders have been repaid and discharged in full, the surplus amounts, if any, in the Enforcement Proceeds Account after payments have been made in terms of Section 12 (b) hereinabove, shall be transferred by the Account Bank into the Surplus Sub-account.

**13. WITHDRAWALS**

**13.1 Permitted Withdrawals - General**

Each of the Parties agree that:

- (a) no deposits into, or withdrawals from the Retention Account shall be made except as expressly permitted by this Agreement;
- (b) all amounts withdrawn from any Retention Account by the Borrower for application in or towards making a specific payment or meeting a specific liability shall be applied in or towards making that payment or meeting that liability and for no other purpose;
- (c) withdrawal from any Retention Account shall be restricted to the extent that such Retention Account should not become overdrawn as a result of such withdrawal other than as expressly permitted in this Agreement; and
- (d) no withdrawal shall be made from any Retention Account if, prior to the date of the relevant proposed withdrawal, the Relevant Lenders' Agent notifies the Account Bank that the withdrawal is not or would not be permitted under this Agreement or any other Finance Document, provided that nothing in this paragraph (d) obliges the Relevant Lenders' Agent to monitor whether or not a withdrawal is permitted under this Agreement, or any other Finance Document or shall prevent the Account Bank complying with its obligations under Applicable Law.

**13.2 Withdrawal Procedures**

All requests for withdrawals or transfers from any Retention Account (save in the case of a withdrawal for the purposes of making a Permitted Investment which shall be made in accordance with Section 18 and save as otherwise expressly set out in this Agreement) shall be made in accordance with the **Schedule-III**.

**13.3 Withdrawals during Default**

Upon the occurrence of a Default or an Event of Default, the Borrower and the Account Bank shall follow the procedures for operation of the Retention Accounts in accordance with the provisions of this Agreement and the procedures laid down in **Schedule-III**.

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Anand</i>	HUDCO <i>Robyraj</i>	UBI <i>R</i>	HUDCO <i>Robyraj</i>	UCO <i>R</i>

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17

#### 13.4 Withdrawals by Relevant Lenders' Agent on Payment Default

If the Borrower does not pay any amount due and payable:

- (a) to or for the account of any Lender in accordance with the Finance Documents; or
- (b) to or for the account of any other Person in respect of the Project;
- (c) the Relevant Lenders' Agent may without further consent or authority procure the withdrawal and application of any amounts standing to the credit of any of the Retention Accounts to meet any such amount in accordance with this Agreement. Any amount so withdrawn shall be in discharge of the Borrower's obligation to the extent of the withdrawal, but if the Borrower's failure to pay the amount constitutes, or would but for such withdrawal constitute, a Default, the withdrawal and application of the amount by the Relevant Lenders' Agent does not itself constitute a remedy or waiver of such Default.

#### 13.5 Lenders' Agents as Sole Signatories

Each of the Parties agrees that:

- (a) if the Relevant Lenders' Agent notifies the Account Bank that a Default has occurred and/or is continuing and in such notice invokes provisions of this Agreement or upon the Account Bank receiving a notice from the Borrower of an occurrence of a Default, the Relevant Lenders' Agent shall be entitled (but not obliged) without notice to, or consent of, the Borrower to:
  - (i) be the sole signatory on each of the Retention Accounts; and
  - (ii) apply all amounts in the Retention Accounts in or towards reduction (as and when they fall due) of amounts outstanding under the Finance Documents in accordance with the provisions of this Agreement or the Amended and Restated Inter Creditor Agreement, and such other payments as the Lenders may agree and may appropriate such amounts to such obligations in such order as the Lenders may deem fit. After occurrence of Default, no amount shall be payable to the Borrower, or may be withdrawn by the Borrower, in respect of the Retention Accounts.
- (b) As between the Borrower and the Relevant Lenders' Agent, a notice under paragraph (a) may be given only when a Default has occurred and is continuing but the Account Bank shall not be required to enquire whether or not this is the case and shall treat such a notice at face value.

#### 14. UNDERTAKINGS OF THE BORROWER

The Borrower undertakes to each of the Lenders that throughout the currency of the Loans and so long as any sum is or may become payable under any Finance Document, the Borrower will, unless the Lenders otherwise agree in writing:

- (a) comply with its duties and obligations under this Agreement including but not limited to making all deposits into and withdrawals out of the Retention Accounts as set out herein;
- (b) ensure that each Retention Account is, and continues to be, charged in favour of the Lenders represented by the Security Agent;
- (c) not operate any of the Retention Accounts or authorise or permit any other Person to do so except in accordance with this Agreement;

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Grand</i>	HUDCO <i>Robing</i>	UBI <i>vs</i>	HUDCO <i>Robing</i>	UCO <i>Robing</i>

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- (d) ensure that all amounts standing to the credit of any of the Retention Accounts are utilized/ applied only in accordance with this Agreement;
- (e) not close or transfer or purport or attempt to close or transfer any of the Retention Accounts without the prior consent of all the Lenders;
- (f) deposit all the Project Proceeds, revenues, Insurance Proceeds, General Compensation amounts and all other amounts into Retention Accounts as specified in this Agreement; and
- (g) ensure that the Approved Budgets shall be provided, within five (5) Business Days from the approval date to the Account Bank.

#### 15. CLOSING OF RETENTION ACCOUNTS

The Account Bank shall close those Retention Accounts established and maintained pursuant to the terms of this Agreement on the Release Date and shall transfer any credit balances thereon to the order of the Borrower or to such account(s) as the Borrower may designate after receipt of the confirmation to this effect from the Lenders' Agents.

#### 16. STATEMENT OF ACCOUNTS

The Borrower irrevocably requests the Account Bank to provide a full statement of all payments into or from the Retention Accounts on a monthly basis on the 3<sup>rd</sup> day of every calendar month to the Lenders' Agents and the Borrower, and the Lenders' Agents may arrange for a review of such statements.

#### 17. GENERAL

##### 17.1 General

- (a) Separate Accounts: Each Retention Accounts shall be a separate account at the Account Bank. The Project Proceeds Account must be divided into separate sub ledger-accounts or any other account as per usual practices of the Account Bank.
- (b) Obligations Binding: None of the restrictions contained in this Agreement on the withdrawal of funds from the Retention Accounts shall affect the obligations of the Borrower to make all payments required to be made to the Lenders' Agents on the due date for payment thereof in accordance with the Finance Documents.
- (c) Operating Procedures: The detailed operating procedures for the Retention Accounts shall be in accordance with the Account Bank's standard regulations governing accounts subject to the prior written approval of the Lenders' Agents to such regulations and any amendments thereto from time to time.
- (d) Availability: The Account Bank shall not be obliged to make available to the Borrower any sum which it is expecting to receive for the account of the Borrower until it has been able to establish that it has received that sum.
- (e) No Waiver: Neither the ability of the Borrower to make any withdrawal from a Retention Account in accordance with this Agreement nor any such withdrawal shall be construed as a waiver by any Lender of any of the encumbrances created by or pursuant to any Finance Document.

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
Chond	HUDCO <i>Robyrajith</i>	UBI <i>vs</i>	HUDCO <i>Robyrajith</i>	UCO

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17.2 Interest on Balances

Each sum credited to a Retention Account from time to time shall, from the time it is so credited until the time it is withdrawn therefrom (whether for the purpose of making a Permitted Investment or otherwise applied in accordance with the terms of this Agreement) bear interest at such rate as the Borrower may from time to time agree with the Account Bank, and such interest shall be deposited from time to time in accordance with the Account Bank's terms and conditions into the Project Proceeds Account.

18. PERMITTED INVESTMENTS

18.1 Power to Invest

Other than when an Event of Default is subsisting and has been notified to the Account Bank, the Account Bank shall, on the instruction of the Borrower, subject to terms as provided in this Agreement, invest such part of the amounts standing to the credit of any of the Retention Account as the Borrower considers prudent from time to time in Permitted Investments in accordance with this Section.

18.2 Procedure for Investment

Permitted Investments shall be made by the Account Bank on the instructions of the Borrower, subject to the conditions stipulated in this Agreement in the following manner:

- (a) the Borrower shall at all times seek to match the maturities of the Permitted Investments made out of moneys standing to the credit of each Retention Account to the maturity of its liabilities, having regard to the availability of Permitted Investments which are readily marketable and keeping in view the expected requirement for funds from such account from which the investment has been made, and shall exercise its rights under Section 18.5 or liquidate (or procure that these are liquidated) Permitted Investments to the extent necessary for the purposes of payment of any amount due under the Transaction Documents;
- (b) all documents of title or other documentary evidence of ownership with respect to Permitted Investments made out of any Retention Account shall be to the account of the related Retention Account held in the possession of the Account Bank and, if any such document or other evidence comes into the possession or control of the Borrower, it shall procure that the same is delivered immediately to the Account Bank;
- (c) the Borrower may, from time to time, by notice issued in writing signed by a duly authorised signatory of the Borrower to the Account Bank:
  - (i) require the Account Bank to apply an amount from the Project Proceeds Account in the purchase of, or subscription for, a Permitted Investment as may be specified by it in the notice; or
  - (ii) require the Account Bank to dispose of, realise or otherwise deal with a Permitted Investment as specified in the notice, and the Account Bank shall be bound forthwith, to the extent it is within the Account Bank's power to do so, to obtain, dispose of, realise or otherwise deal with that Permitted Investment as required in the relevant notice. In so doing the Account Bank shall act for the Borrower on an execution only basis and may assume that the Borrower is not relying on the Account Bank to exercise any judgment or give any advice to the Borrower as to the merits of or the suitability of the relevant transaction; and

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
Armed	HUDCO <i>Rohini</i>	UBI <i>R</i>	HUDCO <i>Rohini</i>	UCO <i>R</i>

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(d) the Borrower shall instruct the Account Bank to purchase, subscribe for or otherwise make a Permitted Investment as provided in the **Schedule II**. The Account Bank or such other Person making a Permitted Investment shall agree, in a form acceptable to the Lenders' Agents, that:

- (i) the Permitted Investment is held to the order of the Account Bank;
- (ii) any payment in respect of the Permitted Investment shall be remitted (in full and without any deduction, withholding or retention of any kind, except to the extent required by law) to the Account Bank;
- (iii) it shall not exercise, and shall hold the Permitted Investment free of, any encumbrance, right of set-off, counterclaim or other interest which it may have.

The Borrower agrees that any Permitted Investment shall be made subject to the above terms and such additional terms and conditions as the Lenders' Agents may reasonably require.

### 18.3 Realisations

Permitted Investments shall be realised in the following manner:

- (a) whenever the Account Bank receives any Investment Proceeds or Investment Income, the Account Bank shall:
  - (i) in the case of Investment Proceeds, apply the Investment Proceeds by either reinvesting them in further Permitted Investments nominated by the Borrower; or transferring them into the Retention Account concerned with the Permitted Investment from which the Investment Proceeds derive, whichever the Borrower directs; and
  - (ii) in the case of Investment Income, deposit the same into the Project Proceeds Account or, if the Permitted Investment from which the Investment Income derives is to be retained after the Investment Income is received and the Borrower so requests, reinvest the same in that Permitted Investment;
- (b) the Borrower agrees with the Lenders' Agents and the Account Bank to give directions under paragraph (a) and otherwise to exercise its rights under this Agreement in such manner as shall ensure compliance with the applicable provision of the Finance Documents with respect to Retention Accounts, Permitted Investments, Investment Proceeds and Investment Income; and
- (c) the Account Bank agrees that, immediately upon receiving notice from the Lenders' Agents it shall take such steps as may be specified in that notice to sell or otherwise realise the specified Permitted Investments and shall apply the Investment Proceeds or Investment Income received by it in such manner as the Lenders' Agents may direct it so to do.

### 18.4 Non-qualifying Criteria

- (a) The maximum maturity of a Permitted Investment made with moneys from the Retention Accounts shall be 180 days; and

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
David	HUDCO <i>Rohit</i>	UBI <i>ks</i>	HUDCO <i>Rohit</i>	UCO <i>Raj</i>

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- (b) If any investment ceases to be a Permitted Investment, the Borrower shall inform the Lenders' Agents forthwith and shall immediately after becoming aware thereof, procure that the relevant investment is replaced by a Permitted Investment or by cash.

#### 18.5 Retention Accounts include Permitted Investments

- (a) Subject to paragraph (b) below, any reference in any Finance Document to the balance standing to the credit of a Retention Account shall be deemed to include a reference to the Permitted Investments in which all or part of such balance is for the time being invested. The value of any publicly-quoted Permitted Investment shall be its selling price at close of business in the relevant market on the relevant day.
- (b) If the amount standing to the credit of a Retention Accounts (excluding for this purpose any amount deemed to be included pursuant to paragraph (a) above) is insufficient to make a payment under any of the Transaction Documents when due and payable out of that Retention Account, the Lenders' Agents are hereby authorised in its discretion and without any liability for loss or damage thereby incurred by the Borrower, to require the Account Bank (giving not less than 48 hours prior written notice) or, as the case may be, the Borrower to sell or otherwise realise or to enter into any exchange transaction with respect to, any Permitted Investment made out of moneys standing to the credit of that Retention Account to the extent that the same appears to the Lenders' Agents to be necessary for the payment of any amount due under the Transaction Documents which could not otherwise be paid out of the cash balance standing to the credit of the relevant Retention Account.

- 18.6 For the avoidance of doubt it is hereby clarified that Permitted Investments can be made out of the any Retention Account and in the manner as set forth in this Agreement.

#### 19. GENERAL UNDERTAKINGS

##### 19.1 Report

The Borrower agrees to provide to the Lenders' Agents within twenty (20) Business Days of the last day of every month, a certificate signed by a signatory of the Borrower duly authorised by the board of directors of the Borrower which contains:

- (a) a reasonably detailed summary of all deposits to each of the Retention Accounts;
- (b) a reasonably detailed summary by major categories of the expenditures made during the period from funds drawn from each of the Retention Accounts; and
- (c) a representation and warranty that all withdrawals and payments from each of the Retention Accounts were permitted and made in accordance with this Agreement.

The Borrower acknowledges that the continuance by the Lenders of the Loans and/or the making of further advances made pursuant thereto is in reliance on the representation and warranty referred to in paragraph (c) in addition to the other representations and warranties made by the Borrower in the Loan Agreements.

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Chand</i>	HUDCO <i>Rohit</i>	UBI <i>R</i>	HUDCO <i>Rohit</i>	UCO <i>R</i>

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**19.2 No Withdrawal**

The Borrower undertakes that it shall not at any time withdraw or attempt or be entitled to withdraw funds standing to the credit of any Retention Account other than as permitted by this Agreement, provided that this undertaking shall not restrict any enforcement of this Agreement, any other Transaction Document or any encumbrance or other rights granted in favour of the Lenders on, over or in respect of any Retention Account or any dealing by the Lenders, the Lenders' Agents or the Security Agent with respect thereto or the moneys standing to the credit of any Retention Account.

**20. ACCOUNT BANK****20.1 Acceptance of Appointment of Account Bank**

(a) The Account Bank hereby agrees to act as such and to accept all payments and other amounts to be delivered to or held by the Account Bank pursuant to the terms of this Agreement. The Account Bank shall hold and safeguard the Retention Accounts during the term of this Agreement and shall treat the amount in the Retention Accounts as monies deposited by Borrower / Lender/ any other Person in relation to Project with the Account Bank, as agent for the benefit of the Lenders, or the Lenders' Agents on behalf of the Lenders, or its nominee, successors or assigns, in trust in accordance with the provisions of this Agreement. In performing its functions and duties under this Agreement, the Account Bank shall act in trust for and as agent for the Lenders.

(b) The Borrower also hereby declares that all right, title and interest in and to the Retention Accounts and the Permitted Investments made from the Retention Accounts shall be vested in the Account Bank and held in trust for the Lenders acting through the Lenders' Agents and the Borrower in accordance with the terms of this Agreement and their respective interests as are provided for herein. Amounts deposited in the Retention Accounts from time to time shall be held by the Account Bank in trust and received and applied as provided in and in accordance with this Agreement. No Person other than the Lenders and the Borrower shall have any rights under this Agreement.

(c) The rights of Borrower / the Lenders in the monies held in Retention Accounts are set forth in their entirety in this Agreement and Borrower / the Lenders shall have no other rights against or to the monies in the Retention Accounts.

**20.2 Duties and Liabilities Generally**

The Account Bank undertakes to perform only such duties as are specifically set forth to be performed in this Agreement and such other duties as are specifically directed jointly by the Lenders' Agents and the Borrower, in good faith and using reasonable skill and diligence, but in no event shall the Account Bank be liable for consequential damages. The Account Bank has been appointed hereunder for the sole purpose of dealing with the funds received by it only in accordance with the express terms of this Agreement and that no duties, obligations or responsibilities to any Person other than as expressly set forth herein are intended and the Account Bank shall not in any way be liable for the form, perfection, registration, disposition or maintenance of the trust established hereby, except as set forth in this Agreement and as it may be expressly instructed jointly by the Lenders' Agents and the Borrower. In the absence of a specific provision in this Agreement, the Account Bank shall take no action under this Agreement until it has received specific joint direction from the Lenders' Agents and the Borrower and shall incur no liability thereby (except as stated above). The Account Bank shall be under no

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Band</i>	HUDCO <i>Rohiniathy</i>	UBI <i>x</i>	HUDCO <i>Rohiniathy</i>	UCO <i>g</i>

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obligation to perform any duty or act or refrain from acting or exercise any of its rights, powers or privileges hereunder unless it shall have obtained security or indemnity satisfactory to it against all costs, expenses and liabilities which in its judgment might be required upon or incurred by it in connection with such exercise.

### 20.3 Particular Duties of the Account Bank

The Account Bank:

- (i) may, in good faith and with reasonable care, rely as to any matters of fact which might reasonably be expected to be within the knowledge of the Borrower upon a certificate signed by or on behalf of the Borrower;
- (ii) may, in good faith and with reasonable care, rely upon the authenticity of any communication or documents reasonably believed by it to be authentic;
- (iii) shall, within two (2) Business Days after receipt, deliver a copy to the Lenders' Agents of any notice or document received by the Account Bank in its capacity as the Account Bank from the Borrower or any other Person hereunder or in connection herewith; and
- (iv) shall, within two (2) Business Days after receipt, deliver a copy to the Borrower of any notice or document received by the Account Bank from the Relevant Lenders' Agent in connection herewith.

### 20.4 Fees

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### 20.5 General Limitation

The Account Bank shall not have any duties, obligations and responsibilities hereunder except as expressly provided herein and shall not be liable to any other Party or any Lender for any act or omission on its part except in the case of its gross negligence or willful misconduct.

No Party nor any Lender may take any proceedings against any officer, employee or agent of the Account Bank in respect of any claim it might have against the Account Bank or in respect of any act or omission of any kind (excluding gross negligence or willful misconduct) by that officer, employee or agent in relation to this Agreement.

### 20.6 No Liability

The Account Bank shall not have any responsibility for:

- (a) any failure or delay by the Borrower (or any commissioner, director, officer, employee or agent of the Borrower) in performing its obligations under any Transaction Document;
- (b) the authorisation, execution, legality, validity, enforceability, effectiveness, genuineness or sufficiency of any Transaction Document or any other document;
- (c) the accuracy of any representation, warranty or statement made in or in connection with any Transaction Document;

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Amud</i>	HUDCO <i>Robinsingh</i>	UBI &	HUDCO <i>Robinsingh</i>	UCO <i>Li</i>

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- (d) the collectability of any sum payable under any Transaction Documents;
- (e) taking any steps to ascertain whether the Borrower is in breach of any of its obligations under any Transaction Document, or pursuant to any notice delivered in accordance with the Transaction Documents, or to perform any act or thing as a consequence of any such breach save as expressly provided in this Agreement;
- (f) accounting for any sum received by it by way of fees or reimbursement of expenses in connection with this Agreement or for any benefit received by it arising out of any present or future banking relationship with the Borrower;
- (g) effecting or procuring registration of or otherwise protecting or perfecting the security created under or pursuant to the Security Documents, over the Retention Accounts; or
- (h) clearing the cheques drawn on the Construction Fund Sub-account and the O&M Expenses Sub-account after transfer of monies from the Project Proceeds Account to the Construction Fund Sub-account and the O&M Expenses Account, for meeting the Construction Cost and/or O&M Expenses.

#### 20.7 Segregation of Funds and Property

- (a) Monies and other property received by the Account Bank pursuant to this Agreement shall, until used or applied as provided in this Agreement, be held in trust for the purposes for which they were received, and shall be segregated from other funds of the Account Bank. For the avoidance of doubt, it is agreed that the monies and properties held by the Account Bank pursuant to this Agreement shall not be considered as part of the assets of the Account Bank, and, being trust property shall not, in the case of a bankruptcy or liquidation of the Account Bank, be considered as its assets and shall not be available to the liquidator, bankruptcy trustee or other creditor of the Account Bank and such monies and properties shall be wholly excluded from the assets of the Account Bank in such bankruptcy.
- (b) The Account Bank agrees not to claim or exercise and irrevocably waives any right of set off, banker's lien or other right or remedy to which it may be otherwise entitled with respect to amounts standing to the credit of the Retention Accounts.

#### 20.8 Books and Records

- (a) The Account Bank shall be responsible for maintaining a correct and complete record of all transactions, deposits, withdrawals or transfer of funds relating to each of the Retention Accounts and may open, maintain and close such suspense and auxiliary accounts as may be necessary properly to record and reflect all transactions carried out by it under this Agreement.
- (b) The Borrower authorises the Account Bank to give the Lenders' Agents and any Lender upon request, a full statement of all payments into or from the Retention Accounts on a monthly basis subject to restrictions under Applicable Law and right of confidentiality of the Account Bank.

#### 20.9 Confidentiality

The Account Bank shall keep confidential all information furnished to it by or on behalf of the Borrower, the Lenders' Agents pursuant to or in connection with this Agreement or any of the documents, agreements or matters referred to herein

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Amma</i>	HUDCO <i>Rohit</i>	UBI <i>R</i>	HUDCO <i>Rohit</i>	UCO <i>R</i>

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provided that the Account Bank may disclose such information (i) to its attorneys and auditors to the extent they have a bona fide need for such information, (ii) to regulatory authorities charged with the supervision and examination of the Account Bank, (iii) to any potential successor of the Account Bank or any potential assignee of all or a portion of the Account Bank's rights hereunder so long as such potential successor or potential assignee of the Account Bank covenants in writing to uphold this confidentiality provision, (iv) that was in the public domain at the time of the Account Bank's disclosure, (v) that subsequently comes into the public domain through no fault of the Account Bank, (vi) that is disclosed to the Account Bank by a third party who is under no obligation to any other party to keep such information confidential, (vii) to enable it to comply with any Applicable Law, (viii) in connection with the defense of any litigation or transactions contemplated hereby to the extent necessary, and (ix) to any other Party in connection with the enforcement of the rights and remedies of any Party to the extent necessary.

#### 20.10 Change of Account Bank

- (i) The Account Bank may after giving at least 90 days of notice in writing to Lenders' Agents resign from acting as the Account Bank in terms of this Agreement. Provided however, no such resignation of the Account Bank shall be effective if the Lenders' Agents, and the Borrower are unable to find a successor bank acceptable to the Lenders' Agents within the above mentioned period.
- (ii) If the Account Bank commits breach of any of the terms of this Agreement or if any proceedings for winding-up of the Account Bank or any other insolvency proceedings are committed against the Account Bank, the Lenders shall have the right to terminate the appointment of the Account Bank by giving a written notice of 60 days to the Account Bank
- (iii) In the event of the notice of resignation by the Account Bank in accordance with Section 20.10 (i) or a notice of termination of the appointment of the Account Bank by the Lenders' Agents in accordance with section 20.10 (ii) above, the Lenders' Agents and the Borrower shall forthwith take steps to appoint successor bank as the Account Bank and shall not later than 30 days before the effectiveness of such resignation or termination or in the case of termination as a result of any winding-up or insolvency proceedings as soon as is reasonably practicable and in any event within 30 days of the notice of the termination, execute and cause such successor bank to execute an agreement on the terms substantially similar to those contained in this Agreement. All expenses relating to appointment of new Account Bank arising due to termination shall be borne by the Borrower.
- (iv) The retiring Account Bank must make available to the successor Account Bank such documents and records and provide such assistance as the successor Account Bank may reasonably request for the purposes of performing its functions as the Account Bank under this Agreement.
- (v) Upon its resignation becoming effective, this Agreement shall continue to benefit the retiring Account Bank in respect of any action taken or not taken by it in connection with this Agreement while it was the Account Bank. Subject to paragraph (iv) above, the retiring Account Bank shall have no further obligations under this Agreement.

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
Chand	HUDCO <i>Rohitguthy</i>	UBI <i>R</i>	HUDCO <i>Rohitguthy</i>	UCO <i>Ly</i>

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**20.11 Compliance with Law**

The Account Bank (in its role as Account Bank hereunder) may refrain from taking any action, which, in its reasonable opinion, would or might contravene any law in any relevant jurisdiction, and do all such things in its reasonable opinion necessary to comply with any such law.

**20.12 Reliance on Notices and Certificates**

The Account Bank may rely upon any notice or certificate believed by it to be genuine and correct and to have been signed by, or with the authority of, the proper Person and not on its face contrary to any provision of this Agreement and the Account Bank shall not be bound in any such case to call for further evidence or be responsible for any losses, liabilities, costs, damages, expenses or inconvenience that may be occasioned by its failure to do so.

**20.13 Indemnity**

The Borrower shall on demand indemnify and keep indemnified the Account Bank (or agent of Account Bank appointed pursuant to this Agreement) against all liabilities and losses suffered or incurred by the Account Bank in any way relating to or arising out of its acting as the Account Bank or by reason of the acquisition, holding, disposal or realisation of any Permitted Investment.

**20.14 No Deduction**

The Account Bank agrees that it:

- (a) has received notice that each Retention Account and Permitted Investment is the subject of security in favour of the Security Agent (on behalf of the Lenders);
- (b) shall not claim or be entitled to any encumbrance with respect to any Retention Account or monies credited to any Retention Account or any Permitted Investment or Investment Income or, save as provided in paragraph (c) below, make any deductions from, or exercise any rights of set-off or counter-claim, bankers' lien or other equities (whether by contract or as a matter of law) against the moneys standing from time to time to the credit of, or transferred from, any Retention Account or any Permitted Investment or Investment Income; and
- (c) shall be entitled to debit from the Surplus Sub-account (without the need for an instruction from the Lenders' Agents) agreed with the Borrower commercial transaction charges with respect to the operation and administration of the Retention Accounts and shall as soon as reasonably practicable give written notice of any such deduction to the Borrower and (Lenders' Agents if it requests such information).

**20.15 Segregation**

The Account Bank shall at all times ensure that investments held by it pursuant to this Agreement are segregated from all other investments.

**20.16 No Security Interests**

- (i) The Account Bank confirms to the Lenders' Agents and the Security Agent that it has not received notice of any other security interest in, or any assignment of, the Retention Accounts granted by the Borrower to any third party.

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Curnd</i>	HUDCO <i>Robanpathy</i>	UBI <i>Rs</i>	HUDCO <i>Robanpathy</i>	UCO <i>Robanpathy</i>

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(ii) Neither the Borrower nor the Account Bank shall at any time:

- (a) create or permit to subsist any security interest on all or any part of its right or title to, or interest in the Retention Accounts other than as created under or pursuant to the Security Documents; or
- (b) assign, transfer or otherwise dispose of all or any part of its right or title to, or interest in, the Retention Accounts otherwise than in accordance with the terms of this Agreement.

**21. MISCELLANEOUS**

**21.1 Waiver**

No waiver by any Lender, the Lenders' Agents, the Security Agent or the Account Bank of any provision of, or any right, power or remedy under this Agreement shall be effective unless it is in writing and signed by or on behalf of the Party against whom the waiver is assessed, and such waiver shall be effective only in the specific instance and for the specific purpose for which it was given. No failure or delay by any Lender, the Lenders' Agents, the Security Agent or the Account Bank to exercise any right, power or remedy under this Agreement or to insist on strict compliance by any other Party with any obligation under this Agreement, and no custom or practice of the Parties at variance with the terms of this Agreement, shall constitute a waiver of the Lenders, the Lenders' Agents, the Security Agent or the Account Bank's right to demand exact compliance with this Agreement.

**21.2 Duty to Notify**

- (a) The Account Bank shall notify the Lenders' Agents promptly if it becomes aware of the occurrence of default or noncompliance by the Borrower of any of the provisions of this Agreement and other Finance Documents.
- (b) Notwithstanding any other provision of this Agreement, the Account Bank shall not be required to, and the Lenders' Agents will not, act in a manner inconsistent with the Finance Documents.

**21.3 Borrower's Obligations**

Except as expressly provided herein, none of the Account Bank, the Security Agent or the Lenders' Agents shall have any obligations or liability under the Retention Accounts by reason of or arising out of this Agreement, nor shall the Account Bank be required to observe or perform any of the conditions or obligations of the Borrower under or pursuant to the Retention Accounts, or to make any payment, or to make any inquiry as to the nature or sufficiency of any payment received by the Borrower or deposited into the Retention Accounts by any Person.

**21.4 Notices**

- (a) Delivery

Each notice, demand or other communication to be given or made under this Agreement shall be in writing and delivered or sent to the relevant Party at its address or telex number or fax number set out below (or such other address or telex number or fax number as the addressee has by not less than 7 days' prior written notice specified to the other Parties:

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
And	HUDCO <i>Robynpathy</i>	UBI <i>h</i>	HUDCO <i>Robynpathy</i>	UCO <i>h</i>

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**FOR THE BORROWER**

Sahara Hospitality Ltd.  
 Chief Executive Officer  
 Sahara Hospitality Limited  
 Opp. Mumbai Domestic Airport  
 Mumbai- 400 099  
 Tel: 022- 39 89 5000  
 Fax: 022-39 89 5001

**FOR PHASE-1 LENDERS****HUDCO**

The Regional Chief  
 Mumbai Regional office  
 Housing & Urban Development Corporation Ltd.  
 Shreyas Chambers,  
 2<sup>nd</sup> Floor, 175,  
 Dr. D.N.Road, Fort,  
 Mumbai-400 001  
 Tel: 022-22690080-84  
 Fax: 022-22690086

**Bank of Baroda**

Asst. General Manager  
 Corporate Financial Service Branch  
 10/12 Mumbai Samachar Marg,  
 Fort, Mumbai-400001  
 Tel: 022-22021434  
 Fax: 022-22021445

**Union Bank of India**

Dy. General Manager  
 Industrial Finance Branch  
 First Floor,  
 Union Bank Bhavan,  
 239, Vidhan Bhavan Marg,  
 Nariman Point,  
 Mumbai-400021  
 Tel: 022-22092000  
 Facsimile: 022-22855037

**UCO Bank**

Asst. General Manager  
 Santacruz (W)  
 Mumbai-400054  
 Tel: 022-26494752  
 Facsimile: 022-26002912

**FOR PHASE-2 LENDERS****For Andhra Bank**

Chief Manager  
 Special Corporate Finance Branch,  
 16<sup>th</sup> Floor, Earnest House,  
 NCPA Marg, Nariman Point,  
 Mumbai – 400 021  
 Tel: 022 – 2288 4877  
 Facsimile: 022 – 2288 5841

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Conrad</i>	HUDCO <i>Rohanjith</i>	UBI <i>R</i>	HUDCO <i>Rohanjith</i>	UCQ <i>R</i>

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1150

**For Bank of Baroda**  
 Asst. General Manager  
 Bank of Baroda  
 Corporate Financial Service Branch  
 10/12 Mumbai Samachar Marg,  
 Fort, Mumbai-400001  
 Tel: 022-22021434  
 Facsimile: 022-22021445

**For Corporation Bank**  
 Asst. General Manager  
 Large Corporate Branch,  
 301 -302, the Eagle's Flight,  
 Andheri-Kurla Road,  
 Andheri (E),  
 Mumbai – 400 093  
 Tel: 022 – 26 83 0478/ 26 83 2449  
 Facsimile: 022 - 2684 2450

**FOR IDBI Bank Limited**  
 Dy. General Manager,  
 Mid Corporate Branch,  
 5<sup>th</sup> Floor, IDBI Tower, WTC Complex,  
 Cuffe Parade, Mumbai – 400 005  
 Tel: 022 -22 18 9111/ 6655 3355  
 Facsimile: 022- 22 16 0785

**For Karnataka Bank Limited**  
 Chief Manager,  
 Fort Branch,  
 Perin Nariman Point,  
 Amar Building, Opp. R.B.I,  
 Fort, Mumbai – 400 001  
 Tel: 022- 22 66 3725  
 Facsimile: 022- 22 66 1685

**For Union Bank of India**  
 Dy. General Manager  
 Union Bank of India  
 Industrial Finance Branch  
 First Floor, Union Bank Bhavan  
 239, Vidhan Bhavan Marg  
 Nariman Point,  
 Mumbai-400021  
 Tel: 022-22 09 2000  
 Facsimile: 022-22 85 5037

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Anand</i>	HUDCO <i>Rohanjyoti</i>	UBI <i>ka</i>	HUDCO <i>Rohanjyoti</i>	UGO <i>Rohanjyoti</i>

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1151

**For UCO Bank**

Asst. General Manager  
UCO Bank  
RNA Classic, North Avenue, S.V. Road,  
Santacruz (W)  
Mumbai-400054  
Tel: 022-26 00 2912/ 2649 3407/ 26 49 4752  
Facsimile: 022-26 00 2912

**FOR LENDERS' AGENT FOR THE PHASE-1 LENDERS****HUDCO**

The Regional Chief  
Mumbai Regional office  
Housing & Urban Development Corporation Ltd.  
Shreyas Chambers,  
2<sup>nd</sup> Floor,  
175 Dr. D. N. Road,  
Fort,  
Mumbai - 400001  
Tel: 022-22690080-84  
Fax: 022-22690086

**FOR THE LENDERS' AGENT FOR THE PHASE-2 LENDERS****Union Bank of India**

Asst. General Manager  
Industrial Finance Branch  
First Floor,  
Union Bank Bhavan,  
239, Vidhan Bhavan Marg,  
Nariman Point,  
Mumbai-400021  
Tel: 022-22092000  
Facsimile: 022-22855037

**FOR THE SECURITY AGENT****HUDCO**

The Regional Chief  
Mumbai Regional office  
Housing & Urban Development Corporation Ltd.  
Shreyas Chambers,  
2<sup>nd</sup> Floor,  
175 Dr. D. N. Road,  
Fort,  
Mumbai - 400001  
Tel: 022-22690080-84  
Fax: 022-22690086

**For Account Bank:****For UCO Bank**

Asst. General Manager  
UCO Bank  
RNA Classic, North Avenue, S.V. Road,  
Santacruz (W)  
Mumbai-400054  
Tel: 022-26 00 2912/ 2649 3407/ 26 49 4752

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Chand</i>	HUDCO <i>Robingath</i>	UBI <i>h</i>	HUDCO <i>Robingath</i>	UCO

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Facsimile: 022-26 00 2912

(b) Deemed Delivery

Any notice, demand or other communication addressed to any relevant Party in accordance with paragraph (a) above shall be deemed to have been delivered:

- (i) Letter: if given or made by letter, when actually delivered to the relevant address;
- (ii) Fax: if given or made by fax, when dispatched with a fax transmission report showing that the entire communication was received, provided that a communication which is received after 5:00 p.m. on a working day, or on a day which is not a full working day, in the place of receipt shall be deemed to be delivered on the next full working day in that place. Provided further that a communication would be deemed to have been received by a Lender only upon actual receipt of the communication by such Lender.

(c) Language

Each notice or other communication under this Agreement shall be in English. Any other documents required to be delivered under this Agreement shall be either in English or be accompanied by a certified translation into English and, in that case, the English translation shall prevail unless the document is a statutory or other official document.

21.5 Governing Law

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

21.6 Jurisdiction

The Borrower irrevocably agrees for the benefit of each of the Lenders that any legal action arising out of or relating to this Agreement may be brought in the courts of Mumbai, India and irrevocably submits to the non-exclusive jurisdiction of such courts.

21.7 Limitation on Right of Action

Nothing in this Agreement shall limit the right of any Lender to commence any legal action against the Borrower and/or its assets in any other jurisdiction or to serve process in any manner permitted by law, and the taking of proceedings in any jurisdiction shall not preclude any Lender from taking proceedings in any other jurisdiction whether concurrently or not.

21.8 Waiver of Immunity

The Borrower irrevocably and unconditionally waives any immunity to which it or its assets may at any time be or become entitled, whether characterised as sovereign immunity or otherwise, from any set-off or legal action, including immunity from service of process, immunity from jurisdiction of any court or tribunal, and immunity of any of its assets from attachment prior to judgment or from execution of a judgment.

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Chand</i>	HUDCO <i>Robinjith</i>	UBI &	HUDCO <i>Robinjith</i>	UCO

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1153

**21.9 Counterpart**

This Agreement may be executed in one original and one counterpart by the different Parties hereto, each of which when so executed and delivered shall be effective for purposes of binding the Parties hereto, but both of which shall together constitute one and the same instrument. Original Agreement executed by all the Parties hereto shall be lodged with the Account Bank and the counterpart with the Borrower and photocopies of this Agreement shall be lodged with all the other Parties.

**21.10 Assignment**

The Borrower shall not assign or transfer any of its rights, benefits and obligations under this Agreement without the prior written consent of the Lenders.

A Lender may assign and/or transfer any or all of its rights, benefits, and obligations under any Finance Document as per the terms thereto.

Subject to Section 20.10 of this Agreement, the Account Bank may assign or transfer all its rights, benefits and obligations in whole under this Agreement in the manner as set forth in this Agreement.

**21.11 Additional Rights**

Any rights conferred on the Lenders by this Agreement shall be in addition to and not in substitution for or in derogation of any other rights and remedies which the Lenders may at any time have under the Finance Documents or otherwise, including, without limitation, rights to seek and obtain from the Borrower or any party to the Finance Documents reimbursement of or indemnification against payments made or liabilities incurred under the Finance Documents or otherwise.

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Chandy</i>	HUDCO <i>Robinpathy</i>	UBI &	HUDCO <i>Robinpathy</i>	UCO <i>Robinpathy</i>

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1154

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

**A. FOR PHASE-1 PROJECT**

Name of Phase -1 Lender	Amount of Phase-1 Loans
HUDCO	Rs 78.00 crores (Rupees Seventy Eight Crores only)
BOB	Rs 27.83 crores (Rupees Twenty Seven Crores and Eighty Three Lacs only)
UBI	Rs 27.83 crores (Rupees Twenty Seven Crores and Eighty Three Lacs only)
UCO	Rs 44.34 crores (Rupees Forty Four Crores Thirty Four Lacs only)
<b>TOTAL</b>	<b>Rs. 178.00 Crores (Rupees One Hundred and Seventy Eight Crores Only)</b>

**B. FOR PHASE-2 PROJECT**

Name of Phase-2 Lender	Amount of Phase-2 Loans
AB	60.00 Crores (Rupees Sixty Crores Only)
BOB	48.00 Crores (Rupees Forty Eight Crores Only)
Corp.B	40.00 Crores (Rupees Forty Crores Only)
IDBI	40.00 Crores (Rupees Forty Crores Only)
KBL	22.00 Crores (Rupees Twenty Two Crores Only)
UBI	60.00 Crores (Rupees Sixty Crores Only)
UCO	40.00 Crores (Rupees Forty Crores Only)
<b>TOTAL</b>	<b>Rs.310.00 Crores (Rupees Three Hundred and Ten Crores Only)</b>

**C. WORKING CAPITAL FACILITIES FOR THE PROJECT**

Name of Working Capital Lender	Amount of Working Capital Facilities
IDBI	Rs. 6.00 Crores (Rupees Six Crores Only)
UBI	Rs.8.00 Crores (Rupees Eight Crores only)
UCO	Rs. 6.67 Crores (Rupees Six Crores and Sixty Seven Lacs Only)
<b>TOTAL</b>	<b>Rs. 20.67 Crores (Rupees Twenty Crores and Sixty Seven Lacs only)</b>

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
Arund	HUDCO Rohini	UBI Rohini	HUDCO Rohini	UCO

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**SCHEDULE II  
PERMITTED INVESTMENTS**

- (i) Rupee negotiable certificates of deposit, debt instruments or similar instruments denominated in Rupees, which is for the time being rated at least AA or equivalent short term money market ratings by any three of CRISIL or CARE or ICRA;
- (ii) Government of India securities;
- (iii) Fixed deposits in interest bearing bank accounts denominated in Indian Rupees, maintained by a commercial bank;
- (iv) Debt mutual funds rated at least AA or equivalent market ratings by any three of CRISIL or CARE or ICRA; and
- (v) Any other instrument as may be approved by the Lenders.

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
Conna	HUDCO Robinjathy	UBI K	HUDCO Robinjathy	UCO J

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1155

1156

**SCHEDULE III  
OPERATING PROCEDURES**

**1. INTERPRETATION**

1.1 This Schedule is divided into two Parts:

**Part A** provides details of the mechanics for transfers and/or withdrawals  
**Part B** provides steps to be taken and/or documents to be reviewed before certain transfers or withdrawals are made.

1.2 If there is any conflict between the provisions of this Schedule and the Agreement then the provisions of the Agreement shall apply. Terms defined in the Agreement shall apply to this Schedule.

**2. BENEFIT OF PROVISIONS**

Any of the restrictions contained in this Agreement relating to the Retention Accounts shall be for the benefit of the Lenders. Any such restrictions may accordingly, be relaxed or waived, either:-

- (A) by the Lenders' Agents; or
- (B) if the Borrower requests and the Lenders' Agents agrees.

and none of the restrictions shall limit the rights of the Lenders under the Finance Documents.

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Card</i>	HUDCO <i>Robingath</i>	UBI <i>b</i>	HUDCO <i>Robingath</i>	UCO <i>ji</i>

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PART A  
GENERAL PROVISIONS RELATING TO TRANSFERS AND WITHDRAWALS

3. WITHDRAWAL/TRANSFER PROCEDURES

- 3.1 The Account Bank shall not make any transfer except as expressly provided in this Agreement.
- 3.2 Save as provided in para 3.3 hereinafter, all requests by the Borrower for a transfer from the Project Proceeds Account to the Statutory Dues Sub-account, Phase-1 Debt Service Sub-account, Phase-2 Debt Service Sub-account, Phase-1 Debt Service Reserve Sub-account, Phase-2 Debt Service Reserve Sub-account or the Surplus Sub-account:
- 3.2.1 shall be in writing, signed by the signatory of the Borrower duly authorised by the Board of Directors of the Borrower and sent to the Account Bank (with a copy of the Lenders' Agents) by facsimile to the facsimile number specified in this Agreement at least five (5) Business Days prior to the proposed date of withdrawal;
- 3.2.2 shall specify the proposed amount for transfer;
- 3.2.3 shall specify the purpose of the transfer;
- 3.2.4 shall specify the Retention Account from which the monies are to be transferred;
- 3.2.5 shall specify the Retention Accounts or other sub-ledger account/ into which the monies are being transferred; and
- 3.2.6 shall be accompanied by such documents, information or any other reasonable verifying evidence of the expenditure as the Lenders' Agents and/or the Account Bank may request (the "Request").
- 3.2.7 The Lenders' Agents shall notify the Account Bank in writing of its approval of the Request and of the amount proposed to be transferred or such other amount as it deems appropriate in accordance with the Finance Documents, along with any other payment instructions by facsimile to the facsimile number specified in this Agreement at least two (2) Business Days prior to the date of the intended withdrawal.

- 3.3 The Account Bank may provide cheque book facility to the Borrower, as may be advised by the Lenders' Agents, from time to time, for the purpose of making payments for meeting the Construction Costs and/or the O&M Expenses.

4. IMPLEMENTATION OF WITHDRAWAL/TRANSFER REQUEST

- 4.1 Except as otherwise provided in this Agreement under para 3.3, upon the receipt from the Lenders' Agents of its approval of a Request delivered pursuant to this Agreement, the Account Bank shall, provided (where required) it has received the documentary evidence set out in Part B of this Schedule, pay or transfer the amount(s) requested in such Request or other written instructions of the Borrower or the Lenders' Agents, as the case may be.
- 4.2 Any transfer requested in accordance with paragraph 4.1 of this Schedule shall be made as follows:

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Arnd</i>	HUDCO <i>Rohinfath</i>	UBI <i>R</i>	HUDCO <i>Rohinfath</i>	UCO

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1158

- 4.2.1 in the case of a Request for a withdrawal or transfer to another Account, directly to such Account, by initiating such transfer not later than 11:00 a.m. Mumbai time on, the date set out in such Request; and
- 4.2.2 in the case of any Request for a payment to any Person or the transfer to an account other than Retention Accounts, directly to such Person or account set out in such Request, by initiating such payment or transfer not later than 11:00 a.m. Mumbai time on the date set out in such Request.

**5 FAILURE OF BORROWER TO SUBMIT WITHDRAWAL/TRANSFER REQUEST**

- 5.1 Notwithstanding any other provision of this Agreement to the contrary, if the Borrower fails to timely submit a Request to the Account Bank for the withdrawal, transfer, or payment of amounts to any Account or Person (whether for transfer of Required Amount or otherwise), or fails to timely direct the Account Bank to cause Permitted Investments to be sold, liquidated into cash or otherwise realized as contemplated by Section 18.2 of this Agreement, the Account Bank shall be authorised (and in each case, the Borrower hereby authorises the Lenders' Agents to so act) upon the receipt of a written direction by the Lenders' Agents;
  - 5.1.1 to effect any withdrawal, transfer, or payment, as the case may be, of any amounts then due and payable or required to be transferred pursuant to the terms of any Finance Document; or
  - 5.1.2 to effect the sale or liquidation of the relevant Permitted Investments as contemplated by Section 13.2 of this Agreement.

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Comd</i>	HUDCO <i>Robinjith</i>	UBI <i>R</i>	HUDCO <i>Robinjith</i>	UCO <i>R</i>

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**PART B**  
**TRANSFERS FROM PROJECT PROCEEDS ACCOUNT IN ANY MONTH**

**6 IMPLEMENTATION OF REQUESTS**

**6.1 Timing of Requests**

Except as otherwise provided in this Agreement in para 3.3 above, at least 5 Business Days prior to the first Business Day of each month or quarter as the case might be, the Borrower shall deliver to the Lenders' Agents and the Account Bank a Request.

**6.2 Implementation of Requests**

Except as otherwise provided in this Agreement in para 3.3 above, upon the receipt from the Lenders' Agents of a duly authorized approval for a Request accompanied by a certificate stating the Required Amount for such account, the Account Bank shall transfer/pay by the relevant Cash Transfer Date, monies in the Retention Accounts directly to the relevant Retention Accounts or other accounts set out in the Request.

**7. WITHDRAWALS DURING DEFAULT**

**7.1** The Account Bank shall not, except with the prior written consent of the Lenders' Agents (acting in accordance with the Amended and Restated Inter Creditor Agreement), permit any withdrawal to be made from any Retention Account:

- (i) on or after receipt of a notice from any of the Lenders or the Lenders' Agents that a Default has occurred unless and until such notice is subsequently withdrawn by the Lenders' Agents;
- (ii) on or after receipt of notification from any of the Lenders or the Lenders' Agents that such withdrawal is not permitted under the Finance Documents.

**7.2** Upon the occurrence of a Default:

- (a) the Borrower may not withdraw any monies standing to the credit of the Surplus Sub-account; and
- (b) no withdrawals may be made from any of the Retention Accounts without the prior written consent of the Lenders' Agents (acting in accordance with the Amended and Restated Inter Creditor Agreement).

BORROWER	Lenders' Agent for Phase-1 Lenders	Lenders' Agent for Phase-2 Lenders	Security Agent	Account Bank
<i>Chana</i>	HUDCO <i>Robinfath</i>	UBI <i>h</i>	HUDCO <i>Robinfath</i>	UCO <i>Robinfath</i>

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IN WITNESS WHEREOF the Borrower and the Lenders' Agents, the Security Agent and the Account Bank have caused these presents and the copies hereof to be executed on the date, month and year first hereinabove as hereinafter appearing.

SIGNED AND DELIVERED by the withinnamed Borrower, Sahara Hospitality Limited by the hand of Mrs. Ashu C. Sood,  
Authorised signatory.

SIGNED AND DELIVERED BY the within named Lenders' Agent for Phase-1 Lenders, HUDCO by the hand of Mr. ROHIN JATHI.P., its SR. LAW OFFICER and authorized official.

SIGNED AND DELIVERED BY the within named Lenders' Agent for Phase-2 Lenders, Union Bank of India by the hand of Mr. RAJMANABHAN and authorized official.

SIGNED AND DELIVERED BY the within named Account Bank, UCO Bank by the hand of Mr. RAJEEV APORA and authorized official.

SIGNED AND DELIVERED BY the within named Security Agent, HUDCO by the hand of Mr. ROHIN JATHI.P. its SR. LAW OFFICER and authorized official.



*Ashu C Sood*

*Rohin Jathi*

व्यक्ति अधिकारी/Law Officer  
हडको क्षेत्रीय कार्यालय, मुंबई  
HUDCO Regional Office, Mumbai

कृते युनियन बैंक ऑफ इंडिया  
For UNION BANK OF INDIA

*Rajeev Apora*  
उप महा-प्रबन्धक,  
By: Gen. Manager  
औद्योगिक वित्त शाखा, मुंबई,  
Industrial Finance Br., Mumbai.

यूको बैंक/UCO BANK  
आर.एन. व. कल्याण  
R.N.A. Classic Opp. Dymesty  
एन.वी. रोड, सांतक्रुज (प.) शाखा,  
S. V. Road, Santacruz (West) Bz  
मुंबई/Mumbai-400054.

*Rohin Jathi*

व्यक्ति अधिकारी/Law Officer  
हडको क्षेत्रीय कार्यालय, मुंबई  
HUDCO Regional Office, Mumbai

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**BANK OF BARODA**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at Mandvi, Baroda- and having a branch office at Corporate Financial Service Branch, 10/12 Mumbai Samachar Marg, Fort, Mumbai-400001, in the State of Maharashtra, India (hereinafter referred to as "BOB", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**CORPORATION BANK**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1980, having its Head Office at P.B. No. 88, Mangladevi Temple Road, Mangalore - 575 001, in the State of Karnataka, India and having its large corporate branch office at 301-302, the Eagle's Flight, Andheri Kurla Road, Andheri (E), Mumbai - 400 093 in the State of Maharashtra, India (hereinafter referred to as "Corp.B", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**IDBI BANK LIMITED**, a company incorporated under the Companies Act, 1956 (1 of 1956) and a banking company within the meaning of Section 5(c) of the Banking Regulation Act, 1949 having its registered office and mid corporate group at IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400 005, in the State of Maharashtra, India (hereinafter referred to as "IDBI", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**KARNATAKA BANK LIMITED**, a company incorporated under the Indian Companies Act, 1913 having its registered office and head office at Mahaveera Circle, Kankanady, Mangalore - 575 002, in the State of Karnataka, India and having its branch amongst other places at Fort, Perin Nariman point Street, Amar Building, Opp. R.B.I, Fort, Mumbai - 400 054, in the State of Maharashtra, India (hereinafter referred to as "KBL", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**UNION BANK OF INDIA**, a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and having its head office at Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai - 400021, in the State of Maharashtra and its Industrial Finance Branch, at First Floor, Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai-400021, in the State of Maharashtra, India (hereinafter referred to as "UBI", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**UCO BANK**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at 10, B.T.M. Sarani, Kolkata-700001 and having a branch office at RNA Classic, North Avenue, S.V. Road, Santacruz (W), Mumbai-400054, in the State of Maharashtra, India (hereinafter referred to as "UCO", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

(Each of AB, BOB, Corp.B, IDBI, KBL, UBI and UCO are individually referred to as "Phase-2 Lender" and are collectively referred to as the "Phase-2 Lenders", where the context admits or requires) and Housing And Urban Development Corporation Limited is also referred to as the "Security Agent", who shall act for and on behalf of the Phase-2 Lenders.

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

- (A) **SAHARA HOSPITALITY LIMITED**, a company registered under the Companies Act, 1956 (1 of 1956) and having its Registered Office at Sahara India Point, CTS, 40 & 44, S.V.Road, Goregaon (West), Mumbai-400104 in the State of Maharashtra, India (hereinafter referred to as the "Borrower") has successfully completed the renovation and reconstruction of Hotel Sahara Star comprising of 223 (two hundred and twenty three) rooms, 10 (ten) restaurants, 6 (six) banquet halls, 5 (five) business centers and

*Carbata*

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4500 (four thousand five hundred) square feet of commercial space (hereinafter referred to as the "Phase-1 Project") and is now proposing to implement the Project based on Additional FSI by way of expansion and development of additional facilities viz., 185 (one hundred and eighty five) rooms, 5 (five) restaurants, 2 (two) banquet halls, 21 (twenty one) business centers and 2,00,000 (two lakhs) square feet commercial space (hereinafter referred to as the "Phase-2 Project").

- (B) Accordingly, the Borrower has approached Phase-2 Lenders for financial assistance and the Phase-2 Lenders have agreed to make available to the Borrower rupee term loan of an aggregate principal amount not exceeding *Rs.310,00,00,000.00 (Rupees Three Hundred and Ten Crores only)* (including the project letter(s) of credit facility, as a sub limit of the Phase-2 Loans) ("Phase-2 Loans"), on the terms and conditions of a Phase-2 Common Loan Agreement dated 31<sup>st</sup> MARCH, FEBRUARY 2010 ("Phase-2 Common Loan Agreement").
- (C) The Phase-2 Lenders have, by the Amended and Restated Security Agent Agreement dated 31<sup>st</sup> MARCH, 2010 appointed Housing And Urban Development Corporation Limited as their security agent to hold the securities to be created as per the Phase-2 Common Loan Agreement, on the terms and conditions contained in the Amended and Restated Security Agent Agreement.

- (D) One of the conditions of the Phase-2 Common Loan Agreement is that the Guarantor shall furnish an irrevocable and unconditional personal guarantee in terms hereof. Pursuant to the above, the Phase-2 Lenders have called upon the Guarantor, to execute, and the Guarantor has executed, this Deed of Guarantee in favour of the Phase-2 Lenders, and at the request of the Guarantor the Phase-2 Lenders have agreed to make to the Borrower, disbursement(s)/interim disbursement(s) from out of the Phase-2 Loans.

**NOW THIS AGREEMENT WITNESSETH AS FOLLOWS;**

consideration of the premises, the Guarantor hereby unconditionally, absolutely and irrevocably guarantees to and agrees with the Phase-2 Lenders as follows:

The Phase-2 Lenders shall have the sole discretion to make disbursement(s) and/or interim disbursement(s) to the Borrower from out of the Phase-2 Loans at such time, on such conditions and in such manner as the Phase-2 Lenders may decide.

2. The Borrower shall duly and punctually repay the Phase-2 Loans together with all interest, additional interest, liquidated damages, and all other monies payable whatsoever as stipulated in the Phase-2 Common Loan Agreement and the fee, remuneration and expenses payable to the Lenders' Agent, the Security Agent, the Account Bank and other agents of the Phase-2 Lenders as stipulated under the agreements and perform and comply with all other terms, conditions and covenants contained in the Phase-2 Common Loan Agreement.
3. In the event of any default on the part of the Borrower in payment/repayment and in reimbursement of any of the monies referred to above, or in the event of any default on the part of the Borrower to comply with or perform any of the terms, conditions and covenants contained in the Phase-2 Common Loan Agreement, the Guarantor shall, upon demand, forthwith pay to the Phase-2 Lenders without demur all the amounts payable by the Borrower under the Phase-2 Common Loan Agreement.
4. The Guarantor shall also indemnify and keep the Phase-2 Lenders indemnified against all losses, damages, costs, claims and expenses whatsoever which the Phase-2 Lenders may suffer, pay or incur by reason of or in connection with any such default on the part of the Borrower including legal proceedings taken against the Borrower and/or the Guarantor for recovery of the moneys referred to in Clause 2 above.

*Chauhan*

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*[Handwritten marks]*



1164

5. The Guarantor hereby agrees that without the concurrence of the Guarantor, the Borrower and the Phase-2 Lenders shall be at liberty to vary, alter or modify the terms and conditions of the Phase-2 Common Loan Agreement and of the security created and of the security documents executed by the Borrower in favour of the Phase-2 Lenders/Security Agent and in particular to defer, postpone or revise the repayment of the Phase-2 Loans and/or payment of interest and other monies payable by the Borrower to the Phase-2 Lenders on such terms and conditions as may be considered necessary by the Phase-2 Lenders including any increase in the rate of interest. The Phase-2 Lenders shall also be at liberty to absolutely dispense with or release all or any of the security/securities furnished or required to be furnished by the Borrower to the Phase-2 Lenders/ Security Agent to secure the Phase-2 Loans. The Guarantor agrees that the liability under this Guarantee shall in no manner be affected by any such variations, alterations, modifications, waiver, dispensation with or release of security, and that no further consent of the Guarantor is required for giving effect to any such variation, alteration, modification, waiver, dispensation with, or release of security.
6. The Phase-2 Lenders shall have full liberty, without notice to the Guarantor and without in any way affecting this guarantee, to exercise at any time and in any manner any power or powers reserved to the Phase-2 Lenders under the Phase-2 Common Loan Agreement, to enforce or forbear to enforce payment of the Phase-2 Loans or any part thereof or interest or other monies due to the Phase-2 Lenders from the Borrower or any of the remedies or securities available to the Phase-2 Lenders, to enter into any composition or compound with or to grant time or any other indulgence or facility to the Borrower AND the Guarantor shall not be released by the exercise by the Phase-2 Lenders of its liberty in regard to the matters referred to above or by any act or omission on the part of the Phase-2 Lenders or by any other matter or thing whatsoever which under the law relating to sureties would but for this provision have the effect of so releasing the Guarantor AND the Guarantor hereby waives in favour of the Phase-2 Lenders so far as may be necessary to give effect to any of the provisions of this Guarantee, all the suretyship and other rights which the Guarantor might otherwise be entitled to enforce.
7. This Guarantee shall be enforceable against the Guarantor notwithstanding that any security or securities comprised in any instrument(s) executed or to be executed by the Borrower in favour of the Phase-2 Lenders shall, at the time when the proceedings are taken against the Guarantor on this Guarantee, be outstanding or unrealised or lost.
8. The Guarantor hereby agrees and gives consent to the sale, mortgage on prior, pari-passu or second charge basis, release etc., of any of the assets by the Borrower from time to time as may be approved by the Phase-2 Lenders or the transfer of any of the assets of the Borrower from one unit to the other or to the release or leasing out by the Phase-2 Lenders any or whole of the assets charged to the Phase-2 Lenders on such terms and conditions as the Phase-2 Lenders may deem fit and this may be treated as a standing and continuing consent for each and every individual act of transfer, mortgage, release or lease of any of such assets of the Borrower. The Guarantor hereby declares and agrees that no separate consent for each such transfer, mortgage, release or lease of any of such assets would be necessary in future.
9. The Guarantor hereby agrees and declares that the Borrower will be free to avail of further loans or other facilities from the Phase-2 Lenders or any other financial institution or bank in addition to the Phase-2 Loans and/or to secure the same during the subsistence of this guarantee and in that event the guarantee herein contained will not be affected or vitiated in any way whatsoever but will remain in full force and effect and binding on the Guarantor.
10. The rights of the Phase-2 Lenders against the Guarantor shall remain in full force and effect notwithstanding any arrangement which may be reached between the Phase-2 Lenders and the other Guarantor or notwithstanding the release of that other or others from liability and notwithstanding that any time hereafter the other Guarantor may cease



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1165

for any reason whatsoever to be liable to the Phase-2 Lenders, the Phase-2 Lenders shall be at liberty to require the performance by the Guarantor of his obligations hereunder to the same extent in all respects as if the Guarantor had at all times been solely liable to perform the said obligations.

11. The Guarantor hereby declare that the immovable and movable properties described in the *Annexure*, save and except specified therein, are free from encumbrances, charges, claims and demands, and owned and possessed by them.

12. The Guarantor undertake to notify the Phase-2 Lenders in writing particulars of immovable and movable properties acquired or inherited by them within a reasonable time so long as the guarantee remains in force.

13. The Guarantor do hereby further undertake not to sell, transfer, encumber, charges, pledge, hypothecate, mortgage, or create any lien on all or any of his aforesaid properties and/or other properties acquired or inherited thereafter, without the written permission of the Phase-2 Lender.

14. To give effect to this Guarantee, the Phase-2 Lenders may act as if the Guarantor were the principal debtor to the Phase-2 Lenders.

15. The Guarantor hereby declares and agrees that they have not received and shall not, without the prior consent in writing of the Phase-2 Lenders receive any security or commission from the Borrower for giving this guarantee so long as any monies remain due and payable by the Borrower to the Phase-2 Lenders under the Phase-2 Common Loan Agreement.

16. The Guarantor shall not in the event of the liquidation of the Borrower prove in competition with the Phase-2 Lenders in the liquidation proceedings.

17. A certificate in writing signed by a duly authorised official of the Phase-2 Lenders/Security Agent shall be conclusive evidence against the Guarantor of the amount for the time being due to the Phase-2 Lenders from the Borrower in any action or proceeding brought on this Guarantee against the Guarantor.

18. This Guarantee shall not be wholly or partially satisfied or exhausted by any payments made to or settled with the Phase-2 Lenders by the Borrower and shall be valid and binding on the Guarantor and operative until repayment in full of all monies due to the Phase-2 Lenders under the Phase-2 Common Loan Agreement.

19. This Guarantee shall be irrevocable and the obligations of the Guarantor hereunder shall not be conditional on the receipt of any prior notice by the Guarantor or by the Borrower and the demand or notice by the Phase-2 Lenders, as provided in Clause 20 hereof shall be sufficient notice to or demand on the Guarantor.

The liability of the Guarantor under this Guarantee shall not be affected by -

- i) any change in the constitution or winding up of the Borrower or any absorption, merger or amalgamation of the Borrower with any other company, corporation or concern; or
- ii) any change in the management of the Borrower or takeover of the management of the Borrower by Central or State Government or by any other authority; or
- iii) acquisition or nationalisation of the Borrower and/or of any of its undertaking(s) pursuant to any law; or
- iv) any change in the constitution of the Phase-2 Lenders; or
- v) the insolvency or death of the Guarantor.

21. This Guarantee shall be a continuing one and shall remain in full force and effect till such time the Borrower repays in full the Phase-2 Loans together with all interest,

*[Handwritten Signature]*

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guarantee commission, liquidated damages, costs, charges and all other monies that may from time to time become due and payable and remain unpaid to the Phase-2 Lenders under the Phase-2 Common Loan Agreement.

22. The liability of the Guarantor hereunder shall not exceed the sum of Rs. 310,00,00,000/- (Rupees Three Hundred and Ten Crores only) plus all interest, liquidated damages, costs, charges and other monies payable by the Borrower to the Phase-2 Lenders under the Phase-2 Common Loan Agreement.

23. Any demand for payment or notice under this Guarantee shall be sufficiently given if sent by post to or left at the last known address of the Guarantor or their personal representative(s), such demand or notice is to be made or given, and shall be assumed to have reached the addressee in the course of post, if given by post, and no period of limitation shall commence to run in favour of the Guarantor until after demand for payment in writing shall have been made or given as aforesaid and in proving such notice when sent by post it shall be sufficiently proved that the envelope containing the notice was posted and a certificate by any of the responsible officers of the Phase-2 Lenders that to the best of his knowledge and belief, the envelope containing the said notice was so posted shall be conclusive as against the Guarantor, even though it was returned unserved on account of refusal of the Guarantor or otherwise.

24. The Guarantor agrees and declares that the rights and powers conferred on the Phase-2 Lenders by these presents be joint and several and shall be deemed always to be so and they may be exercised by the Phase-2 Lenders accordingly.

25. The Guarantor agrees and declares that the rights and powers conferred on the Phase-2 Lenders by these presents may be exercised by the Lenders' Agent and/ or Security Agent acting on behalf of all or any of the Phase-2 Lenders.



**DISCLOSURE OF INFORMATION**

(i) The Guarantor agrees that in case if the Guarantor fails in discharging the liability of the Borrower in repayment of the principal amount of the Phase-2 Loan(s) or payment of interest as demanded by the Phase-2 Lenders, the Phase-2 Lenders and/or Reserve Bank of India shall have an unqualified right to disclose or publish the details of the default and the name of the Guarantor as defaulters in such manner and through medium as the Phase-2 Lenders and/or Reserve Bank of India may think fit.

(ii) The Guarantor hereby agrees and gives consent for the disclosure by the Phase-2 Lenders of all or any such information and data relating to the Guarantor or defaults, if any, committed by the Guarantor in discharge of its obligations under this Guarantee Agreement as the Phase-2 Lenders may deem appropriate and necessary to the Credit Information Bureau (India) Limited, or any institution or any other agencies authorized in this behalf by the Reserve Bank of India.

(iii) The Guarantor hereby further undertakes that-

(a) the Credit Information Bureau (India) Limited, or any institution or any other agency so authorised by the Reserve Bank of India may use, process the said information and data disclosed by the Phase-2 Lenders; and

(b) the Credit Information Bureau (India) Limited, or any institution or any other agency may furnish on consideration, the processed information and data or products thereof prepared by them to banks, financial institutions and other credit grantors as may be specified by the Reserve Bank of India in this behalf.

The Guarantor hereby declares that the information and data furnished by the guarantors to the Phase 2- Lenders are true and correct.

*[Handwritten Signature]*

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1911

SCHEDULE  
PHASE-2 LENDERS AND PARTICULARS OF PHASE-2 LOANS

NAME OF PHASE-2 LENDER	AMOUNT OF PHASE-2 LOANS
AB	60.00 Crores (Rupees Sixty Crores Only)
BOB	48.00 Crores (Rupees Forty Eight Crores Only)
Corp.B	40.00 Crores (Rupees Forty Crores Only)
IDBI	40.00 Crores (Rupees Forty Crores Only)
KBL	22.00 Crores (Rupees Twenty Two Crores Only)
UBI	60.00 Crores (Rupees Sixty Crores Only)
UCO	40.00 Crores (Rupees Forty Crores Only)
<b>TOTAL</b>	<b>Rs.310.00 Crores (Rupees Three Hundred and Ten Crores Only)</b>

*Choudhary*



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1168

8A

ANNEXURE - I

A. PARTICULARS OF THE ASSETS OWNED BY THE QUARANTOR  
D. S. SHUKLA & CO.  
Chartered Accountants  
GF - 2, Ekta Apartment  
125, Chandralok, Aliganj, Lucknow  
Phone & Fax : (0522) 2336034  
e-mail: dsshukla@ yahoo.co.in

TO WHOM IT MAY CONCERN

On the basis of records produced before us and explanation given to us, we hereby certify, subject to assumption given below, that the Net worth of Shri Subrata Roy Sahara is Rs.1,445.17 crores as on 31.03.2009.

1. Quoted securities have been valued at market price available on 31.03.2009.
2. Unquoted securities have been valued at intrinsic value as on 31.03.2009.
3. Investment in preference share have been valued at cost.
4. In partnership firm, namely M/s Sahara India, partner's Account balance has been taken on the basis of audited accounts as on 31.03.2009.
5. Liability on account of disputed tax, personal guarantees etc. have not been considered being contingent in nature.
6. Value of precious & semi precious Stones, Jewellery etc. have been taken on the basis of self declaration.

Date : 20.11.2009

Place : Lucknow

For D.S.Shukla & Co.

Chartered Accountants



( R.K.Srivastava )

Partner

H.O. New M.P. Building, Golghar, Gorakhpur, Ph: (0551)2334157, 2344587, Fax: 2334157

*C. Subrata*

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1169

s-B

SRI SUBRATA ROY SAHARA  
Computation of net worth as on 31.03.2009

	Amount ( in crores )	
1	Cash in Hand	0.015
2	Bank Balance	1.112
3	Precious Metals	2.512
4	Provident Fund / Pension Fund	1.056
5	Loans & Advances	107.628
6	Investment in Shares	2,130.711
	<u>Total (A)</u>	<u>2,243.034</u>
	<u>Less:</u>	
1	Loan from Sahara India Mass Communication	797.782
2	Other Liabilities	0.077
	<u>Total (B)</u>	<u>797.859</u>
	<u>Total (A-B)</u>	<u>1,445.175</u>

*Subrata*



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**B. DETAILS OF LEGAL HEIRS OF THE GUARANTOR**

S.No.	Name of the legal heir	Relation with guarantor	Age
1.	Smt Swapna Roy	Wife	61
2.	Shri Sushanto Roy	Son	35
3.	Shri Seemanto Roy	Son	33

*Contd.*



TRUF ANDY  
D

17/11

IN WITNESS WHEREOF the withinnamed S/Shri Subrata Roy Sahara has set his hand to these presents on the day, and month and year first hereinabove written.

*Subrata*

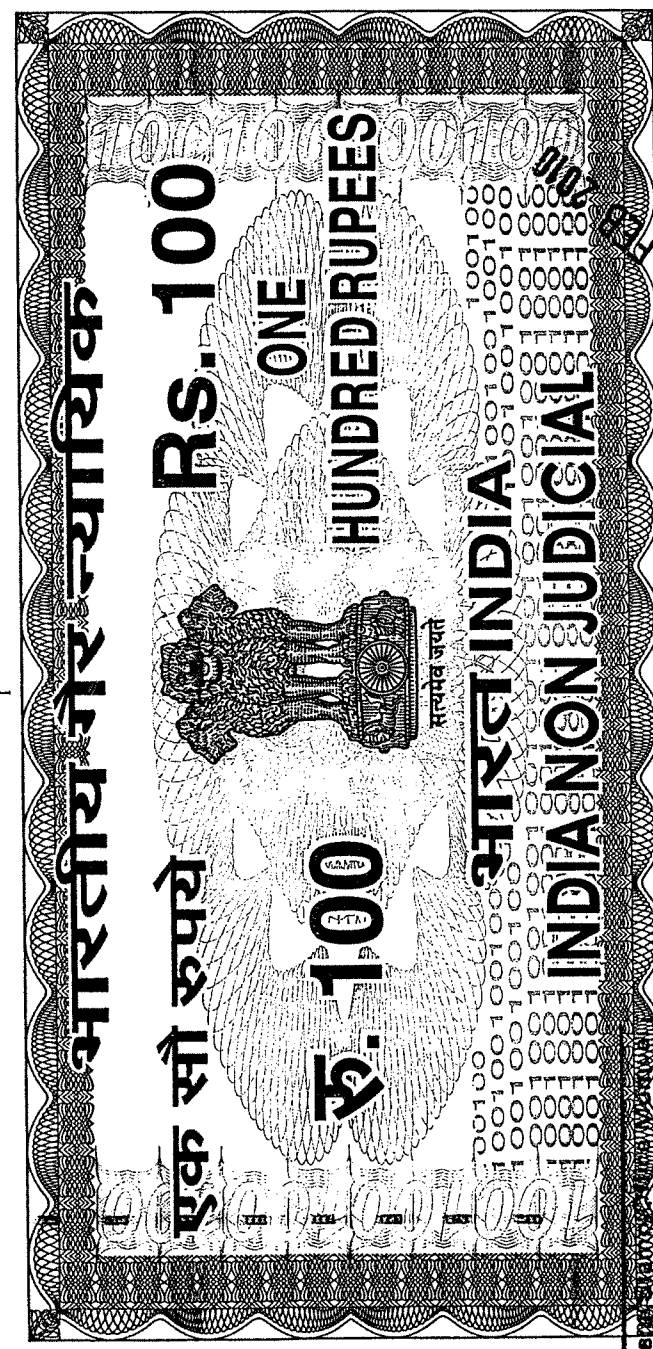
SIGNED AND DELIVERED by )  
the withinnamed )  
S/Shri Subrata Roy Sahara )



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ANNEXURE - 'A' - 36



General  
 L. S. V. No. 840  
 महाराष्ट्र MAHARASHTRA  
 - 6 FEB 2010  
 Proper Officer

खिडकी नं. ?  
 अंधरी कोर्ट बाय एम्प्लॉय्मन्ट मेट्रोपोलिटन मॅजिस्ट्रेट  
 अंधरी (प). मंडळ - ४९. परतणा. क्र. ८४०  
 दिनांक ०२ फेब्रुवारी २०१०  
 गणेश जी दय Broto Roy  
 सहायक न्यायाधीश



SHRI. L. S. BAMBLE

GUARANTEE AGREEMENT

THIS GUARANTEE AGREEMENT executed at Mumbai this 5<sup>th</sup> day of MARCH 2010 by Shri Joy Broto Roy, son of Late Shri S. C. Roy aged major, residing at F-170A, Sainik Farm, New Delhi, India (hereinafter referred to as the "Guarantor", which expression shall, unless it be repugnant to the subject or context thereof, include his/their heirs, executors and administrators)

IN FAVOUR OF

ANDHRA BANK, a body corporate constituted by and under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 and having its Head Offices at Dr. Pattabhi Bhavan, Saifabad, Hyderabad 500 004, in the State of Andhra Pradesh, India and having a specialized corporate finance branch, at 16<sup>th</sup> Floor, Earnest House, NCPA Marg, Nariman Point, Mumbai - 400 021, in the State of Maharashtra, India (hereinafter referred to as the "AB", which expression shall, unless it be repugnant to the context or meaning thereof, include its successors in office and assigns);

*Broto Roy*

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1173

**BANK OF BARODA**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at Mandvi, Baroda- and having a branch office at Corporate Financial Service Branch, 10/12 Mumbai Samachar Marg, Fort, Mumbai-400001, in the State of Maharashtra, India (hereinafter referred to as "BOB", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**CORPORATION BANK**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1980, having its Head Office at P.B. No. 88, Mangladevi Temple Road, Mangalore - 575 001, in the State of Karnataka, India and having its large corporate branch office at 301-302, the Eagle's Flight, Andheri Kuria Road, Andheri (E), Mumbai - 400 093 in the State of Maharashtra, India (hereinafter referred to as "Corp.B", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**IDBI BANK LIMITED**, a company incorporated under the Companies Act, 1956 (1 of 1956) and a banking company within the meaning of Section 5(c) of the Banking Regulation Act, 1949 having its registered office and a mid corporate group at IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400 005, in the State of Maharashtra, India (hereinafter referred to as "IDBI", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**KARNATAKA BANK LIMITED**, a company incorporated under the Indian Companies Act, 1913 having its registered office and head office at Mahaveera Circle, Kankanady, Mangalore - 575 002, in the State of Karnataka, India and having its branch amongst other places at Fort, Perin Nariman point Street, Amar Building, Opp. R.B.I, Fort, Mumbai - 400 054, in the State of Maharashtra, India (hereinafter referred to as "KBL", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**UNION BANK OF INDIA**, a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and having its head office at Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai - 400021, in the State of Maharashtra and its Industrial Finance Branch, at First Floor, Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai-400021, in the State of Maharashtra, India (hereinafter referred to as "UBI", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**UCO BANK**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at 10, B.T.M. Sarani, Kolkata-700001 and having a branch office at RNA Classic, North Avenue, S.V. Road, Santacruz (W), Mumbai-400054, in the State of Maharashtra, India (hereinafter referred to as "UCO", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

(Each of **AB, BOB, Corp.B, IDBI, KBL, UBI** and **UCO** are individually referred to as "Phase-2 Lender" and are collectively referred to as the "Phase-2 Lenders", where the context admits or requires) and Housing And Urban Development Corporation Limited is also referred to as the "Security Agent", who shall act for and on behalf of the Phase-2 Lenders.

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

- (A) **SAHARA HOSPITALITY LIMITED**, a company registered under the Companies Act, 1956 (1 of 1956) and having its Registered Office at Sahara India Point, CTS, 40 & 44, S.V.Road, Goregaon (West), Mumbai-400104 in the State of Maharashtra, India (hereinafter referred to as the "Borrower") has successfully completed the renovation and reconstruction of Hotel Sahara Star comprising of 223 (two hundred and twenty three) rooms, 10 (ten) restaurants, 6 (six) banquet halls, 5 (five) business centers and 4500 (four thousand five hundred) square feet of commercial space (hereinafter referred

*[Handwritten Signature]*  
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to as the "Phase-1 Project") and is now proposing to implement the Project based on Additional FSI by way of expansion and development of additional facilities viz., 185 (one hundred and eighty five) rooms, 5 (five) restaurants, 2 (two) banquet halls, 21 (twenty one) business centers and 2,00,000 (two lakhs) square feet commercial space (hereinafter referred to as the "Phase-2 Project").

(B) Accordingly, the Borrower has approached Phase-2 Lenders for financial assistance and the Phase-2 Lenders have agreed to make available to the Borrower rupee term loan of an aggregate principal amount not exceeding Rs.310,00,00,000.00 (Rupees Three Hundred and Ten Crores only) (including the project letter(s) of credit facility, as a sub limit of the Phase-2 Loans) ("Phase-2 Loans") on the terms and conditions of a Phase-2 Common Loan Agreement dated 3<sup>rd</sup> February 2010 ("Phase-2 Common Loan Agreement").

(C) The Phase-2 Lenders have, by the Amended and Restated Security Agent Agreement dated 3<sup>rd</sup> MARCH 2010 appointed Housing And Urban Development Corporation Limited as their security agent to hold the securities to be created as per the Phase-2 Common Loan Agreement, on the terms and conditions contained in the Amended and Restated Security Agent Agreement.

(D) One of the conditions of the Phase-2 Common Loan Agreement is that the Guarantor shall furnish an irrevocable and unconditional personal guarantee in terms hereof. Pursuant to the above, the Phase-2 Lenders have called upon the Guarantor, to execute, and the Guarantor has executed, this Deed of Guarantee in favour of the Phase-2 Lenders, and at the request of the Guarantor the Phase-2 Lenders have agreed to make to the Borrower, disbursement(s)/interim disbursement(s) from out of the Phase-2 Loans.

**NOW THIS AGREEMENT WITNESSETH AS FOLLOWS;**

In consideration of the premises, the Guarantor hereby unconditionally, absolutely and irrevocably guarantees to and agrees with the Phase-2 Lenders as follows:

1. The Phase-2 Lenders shall have the sole discretion to make disbursement(s) and/or interim disbursement(s) to the Borrower from out of the Phase-2 Loans at such time, on such conditions and in such manner as the Phase-2 Lenders may decide.

2. The Borrower shall duly and punctually repay the Phase-2 Loans together with all interest, additional interest, liquidated damages, and all other monies payable whatsoever as stipulated in the Phase-2 Common Loan Agreement and the fee, remuneration and expenses payable to the Lenders' Agent, the Security Agent, the Account Bank and other agents of the Phase-2 Lenders as stipulated under the agreements and perform and comply with all other terms, conditions and covenants contained in the Phase-2 Common Loan Agreement.

3. In the event of any default on the part of the Borrower in payment/repayment and in reimbursement of any of the monies referred to above, or in the event of any default on the part of the Borrower to comply with or perform any of the terms, conditions and covenants contained in the Phase-2 Common Loan Agreement, the Guarantor shall, upon demand, forthwith pay to the Phase-2 Lenders without demur all the amounts payable by the Borrower under the Phase-2 Common Loan Agreement.

4. The Guarantor shall also indemnify and keep the Phase-2 Lenders indemnified against all losses, damages, costs, claims and expenses whatsoever which the Phase-2 Lenders may suffer, pay or incur by reason of or in connection with any such default on the part of the Borrower including legal proceedings taken against the Borrower and/or the Guarantor for recovery of the moneys referred to in Clause 2 above.

*[Handwritten Signature]*  
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5. The Guarantor hereby agrees that without the concurrence of the Guarantor, the Borrower and the Phase-2 Lenders shall be at liberty to vary, alter or modify the terms and conditions of the Phase-2 Common Loan Agreement and of the security created and of the security documents executed by the Borrower in favour of the Phase-2 Lenders/Security Agent and in particular to defer, postpone or revise the repayment of the Phase-2 Loans and/or payment of interest and other monies payable by the Borrower to the Phase-2 Lenders on such terms and conditions as may be considered necessary by the Phase-2 Lenders including any increase in the rate of interest. The Phase-2 Lenders shall also be at liberty to absolutely dispense with or release all or any of the security/securities furnished or required to be furnished by the Borrower to the Phase-2 Lenders/ Security Agent to secure the Phase-2 Loans. The Guarantor agrees that the liability under this Guarantee shall in no manner be affected by any such variations, alterations, modifications, waiver, dispensation with or release of security, and that no further consent of the Guarantor is required for giving effect to any such variation, alteration, modification, waiver, dispensation with, or release of security.

6. The Phase-2 Lenders shall have full liberty, without notice to the Guarantor and without in any way affecting this guarantee, to exercise at any time and in any manner any power or powers reserved to the Phase-2 Lenders under the Phase-2 Common Loan Agreement, to enforce or forbear to enforce payment of the Phase-2 Loans or any part thereof or interest or other monies due to the Phase-2 Lenders from the Borrower or any of the remedies or securities available to the Phase-2 Lenders, to enter into any composition or compound with or to grant time or any other indulgence or facility to the Borrower AND the Guarantor shall not be released by the exercise by the Phase-2 Lenders of its liberty in regard to the matters referred to above or by any act or omission on the part of the Phase-2 Lenders or by any other matter or thing whatsoever which under the law relating to sureties would but for this provision have the effect of so releasing the Guarantor AND the Guarantor hereby waives in favour of the Phase-2 Lenders so far as may be necessary to give effect to any of the provisions of this Guarantee, all the suretyship and other rights which the Guarantor might otherwise be entitled to enforce.



This Guarantee shall be enforceable against the Guarantor notwithstanding that any security or securities comprised in any instrument(s) executed or to be executed by the Borrower in favour of the Phase-2 Lenders shall, at the time when the proceedings are taken against the Guarantor on this Guarantee, be outstanding or unrealised or lost.

8. The Guarantor hereby agrees and gives consent to the sale, mortgage on prior, pari-passu or second charge basis, release etc., of any of the assets by the Borrower from time to time as may be approved by the Phase-2 Lenders or the transfer of any of the assets of the Borrower from one unit to the other or to the release or leasing out by the Phase-2 Lenders any or whole of the assets charged to the Phase-2 Lenders on such terms and conditions as the Phase-2 Lenders may deem fit and this may be treated as a standing and continuing consent for each and every individual act of transfer, mortgage, release or lease of any of such assets of the Borrower. The Guarantor hereby declares and agrees that no separate consent for each such transfer, mortgage, release or lease of any of such assets would be necessary in future.

9. The Guarantor hereby agrees and declares that the Borrower will be free to avail of further loans or other facilities from the Phase-2 Lenders or any other financial institution or bank in addition to the Phase-2 Loans and/or to secure the same during the subsistence of this guarantee and in that event the guarantee herein contained will not be affected or vitiated in any way whatsoever but will remain in full force and effect and binding on the Guarantor.

10. The rights of the Phase-2 Lenders against the Guarantor shall remain in full force and effect notwithstanding any arrangement which may be reached between the Phase-2 Lenders and the other Guarantor or notwithstanding the release of that other or others from liability and notwithstanding that any time hereafter the other Guarantor may cease

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for any reason whatsoever to be liable to the Phase-2 Lenders, the Phase-2 Lenders shall be at liberty to require the performance by the Guarantor of his obligations hereunder to the same extent in all respects as if the Guarantor had at all times been solely liable to perform the said obligations.

11. The Guarantor hereby declare that the immovable and movable properties described in the *Annexure*, save and except specified therein, are free from encumbrances, charges, claims and demands, and owned and possessed by them.

12. The Guarantor undertake to notify the Phase-2 Lenders in writing particulars of immovable and movable properties acquired or inherited by them within a reasonable time so long as the guarantee remains in force.

13. The Guarantor do hereby further undertake not to sell, transfer, encumber, charges, pledge, hypothecate, mortgage, or create any lien on all or any of his aforesaid properties and/or other properties acquired or inherited thereafter, without the written permission of the Phase-2 Lender.

14. To give effect to this Guarantee, the Phase-2 Lenders may act as if the Guarantor were the principal debtor to the Phase-2 Lenders.

15. The Guarantor hereby declares and agrees that they have not received and shall not, without the prior consent in writing of the Phase-2 Lenders receive any security or commission from the Borrower for giving this guarantee so long as any monies remain due and payable by the Borrower to the Phase-2 Lenders under the Phase-2 Common Loan Agreement.

16. The Guarantor shall not in the event of the liquidation of the Borrower prove in competition with the Phase-2 Lenders in the liquidation proceedings.

17. A certificate in writing signed by a duly authorised official of the Phase-2 Lenders/Security Agent shall be conclusive evidence against the Guarantor of the amount for the time being due to the Phase-2 Lenders from the Borrower in any action or proceeding brought on this Guarantee against the Guarantor.

18. This Guarantee shall not be wholly or partially satisfied or exhausted by any payments made to or settled with the Phase-2 Lenders by the Borrower and shall be valid and binding on the Guarantor and operative until repayment in full of all monies due to the Phase-2 Lenders under the Phase-2 Common Loan Agreement.

19. This Guarantee shall be irrevocable and the obligations of the Guarantor hereunder shall not be conditional on the receipt of any prior notice by the Guarantor or by the Borrower and the demand or notice by the Phase-2 Lenders, as provided in Clause 20 hereof shall be sufficient notice to or demand on the Guarantor.



- The liability of the Guarantor under this Guarantee shall not be affected by -
- i) any change in the constitution or winding up of the Borrower or any absorption, merger or amalgamation of the Borrower with any other company, corporation or concern; or
  - ii) any change in the management of the Borrower or takeover of the management of the Borrower by Central or State Government or by any other authority; or
  - iii) acquisition or nationalisation of the Borrower and/or of any of its undertaking(s) pursuant to any law; or
  - iv) any change in the constitution of the Phase-2 Lenders; or
  - v) the insolvency or death of the Guarantor.

21. This Guarantee shall be a continuing one and shall remain in full force and effect till such time the Borrower repays in full the Phase-2 Loans together with all interest,

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guarantee commission, liquidated damages, costs, charges and all other monies that may from time to time become due and payable and remain unpaid to the Phase-2 Lenders under the Phase-2 Common Loan Agreement.

22. The liability of the Guarantor hereunder shall not exceed the sum of Rs. 310,00,00,000/- (Rupees Three Hundred and Ten Crores only) plus all interest, liquidated damages, costs, charges and other monies payable by the Borrower to the Phase-2 Lenders under the Phase-2 Common Loan Agreement.

23. Any demand for payment or notice under this Guarantee shall be sufficiently given if sent by post to or left at the last known address of the Guarantor or their personal representative(s), such demand or notice is to be made or given, and shall be assumed to have reached the addressee in the course of post, if given by post, and no period of limitation shall commence to run in favour of the Guarantor until after demand for payment in writing shall have been made or given as aforesaid and in proving such notice when sent by post it shall be sufficiently proved that the envelope containing the notice was posted and a certificate by any of the responsible officers of the Phase-2 Lenders that to the best of his knowledge and belief, the envelope containing the said notice was so posted shall be conclusive as against the Guarantor, even though it was returned unserved on account of refusal of the Guarantor or otherwise.

24. The Guarantor agrees and declares that the rights and powers conferred on the Phase-2 Lenders by these presents be joint and several and shall be deemed always to be so and they may be exercised by the Phase-2 Lenders accordingly.

25. The Guarantor agrees and declares that the rights and powers conferred on the Phase-2 Lenders by these presents may be exercised by the Lenders' Agent and/ or Security Agent acting on behalf of all or any of the Phase-2 Lenders.

#### 26. DISCLOSURE OF INFORMATION

(i) The Guarantor agrees that in case of the Guarantor fails in discharging the liability of the Borrower in repayment of the principal amount of the Phase-2 Loan(s) or payment of interest as demanded by the Phase-2 Lenders, the Phase-2 Lenders and/or Reserve Bank of India shall have an unqualified right to disclose or publish the details of the default and the name of the Guarantor as defaulters in such manner and through medium as the Phase-2 Lenders and/or Reserve Bank of India may think fit.

(ii) The Guarantor hereby agrees and gives consent for the disclosure by the Phase-2 Lenders of all or any such information and data relating to the Guarantor or defaults, if any, committed by the Guarantor in discharge of its obligations under this Guarantee Agreement as the Phase-2 Lenders may deem appropriate and necessary to the Credit Information Bureau (India) Limited, or any institution or any other agencies authorized in this behalf by the Reserve Bank of India.

(iii) The Guarantor hereby further undertakes that-

(a) the Credit Information Bureau (India) Limited, or any institution or any other agency so authorised by the Reserve Bank of India may use, process the said information and data disclosed by the Phase-2 Lenders; and

(b) the Credit Information Bureau (India) Limited, or any institution or any other agency may furnish on consideration, the processed information and data or products thereof prepared by them to banks, financial institutions and other credit grantors as may be specified by the Reserve Bank of India in this behalf.

27. The Guarantor hereby declares that the information and data furnished by the guarantors to the Phase 2- Lenders are true and correct.

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SCHEDULE  
PHASE-2 LENDERS AND PARTICULARS OF PHASE-2 LOANS

Name of Phase-2 Lender	Amount of Phase-2 Loans
AB	60.00 Crores (Rupees Sixty Crores Only)
BOB	48.00 Crores (Rupees Forty Eight Crores Only)
Corp.B	40.00 Crores (Rupees Forty Crores Only)
IDBI	40.00 Crores (Rupees Forty Crores Only)
KBL	22.00 Crores (Rupees Twenty Two Crores Only)
UBI	60.00 Crores (Rupees Sixty Crores Only)
UCO	40.00 Crores (Rupees Forty Crores Only)
TOTAL	Rs.310.00 Crores (Rupees Three Hundred and Ten Crores Only)



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ANNEXURE - I.

A. PARTICULARS OF THE ASSETS OWNED  
BY THE GUARANTOR

D. S. SHUKLA & CO.  
Chartered Accountants

GF - 2, Ekta Apartment  
125, Chandralok, Afiganj, Lucknow  
Phone & Fax : (0522) 2336034  
e-mail: dsshukla@vahoo.co.in

TO WHOM IT MAY CONCERN

On the basis of records produced before us and explanation given to us, we hereby certify, subject to assumption given below, that the Net worth of Shri J.B. Roy is Rs. 134.03 crores as on 31.03.2009.

1. Quoted securities have been valued at market price available on 31.03.2009.
2. Unquoted securities have been valued at intrinsic value as on 31.03.2009.
3. Investment in preference share have been valued at cost.
4. In partnership firm, namely M/s Sahara India, Partner's Account balance has been taken on the basis of audited accounts as on 31.03.2009.
5. Liability on account of disputed tax, personal guarantees etc. have not been considered being contingent in nature.
6. Value of precious & semi precious Stones, Jewellery etc. have been taken on the basis of self declaration.

Date : 08.12.2009  
Place : Lucknow

For D.S.Shukla & Co.

Chartered Accountants



( R.K.Srivastava )  
Partner

H.O. New M.P. Building, Golghar, Gorakhpur, Pin: (0551)2334157, 2344587, Fax: 2334157

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Shri J.B. Roy  
Computation of net worth as on 31.03.2009

	Amount ( in crores)
1 Cash in hand	0.015
2 Bank Balance	0.131
3 Precious Metals	0.205
4 Balance in Provident Fund	0.431
5 Investment in Shares	333.041
<b>Total (A)</b>	<b>333.823</b>
<b>Less:</b>	
1 Loan from Sahara India Mass Communication	184.732
2 Credit Balance in M/s S I	15.058
<b>Total(B)</b>	<b>199.790</b>
<b>Total (A-B)</b>	<b>134.033</b>

Net Worth



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B. DETAILS OF LEGAL HEIRS OF THE GUARANTOR

S N	Name of the legal heir	Relation guarantor	with	Age
1	Smt. Moushumi Roy	wife		42 yrs
2	shri. Jagrato Roy	son		19 yrs
3	shri. Juganto Roy	son		15 yrs.

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182

IN WITNESS WHEREOF the withinnamed Shri Joy Broto Roy has set his hand to these presents on the day, and month and year first hereinabove written.

SIGNED AND DELIVERED by )  
the withinnamed )  
Shri Joy Broto Roy )

*[Handwritten Signature]*  
HDMW (contd)

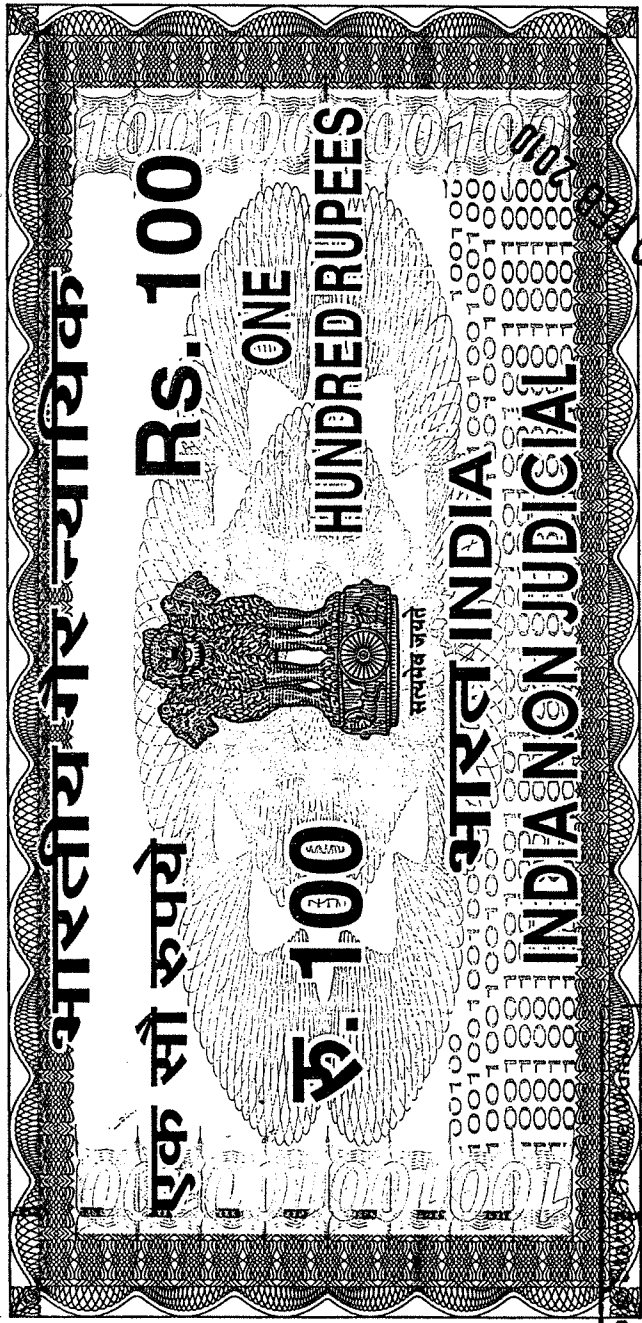


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ANNEXURE - A - 37

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Gene  
 L. S. V. No. 840  
 महाराष्ट्र MAHARASHTRA  
 - 6 FEB 2010  
 Paper Officer

श्री. L. S. BAMBLE



क्र. 938333  
 दिनांक नं. ?  
 अर्थी कोर्ट वा एरोरिपुस मेरोपोलिटन संजिक्  
 अर्थी (ए). नं. १-६०. ए. नं. ६४०  
 दिनांक ०५/०२/२०१०  
 मर्च श्री Omprakash Srivastava  
 वा मर्च श्री

GUARANTEE AGREEMENT

THIS GUARANTEE AGREEMENT executed at **PURBAI** this 3<sup>rd</sup> day of **MARCH** 2010 by Om Prakash Srivastava, son of Late Shri. F. P. Srivastava aged major, residing at A-706, Sector-C, Mahanagar Lucknow in the State of Uttar Pradesh, India (hereinafter referred to as the "Guarantor", which expression shall, unless it be repugnant to the subject or context thereof, include his/their heirs, executors and administrators);

IN FAVOUR OF

**ANDHRA BANK**, a body corporate constituted by and under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 and having its Head Offices at Dr. Pattabhi Bhavan, Saifabad, Hyderabad 500 004, in the State of Andhra Pradesh, India and having a specialized corporate finance branch, at 16<sup>th</sup> Floor, Earnest House, NCPA Marg, Nariman Point, Mumbai - 400 021, in the State of Maharashtra, India (hereinafter referred to as the "AB", which expression shall, unless it be repugnant to the context or meaning thereof, include its successors in office and assigns);

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**BANK OF BARODA**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at Mandvi, Baroda- and having a branch office at Corporate Financial Service Branch, 10/12 Mumbai Samachar Marg, Fort, Mumbai-400001, in the State of Maharashtra, India (hereinafter referred to as "**BOB**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**CORPORATION BANK**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1980, having its Head Office at P.B. No. 88, Mangladevi Temple Road, Mangalore - 575 001, in the State of Karnataka, India and having its large corporate branch office at 301-302, the Eagle's Flight, Andheri Kurla Road, Andheri (E), Mumbai - 400 093 in the State of Maharashtra, India (hereinafter referred to as "**Corp.B**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**IDBI BANK LIMITED**, a company incorporated under the Companies Act, 1956 (1 of 1956) and a banking company within the meaning of Section 5(c) of the Banking Regulation Act, 1949 having its registered office and mid corporate group at IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400 005, in the State of Maharashtra, India (hereinafter referred to as "**IDBI**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**KARNATAKA BANK LIMITED**, a company incorporated under the Indian Companies Act, 1913 having its registered office and head office at Mahaveera Circle, Kankanady, Mangalore - 575 002, in the State of Karnataka, India and having its branch amongst other places at Fort, Perin Nariman point Street, Amar Building, Opp. R.B.1, Fort, Mumbai - 400 054, in the State of Maharashtra, India (hereinafter referred to as "**KBL**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**UNION BANK OF INDIA**, a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and having its head office at Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai - 400021, in the State of Maharashtra and its Industrial Finance Branch, at First Floor, Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai-400021, in the State of Maharashtra, India (hereinafter referred to as "**UBI**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);



**UCO BANK**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at 10, B.T.M. Sarani, Kolkata-700001 and having a branch office at RNA Classic, North Avenue, S.V. Road, Santacruz (W), Mumbai-400054, in the State of Maharashtra, India (hereinafter referred to as "**UCO**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

(Each of **AB**, **BOB**, **Corp.B**, **IDBI**, **KBL**, **UBI** and **UCO** are individually referred to as "**Phase-2 Lender**" and are collectively referred to as the "**Phase-2 Lenders**", where the context admits or requires) and Housing And Urban Development Corporation Limited is referred to as the "**Security Agent**", who shall act for and on behalf of the Phase-2 Lenders.

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

- (A) **SAHARA HOSPITALITY LIMITED**, a company registered under the Companies Act, 1956 (1 of 1956) and having its Registered Office at Sahara India Point, CTS, 40 & 44, S.V.Road, Goregaon (West), Mumbai-400104 in the State of Maharashtra, India (hereinafter referred to as the "**Borrower**") has successfully completed the renovation and reconstruction of Hotel Sahara Star comprising of 223 (two hundred and twenty three) rooms, 10 (ten) restaurants, 6 (six) banquet halls, 5 (five) business centers and 4500 (four thousand five hundred) square feet of commercial space (hereinafter referred

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to as the "Phase-1 Project") and is now proposing to implement the Project based on Additional FSI by way of expansion and development of additional facilities viz., 185 (one hundred and eighty five) rooms, 5 (five) restaurants, 2 (two) banquet halls, 21 (twenty one) business centers and 2,00,000 (two lakhs) square feet commercial space (hereinafter referred to as the "Phase-2 Project").

(B) Accordingly, the Borrower has approached Phase-2 Lenders for financial assistance and the Phase-2 Lenders have agreed to make available to the Borrower rupee term loan of an aggregate principal amount not exceeding Rs.310,00,00,000.00 (Rupees Three Hundred and Ten Crores only) (including the project letter(s) of credit facility, as a sub limit of the Phase-2 Loans) ("Phase-2 Loans") on the terms and conditions of a Phase-2 Common Loan Agreement dated ~~February~~ 3 2010 ("Phase-2 Common Loan Agreement").

(C) The Phase-2 Lenders have, by the Amended and Restated Security Agent Agreement dated MARCH 3, 2010 appointed Restated Housing and Urban Development Corporation Limited as their security agent to hold the securities to be created as per the Phase-2 Common Loan Agreement, on the terms and conditions contained in the Amended and Restated Security Agent Agreement.


(D) One of the conditions of the Phase-2 Common Loan Agreement is that the Guarantor shall furnish an irrevocable and unconditional personal guarantee in terms hereof. Pursuant to the above, the Phase-2 Lenders have called upon the Guarantor, to execute, and the Guarantor has executed, this Deed of Guarantee in favour of the Phase-2 Lenders, and at the request of the Guarantor the Phase-2 Lenders have agreed to make to the Borrower, disbursement(s)/interim disbursement(s) from out of the Phase-2 Loans.

**NOW THIS AGREEMENT WITNESSETH AS FOLLOWS;**

In consideration of the premises, the Guarantor hereby unconditionally, absolutely and irrevocably guarantees to and agrees with the Phase-2 Lenders as follows:

1. The Phase-2 Lenders shall have the sole discretion to make disbursement(s) and/or interim disbursement(s) to the Borrower from out of the Phase-2 Loans at such time, on such conditions and in such manner as the Phase-2 Lenders may decide.
2. The Borrower shall duly and punctually repay the Phase-2 Loans together with all interest, additional interest, liquidated damages, and all other monies payable whatsoever as stipulated in the Phase-2 Common Loan Agreement and the fee, remuneration and expenses payable to the Lenders' Agent, the Security Agent, the Account Bank and other agents of the Phase-2 Lenders as stipulated under the agreements and perform and comply with all other terms, conditions and covenants contained in the Phase-2 Common Loan Agreement.
3. In the event of any default on the part of the Borrower in payment/repayment and in reimbursement of any of the monies referred to above, or in the event of any default on the part of the Borrower to comply with or perform any of the terms, conditions and covenants contained in the Phase-2 Common Loan Agreement, the Guarantor shall, upon demand, forthwith pay to the Phase-2 Lenders without demur all the amounts payable by the Borrower under the Phase-2 Common Loan Agreement.
4. The Guarantor shall also indemnify and keep the Phase-2 Lenders indemnified against all losses, damages, costs, claims and expenses whatsoever which the Phase-2 Lenders may suffer, pay or incur by reason of or in connection with any such default on the part of the Borrower including legal proceedings taken against the Borrower and/or the Guarantor for recovery of the moneys referred to in Clause 2 above.



  
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5. The Guarantor hereby agrees that without the concurrence of the Guarantor, the Borrower and the Phase-2 Lenders shall be at liberty to vary, alter or modify the terms and conditions of the Phase-2 Common Loan Agreement and of the security created and of the security documents executed by the Borrower in favour of the Phase-2 Lenders/Security Agent and in particular to defer, postpone or revise the repayment of the Phase-2 Loans and/or payment of interest and other monies payable by the Borrower to the Phase-2 Lenders on such terms and conditions as may be considered necessary by the Phase-2 Lenders including any increase in the rate of interest. The Phase-2 Lenders shall also be at liberty to absolutely dispense with or release all or any of the security/securities furnished or required to be furnished by the Borrower to the Phase-2 Lenders/ Security Agent to secure the Phase-2 Loans. The Guarantor agrees that the liability under this Guarantee shall in no manner be affected by any such variations, alterations, modifications, waiver, dispensation with or release of security, and that no further consent of the Guarantor is required for giving effect to any such variation, alteration, modification, waiver, dispensation with, or release of security.
  6. The Phase-2 Lenders shall have full liberty, without notice to the Guarantor and without in any way affecting this guarantee, to exercise at any time and in any manner any power or powers reserved to the Phase-2 Lenders under the Phase-2 Common Loan Agreement, to enforce or forbear to enforce payment of the Phase-2 Loans or any part thereof or interest or other monies due to the Phase-2 Lenders from the Borrower or any of the remedies or securities available to the Phase-2 Lenders, to enter into any composition or compound with or to grant time or any other indulgence or facility to the Borrower AND the Guarantor shall not be released by the exercise by the Phase-2 Lenders of its liberty in regard to the matters referred to above or by any act or omission on the part of the Phase-2 Lenders or by any other matter or thing whatsoever which under the law relating to sureties would but for this provision have the effect of so releasing the Guarantor AND the Guarantor hereby waives in favour of the Phase-2 Lenders so far as may be necessary to give effect to any of the provisions of this Guarantee, all the suretyship and other rights which the Guarantor might otherwise be entitled to enforce.
  7. This Guarantee shall be enforceable against the Guarantor notwithstanding that any security or securities comprised in any instrument(s) executed or to be executed by the Borrower in favour of the Phase-2 Lenders shall, at the time when the proceedings are taken against the Guarantor on this Guarantee, be outstanding or unrealised or lost.
  8. The Guarantor hereby agrees and gives consent to the sale, mortgage on prior, pari-passu or second charge basis, release etc., of any of the assets by the Borrower from time to time as may be approved by the Phase-2 Lenders or the transfer of any of the assets of the Borrower from one unit to the other or to the release or leasing out by the Phase-2 Lenders any or whole of the assets charged to the Phase-2 Lenders on such terms and conditions as the Phase-2 Lenders may deem fit and this may be treated as a standing and continuing consent for each and every individual act of transfer, mortgage, release or lease of any of such assets of the Borrower. The Guarantor hereby declares and agrees that no separate consent for each such transfer, mortgage, release or lease of any of such assets would be necessary in future.
  9. The Guarantor hereby agrees and declares that the Borrower will be free to avail of further loans or other facilities from the Phase-2 Lenders or any other financial institution or bank in addition to the Phase-2 Loans and/or to secure the same during the subsistence of this guarantee and in that event the guarantee herein contained will not be affected or vitiated in any way whatsoever but will remain in full force and effect and binding on the Guarantor.
  10. The rights of the Phase-2 Lenders against the Guarantor shall remain in full force and effect notwithstanding any arrangement which may be reached between the Phase-2 Lenders and the other Guarantor or notwithstanding the release of that other or others from liability and notwithstanding that any time hereafter the other Guarantor may cease



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for any reason whatsoever to be liable to the Phase-2 Lenders, the Phase-2 Lenders shall be at liberty to require the performance by the Guarantor of his obligations hereunder to the same extent in all respects as if the Guarantor had at all times been solely liable to perform the said obligations.

11. The Guarantor hereby declare that the immovable and movable properties described in the *Annexure*, save and except specified therein, are free from encumbrances, charges, claims and demands, and owned and possessed by them.
12. The Guarantor undertake to notify the Phase-2 Lenders in writing particulars of immovable and movable properties acquired or inherited by them within a reasonable time so long as the guarantee remains in force.
13. The Guarantor do hereby further undertake not to sell, transfer, encumber, charges, pledge, hypothecate, mortgage, or create any lien on all or any of his aforesaid properties and/or other properties acquired or inherited thereafter, without the written permission of the Phase-2 Lender.
14. To give effect to this Guarantee, the Phase-2 Lenders may act as if the Guarantor were the principal debtor to the Phase-2 Lenders.
15. The Guarantor hereby declares and agrees that they have not received and shall not, without the prior consent in writing of the Phase-2 Lenders receive any security or commission from the Borrower for giving this guarantee so long as any monies remain due and payable by the Borrower to the Phase-2 Lenders under the Phase-2 Common Loan Agreement.
16. The Guarantor shall not in the event of the liquidation of the Borrower prove in competition with the Phase-2 Lenders in the liquidation proceedings.
17. A certificate in writing signed by a duly authorised official of the Phase-2 Lenders/Security Agent shall be conclusive evidence against the Guarantor of the amount for the time being due to the Phase-2 Lenders from the Borrower in any action or proceeding brought on this Guarantee against the Guarantor.  

This Guarantee shall not be wholly or partially satisfied or exhausted by any payments made to or settled with the Phase-2 Lenders by the Borrower and shall be valid and binding on the Guarantor and operative until repayment in full of all monies due to the Phase-2 Lenders under the Phase-2 Common Loan Agreement.
19. This Guarantee shall be irrevocable and the obligations of the Guarantor hereunder shall not be conditional on the receipt of any prior notice by the Guarantor or by the Borrower and the demand or notice by the Phase-2 Lenders, as provided in Clause 20 hereof shall be sufficient notice to or demand on the Guarantor.
20. The liability of the Guarantor under this Guarantee shall not be affected by -
  - i) any change in the constitution or winding up of the Borrower or any absorption, merger or amalgamation of the Borrower with any other company, corporation or concern; or
  - ii) any change in the management of the Borrower or takeover of the management of the Borrower by Central or State Government or by any other authority; or
  - iii) acquisition or nationalisation of the Borrower and/or of any of its undertaking(s) pursuant to any law; or
  - iv) any change in the constitution of the Phase-2 Lenders; or
  - v) the insolvency or death of the Guarantor.
21. This Guarantee shall be a continuing one and shall remain in full force and effect till such time the Borrower repays in full the Phase-2 Loans together with all interest,



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guarantee commission, liquidated damages, costs, charges and all other monies that may from time to time become due and payable and remain unpaid to the Phase-2 Lenders under the Phase-2 Common Loan Agreement.

22. The liability of the Guarantor hereunder shall not exceed the sum of **Rs.310,00,00,000/- (Rupees Three Hundred and Ten Crores only)** plus all interest, liquidated damages, costs, charges and other monies payable by the Borrower to the Phase-2 Lenders under the Phase-2 Common Loan Agreement.

23. Any demand for payment or notice under this Guarantee shall be sufficiently given if sent by post to or left at the last known address of the Guarantor or their personal representative(s), such demand or notice is to be made or given, and shall be assumed to have reached the addressee in the course of post, if given by post, and no period of limitation shall commence to run in favour of the Guarantor until after demand for payment in writing shall have been made or given as aforesaid and in proving such notice when sent by post it shall be sufficiently proved that the envelope containing the notice was posted and a certificate by any of the responsible officers of the Phase-2 Lenders that to the best of his knowledge and belief, the envelope containing the said notice was so posted shall be conclusive as against the Guarantor, even though it was returned unserved on account of refusal of the Guarantor or otherwise.

24. The Guarantor agrees and declares that the rights and powers conferred on the Phase-2 Lenders by these presents be joint and several and shall be deemed always to be so and they may be exercised by the Phase-2 Lenders accordingly.

25. The Guarantor agrees and declares that the rights and powers conferred on the Phase-2 Lenders by these presents may be exercised by the Lenders' Agent and/ or Security Agent acting on behalf of all or any of the Phase-2 Lenders.

#### 26. DISCLOSURE OF INFORMATION

(i) The Guarantor agrees that in case of the Guarantor fails in discharging the liability of the Borrower in repayment of the principal amount of the Phase-2 Loan(s) or payment of interest as demanded by the Phase-2 Lenders, the Phase-2 Lenders and/or Reserve Bank of India shall have an unqualified right to disclose or publish the details of the default and the name of the Guarantor as defaulters in such manner and through medium as the Phase-2 Lenders and/or Reserve Bank of India may think fit.

(ii) The Guarantor hereby agrees and gives consent for the disclosure by the Phase-2 Lenders of all or any such information and data relating to the Guarantor or defaults, if any, committed by the Guarantor in discharge of its obligations under this Guarantee Agreement as the Phase-2 Lenders may deem appropriate and necessary to the Credit Information Bureau (India) Limited, or any institution or any other agencies authorized in this behalf by the Reserve Bank of India.

The Guarantor hereby further undertakes that-

(a) the Credit Information Bureau (India) Limited, or any institution or any other agency so authorised by the Reserve Bank of India may use, process the said information and data disclosed by the Phase-2 Lenders; and

(b) the Credit Information Bureau (India) Limited, or any institution or any other agency may furnish on consideration, the processed information and data or products thereof prepared by them to banks, financial institutions and other credit grantors as may be specified by the Reserve Bank of India in this behalf.

27. The Guarantor hereby declares that the information and data furnished by the guarantors to the Phase 2- Lenders are true and correct.

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18/11

SCHEDULE  
PHASE-2 LENDERS AND PARTICULARS OF PHASE-2 LOANS

Name of Phase-2 Lender	Amount of Phase-2 Loans
AB	60.00 Crores (Rupees Sixty Crores Only)
BOB	48.00 Crores (Rupees Forty Eight Crores Only)
Corp.B	40.00 Crores (Rupees Forty Crores Only)
IDBI	40.00 Crores (Rupees Forty Crores Only)
KBL	22.00 Crores (Rupees Twenty Two Crores Only)
UBI	60.00 Crores (Rupees Sixty Crores Only)
UCO	40.00 Crores (Rupees Forty Crores Only)
<b>TOTAL</b>	<b>Rs.310.00 Crores (Rupees Three Hundred and Ten Crores Only)</b>

*[Handwritten Signature]*

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**ANNEXURE-I**  
**A. PARTICULARS OF THE ASSETS OWNED BY THE GUARANTOR**

Statement of Assets and Liabilities as at 31.03.2008	
	Amount Rs in Crores
1 Bank Balances	0.11
2 Jewellery Precious or semi precious metal	0.77
3 Share in partner's capital A/c 31.03.2007	132.95
4 Investment in Shares/Mutual fund	167.98
5 FDR in Banks	0.78
	<b>Total</b>
	<b>302.59</b>
Joint Housing Loan from Bank	0.64
<b>Net Worth</b>	<b>301.95</b>

**B. DETAILS OF LEGAL HEIRS OF THE GUARANTOR**

S N	Name of the legal heir	Relation with guarantor	Age
1	Mrs. Renu Prakash	Spouse	-
2	Mr. Rajat Prakash	Son	-
3	Ms. Amika Prakash	Daughter	-

  
✓

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11/9/11

IN WITNESS WHEREOF the withinnamed Shri Om Prakash Srivastava has set his hand to these presents on the day, and month and year first hereinabove written.

SIGNED AND DELIVERED by )  
the withinnamed )  
Shri Om Prakash Srivastava )



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1193

**BANK OF BARODA**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at Mandvi, Baroda- and having a branch office at Corporate Financial Service Branch, 10/12 Mumbai Samachar Marg, Fort, Mumbai-400001, in the State of Maharashtra, India (hereinafter referred to as "**BOB**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**CORPORATION BANK**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1980, having its Head Office at P.B. No. 88, Mangladevi Temple Road, Mangalore - 575 001, in the State of Karnataka, India and having its large corporate branch office at 301-302, the Eagle's Flight, Andheri Kuria Road, Andheri (E), Mumbai - 400 093 in the State of Maharashtra, India (hereinafter referred to as "**Corp.B**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**IDBI BANK LIMITED**, a company incorporated under the Companies Act, 1956 (1 of 1956) and a banking company within the meaning of Section 5(c) of the Banking Regulation Act, 1949 having its registered office and mid corporate group at IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400 005, in the State of Maharashtra, India (hereinafter referred to as "**IDBI**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**KARNATAKA BANK LIMITED**, a company incorporated under the Indian Companies Act, 1913 having its registered office and head office at Mahaveera Circle, Kankanady, Mangalore - 575 002, in the State of Karnataka, India and having its branch amongst other places at Fort, Perin Nariman point Street, Amar Building, Opp. R.B.I, Fort, Mumbai - 400 054, in the State of Maharashtra, India (hereinafter referred to as "**KBL**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**UNION BANK OF INDIA**, a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and having its head office at Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai - 400021, in the State of Maharashtra and its Industrial Finance Branch, at First Floor, Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai-400021, in the State of Maharashtra, India (hereinafter referred to as "**UBI**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

**UCO BANK**, a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at 10, B.T.M. Sarani, Kolkata-700001 and having a branch office at RNA Classic, North Avenue, S.V. Road, Santacruz (W), Mumbai-400054, in the State of Maharashtra, India (hereinafter referred to as "**UCO**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office and assigns);

(Each of **AB**, **BOB**, **Corp.B**, **IDBI**, **KBL**, **UBI** and **UCO** are individually referred to as "**Phase-2 Lender**" and are collectively referred to as the "**Phase-2 Lenders**", where the context admits or requires) and Housing And Urban Development Corporation Limited is also referred to as the "**Security Agent**", who shall act for and on behalf of the Phase-2 Lenders.

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

- (A) **SAHARA HOSPITALITY LIMITED**, a company registered under the Companies Act, 1956 (1 of 1956) and having its Registered Office at Sahara India Point, CTS, 40 & 44, S.V.Road, Goregaon (West), Mumbai-400104 in the State of Maharashtra, India (hereinafter referred to as the "**Borrower**") has successfully completed the renovation and reconstruction of Hotel Sahara Star comprising of 223 (two hundred



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and twenty three) rooms, 10 (ten) restaurants, 6 (six) banquet halls, 5 (five) business centers and 4500 (four thousand five hundred) square feet of commercial space (hereinafter referred to as the "Phase-1 Project") and is now proposing to implement the Project based on Additional FSI by way of expansion and development of additional facilities viz., 185 (one hundred and eighty five) rooms, 5 (five) restaurants, 2 (two) banquet halls, 21 (twenty one) business centers and 2,00,000 (two lakhs) square feet commercial space (hereinafter referred to as the "Phase-2 Project").

- (B) Accordingly, the Borrower has approached Phase-2 Lenders for financial assistance and the Phase-2 Lenders have agreed to make available to the Borrower rupee term loan of an aggregate principal amount not exceeding **Rs.310,00,000.00 (Rupees Three Hundred and Ten Crores only)** (including the project letter(s) of credit facility, as a sub limit of the Phase-2 Loans) ("Phase-2 Loans") on the terms and conditions of the Phase-2 Common Loan Agreement dated 3<sup>rd</sup> February 2010 ("Phase-2 Common Loan Agreement").
- (C) The Phase-2 Lenders have, by the Amended and Restated Security Agent Agreement dated 3<sup>rd</sup> March, 2010 appointed **Housing and Urban Development Corporation Limited** as their Security Agent to hold the securities to be created as per the Phase-2 Common Loan Agreement, on the terms and conditions contained in the Amended and Restated Security Agent Agreement.
- (D) One of the conditions of the Phase-2 Common Loan Agreement is that the Guarantor shall furnish an irrevocable and unconditional corporate guarantee in terms hereof. Accordingly, the Phase-2 Lenders have called upon the Guarantor, to execute, and the Guarantor has executed, this Deed of Guarantee in favour of the Phase-2 Lenders, and at the request of the Guarantor the Phase-2 Lenders have agreed to make to the Borrower, disbursement(s)/interim disbursement(s) from out of the Phase-2 Loans.

**NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:**



In consideration of the premises, the Guarantor hereby unconditionally, absolutely and irrevocably guarantees to and agrees with the Phase-2 Lenders as follows:

1. The Phase-2 Lenders shall have the sole discretion to make disbursement(s) and/or interim disbursement(s) to the Borrower from out of the Phase-2 Loans at such time, on such conditions and in such manner as the Phase-2 Lenders may decide.
2. The Borrower shall duly and punctually repay the Phase-2 Loans together with all interest, additional interest, liquidated damages, and all other monies payable whatsoever as stipulated in the Phase-2 Common Loan Agreement and the fee, remuneration and expenses payable to the Lenders' Agent, the Security Agent, the Account Bank and other agents of the Phase-2 Lenders as stipulated under the agreements and perform and comply with all other terms, conditions and covenants contained in the Phase-2 Common Loan Agreement.
3. In the event of any default on the part of the Borrower in payment/repayment and in reimbursement of any of the monies referred to above, or in the event of any default on the part of the Borrower to comply with or perform any of the terms, conditions and covenants contained in the Phase-2 Common Loan Agreement, the Guarantor shall, upon demand, forthwith pay to the Phase-2 Lenders without demur all the amounts payable by the Borrower under the Phase-2 Common Loan Agreement.
4. The Guarantor shall also indemnify and keep the Phase-2 Lenders indemnified against all losses, damages, costs, claims and expenses whatsoever which the Phase-2 Lenders may suffer, pay or incur by reason of or in connection with any such default



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1195

on the part of the Borrower including legal proceedings taken against the Borrower and/or the Guarantor for recovery of the moneys referred to in Clause 2 above.

5. The Guarantor hereby agrees that without the concurrence of the Guarantor, the Borrower and the Phase-2 Lender shall be at liberty to vary, alter or modify the terms and conditions of the Phase-2 Common Loan Agreement and of the security created and of the security documents executed by the Borrower in favour of the Phase-2 Lenders/Security Agent and in particular to defer, postpone or revise the repayment of the Phase-2 Loans and/or payment of interest and other monies payable by the Borrower to the Phase-2 Lenders on such terms and conditions as may be considered necessary by the Phase-2 Lenders including any increase in the rate of interest. The Phase-2 Lenders shall also be at liberty to absolutely dispense with or release all or any of the security/securities furnished or required to be furnished by the Borrower to the Phase-2 Lenders/ Security Agent to secure the Phase-2 Loans. The Guarantor agree that the liability under this Guarantee shall in no manner be affected by any such variations, alterations, modifications, waiver, dispensation with or release of security, and that no further consent of the Guarantor is required for giving effect to any such variation, alteration, modification, waiver, dispensation with, or release of security.
6. The Phase-2 Lender shall be at liberty to take in addition to the subsisting securities any other securities for the Phase-2 Loan or any part thereof and to release or forbear to enforce all or any of the remedies upon or under such securities and any collateral security or securities now held by the Phase-2 Lenders and that no such release or forbearance as aforesaid shall have the effect of releasing or discharging or in any manner affecting the liability of the Guarantor under this guarantee and that the Guarantor shall have no right to the benefit of the said security and/or any other security that may be held by the Phase-2 Lender until all the claims of the Phase-2 Lender against the Borrower arising under or in pursuance of the Phase-2 Common Loan Agreement shall have been fully satisfied and then in so far only as such security shall not have been exhausted for the purpose of realising the amount of the Phase-2 Lender claims and ratably only with other Guarantor or other persons (if any) entitled to the benefit of such securities respectively.
7. The Phase-2 Lenders shall have full liberty, without notice to the Guarantor and without in any way affecting this guarantee, to exercise at any time and in any manner any power or powers reserved to the Phase-2 Lenders under the Phase-2 Common Loan Agreement, to enforce or forbear to enforce payment of the Phase-2 Loans or any part thereof or interest or other monies due to the Phase-2 Lenders from the Borrower or any of the remedies or securities available to the Phase-2 Lenders, to enter into any composition or compound with or to grant time or any other indulgence or facility to the Borrower AND the Guarantor shall not be released by the exercise by the Phase-2 Lenders of its liberty in regard to the matters referred to above or by any act or omission on the part of the Phase-2 Lenders or by any other matter or thing whatsoever which under the law relating to sureties would but for this provision have the effect of so releasing the Guarantor AND the Guarantor hereby waives in favour of the Phase-2 Lenders so far as may be necessary to give effect to any of the provisions of this Guarantee, all the surety ship and other rights which the Guarantor might otherwise be entitled to enforce.
8. This Guarantee shall be enforceable against the Guarantor notwithstanding that any security or securities comprised in any instrument(s) executed or to be executed by the Borrower in favour of the Phase-2 Lenders shall, at the time when the proceedings are taken against the Guarantor on this Guarantee, be outstanding or unrealised or lost.
9. The Guarantor hereby agrees and gives consent to the sale, mortgage on prior, pari-passu or second charge basis, release etc., of any of the assets by the Borrower from



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time to time as may be approved by the Phase-2 Lenders or the transfer of any of the assets of the Borrower from one unit to the other or to the release or leasing out by the Phase-2 Lenders any or whole of the assets charged to the Phase-2 Lenders on such terms and conditions as the Phase-2 Lenders may deem fit and this may be treated as a standing and continuing consent for each and every individual act of transfer, mortgage, release or lease of any of such assets of the Borrower. The Guarantor hereby declare and agree that no separate consent for each such transfer, mortgage, release or lease of any of such assets would be necessary in future.

10. The Guarantor hereby agrees and declares that the Borrower will be free to avail of further loans or other facilities from the Phase-2 Lenders or any other financial institution or bank in addition to the Phase-2 Loans and/or to secure the same during the subsistence of this guarantee and in that event the guarantee herein contained will not be affected or vitiated in any way whatsoever but will remain in full force and effect and binding on the Guarantor.

11. The rights of the Phase-2 Lenders against the Guarantor shall remain in full force and effect notwithstanding any arrangement which may be reached between the Phase-2 Lenders and the other Guarantor or notwithstanding the release of that other or others from liability and notwithstanding that any time hereafter the other Guarantor may cease for any reason whatsoever to be liable to the Phase-2 Lenders, the Phase-2 Lenders shall be at liberty to require the performance by the Guarantor of his obligations hereunder to the same extent in all respects as if the Guarantor had at all times been solely liable to perform the said obligations.

12. To give effect to this Guarantee, the Phase-2 Lenders may act as if the Guarantor were the principal debtor to the Phase-2 Lenders.

13. The Guarantor hereby declares and agrees that they have not received and shall not, without the prior consent in writing of the Phase-2 Lenders receive any security or commission from the Borrower for giving this guarantee so long as any monies remain due and payable by the Borrower to the Phase-2 Lenders under the Phase-2 Loan Agreement.

14. The Guarantor shall not in the event of the liquidation of the Borrower prove in competition with the Phase-2 Lenders in the liquidation proceedings.

15. A certificate in writing signed by a duly authorised official of the Phase-2 Lenders/Security Agent shall be conclusive evidence against the Guarantor of the amount for the time being due to the Phase-2 Lenders from the Borrower in any action or proceeding brought on this Guarantee against the Guarantor.



16. This Guarantee shall not be wholly or partially satisfied or exhausted by any payments made to or settled with the Phase-2 Lenders by the Borrower and shall be valid and binding on the Guarantor and operative until repayment in full of all monies due to the Phase-2 Lenders under the Phase-2 Common Loan Agreement.

17. This Guarantee shall be irrevocable and the obligations of the Guarantor hereunder shall not be conditional on the receipt of any prior notice by the Guarantor or by the Borrower and the demand or notice by the Phase-2 Lenders, as provided in Clause 20 hereof shall be sufficient notice to or demand on the Guarantor.

18. The liability of the Guarantor under this Guarantee shall not be affected by -  
i) any change in the constitution or winding up of the Borrower or any absorption, merger or amalgamation of the Borrower with any other company, corporation or concern; or



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- ii) any change in the management of the Borrower or takeover of the management of the Borrower by Central or State Government or by any other authority; or
- iii) acquisition or nationalisation of the Borrower and/or of any of its undertaking(s) pursuant to any law; or
- iv) any change in the constitution of the Phase-2 Lenders; or
- v) any change in the set-up of the Guarantor which may be by way of change in the constitution, winding up voluntary or otherwise absorption, merger or amalgamation or otherwise; or
- vi) the absence or deficiency of powers on the part of the Guarantor to give Guarantees and/or Indemnities or any irregularity in the exercise of such power.

19. This Guaratee shall be a continuing one and shall remain in full force and effect till such time the Borrower repays in full the Phase-2 Loans together with all interest, guaratee commission, liquidated damages, costs, charges and all other monies that may from time to time become due and payable and remain unpaid to the Phase-2 Lenders under the Phase-2 Common Loan Agreement.

20. The liability of the Guarantor hereunder shall not exceed the sum of **Rs. 310,00,00,000.00 (Rupees Three Hundred and Ten Crores only)** plus all interest, liquidated damages, costs, charges and other monies payable by the Borrower to the Phase-2 Lenders under the Phase-2 Common Loan Agreement.

21. Any demand for payment or notice under this Guarantee shall be sufficiently given if sent by post to or left at the last known address of the Guarantor or its personal representative(s), such demand or notice is to be made or given, and shall be assumed to have reached the addressee in the course of post, if given by post, and no period of limitation shall commence to run in favour of the Guarantor until after demand for payment in writing shall have been made or given as aforesaid and in proving such notice when sent by post it shall be sufficiently proved that the envelope containing the notice was posted and a certificate by any of the responsible officers of the Phase-2 Lenders that to the best of his knowledge and belief, the envelope containing the said notice was so posted shall be conclusive as against the Guarantor, even though it was returned unserved on account of refusal of the Guarantor or otherwise.

22. The Guarantor agrees and declares that the rights and powers conferred on the Phase-2 Lenders by these presents be joint and several and shall be deemed always to be so and they may be exercised by the Phase-2 Lenders accordingly.

23. The Guarantor agrees and declares that the rights and powers conferred on the Phase-2 Lenders by these presents may be exercised by the Lenders' Agent and/ or Security Agent acting on behalf of all or any of the Phase-2 Lenders.

#### 24. DISCLOSURE OF INFORMATION

We, the Guarantor understand that as a pre-condition, relating to the grant of the Phase-2 Loans to the Borrower and furnishing of guarantee in relation thereto, the Phase-2 Lender requires consent of the Guarantor of the Phase-2 Loans, granted by the Phase-2 Lenders for disclosure of, information and data relating to the Guarantor, any credit facility availed of by the Guarantor, obligations as assumed by the Guarantor, in relation thereto and default, if any, committed, in discharge thereof, accordingly, we the Guarantor agree

- (i) that in case if we fail in discharging the liability of the Borrower in repayment of the principal amount of the Phase-2 Loan(s) or payment of interest as demanded by the Phase-2 Lenders, the Phase-2 Lenders and/or Reserve Bank of India shall have an unqualified right to disclose or publish the details of the default and the name of the Guarantor and of its directors as defaulters in such



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1198

through medium as the Phase-2 Lenders and/or Reserve Bank of India may think fit.

(ii) and gives consent for the disclosure by the Phase-2 Lenders of all or any such information and data relating to the Guarantor or to the Phase-2 Loans or defaults, if any, committed by the Borrower in discharge of its obligations as the Phase-2 Lenders may deem appropriate and necessary to the Credit Information Bureau (India) Limited (CIBIL), or any institution or any other agencies authorized in this behalf by the Reserve Bank of India. The Guarantor hereby declares and agrees to confirm that the information and data furnished to the Phase-2 Lenders are true and correct.

(iii) The Guarantor hereby further undertakes that-

- (a) the Credit Information Bureau (India) Limited, or any institution or any other agency so authorised by the Reserve Bank of India may use, process the said information and data disclosed by the Phase-2 Lenders; and
- (b) the Credit Information Bureau (India) Limited, or any institution or any other agency may furnish on consideration, the processed information and data or products thereof prepared by them to banks, financial institutions and other credit grantors as may be specified by the Reserve Bank of India in this behalf.



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11961

**SCHEDULE  
PARTICULARS OF PHASE-2 LENDERS AND PHASE-2 LOANS**

Name of Phase-2 Lender	Amount of Phase-2 Loans
AB	60.00 Crores (Rupees Sixty Crores Only)
BOB	48.00 Crores (Rupees Forty Eight Crores Only)
Corp.B	40.00 Crores (Rupees Forty Crores Only)
IDBI	40.00 Crores (Rupees Forty Crores Only)
KBL	22.00 Crores (Rupees Twenty Two Crores Only)
UBI	60.00 Crores (Rupees Sixty Crores Only)
UCO	40.00 Crores (Rupees Forty Crores Only)
<b>TOTAL</b>	<b>Rs.310.00 Crores (Rupees Three Hundred and Ten Crores Only)</b>



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1900

IN WITNESS WHEREOF the Guarantor has caused its Common Seal to be affixed to these presents on the day, and month and year first hereinabove written.

THE COMMON SEAL OF Sahara Prime City Limited has pursuant to the Resolutions of its Board of Directors passed in that behalf on 28 day of December 1900 hereunto been affixed in the presence of Mr. D. C. M. [Signature] Company Secretary, who has signed these presents in token thereof.

*[Handwritten signature]*



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