

Terms & Conditions of the Debentures	
Debentures	Unlisted, Unrated, Secured, Redeemable, Non-Convertible Debenture
Definitions & Interpretation	Words and expressions capitalized herein shall have the same meaning ascribed to them in the debenture trust deed ("DTD") executed/to be executed to secure the Debentures. In case of inconsistency between the provisions of this Annexure and the Particulars of Offer, the provisions of the Particulars of Offer shall prevail. The terms of the DTD shall have an overriding effect and supersede the provisions of this Annexure notwithstanding anything to the contrary stated herein.
Debenture Investors	Any of Tata Capital Financial Services Limited, Tata Capital Housing Finance Limited, Tata Cleantech Capital Limited and Anahera Investment Pte Limited ("GIC Entity") and Investment Opportunities V Pte. Limited ("SSG Entity").
Debenture Holders	Debenture Investors who subscribe to the Debentures
Tata Entity	Any of a) Tata Capital Financial Services Limited, b) Tata Capital Housing Finance Limited and c) Tata Cleantech Capital Limited.
Guarantors	GMR Infrastructure Limited ("GIL") and GMR Infra Developers Limited ("GIDL")
Equity Investors	<ol style="list-style-type: none"> 1. TRIL Urban Transportation Private Limited ("Tata"), 2. Valkyrie Investment Pte Limited, and 3. Solis Capital (Singapore) Pte Limited
Debenture Amount Size	<p>Total Debt Envelope less amount outstanding under Varde Debentures and Ivy Debentures. The Debentures shall be not more than INR 2,000 crores. The total size to be subscribed by individual investors in the Debentures shall be as per below:-</p> <ol style="list-style-type: none"> 1) Tata Entities – In aggregate not more than INR 827 crores 2) GIC Entity – not more than INR 735 crores 3) SSG Entity – not more than INR 438 crores
Availability Period	January 31, 2020 or such later date as may be agreed in writing by the Company and the Debenture Trustee
Total Debt Envelope	INR 4,100 crores
Lender	Any lender (being a Debenture Holder) of the Debentures, the debentures aggregating to INR 500 crores subscribed to in two tranches by Ivy Icon Solutions LLP ("Ivy Debentures") and the debentures aggregating to INR 1600 crores subscribed to by Varde and other investors ("Varde Debentures") and "Lenders" shall mean all of them
Use of Proceeds	Repayment of term loan availed from Yes Bank Limited by GMR Infra Services Limited and other identified debt of the members of the GMR group as may be mutually agreed between the Company and the Debenture Holders
Debenture Trustee	Vistra (ITCL) India Limited
Security Trustee	Vistra (ITCL) India Limited, which shall be a common security trustee for the Lenders
Final Maturity Date	16 months from deemed date of allotment of the Debentures
Scheduled Amortization	100% on Final Maturity Date



Coupon and Step Up Coupon	<p>Cash coupon calculated at 15% p.a. payable annually to the Debenture Holders.</p> <ul style="list-style-type: none"> • Coupon calculation shall be on face value of outstanding Debentures • Step Up Coupon of 1% per annum over and above the Coupon Rate, payable on each coupon payment date for the tenor of the Debentures commencing from (and including) the date falling 12 (twelve) months from the deemed date of allotment by paying the early redemption amount.
Default Interest	2% per annum, payable on entire amount outstanding in case of occurrence of any Event of Default from date of such Event of Default (whether or not any notice is given) till such Event of Default is cured to satisfaction of the Debenture Holders
Upfront Fee	1% of the Debenture amount payable on the deemed date of allotment of the Debentures.
Tax Gross up	<p>All payments to Debenture Holders shall be made free and clear of taxes and without any deduction, unless a tax deduction is required under the Applicable Law.</p> <p>If the Company makes a tax deduction that is NOT required by Applicable Law, while making any payments to the Debenture Holders, then sum payable by the Company shall be increased to the extent necessary to ensure that the Debenture Holders receives a sum, net of any tax deduction, equal to the sum which it would have received had not tax deduction has been made.</p> <p>If the Company makes a tax deduction that is required by Applicable Law, then, if any Debenture Holder is NOT able to claim credit of such tax deducted, there shall be a gross up of such tax deduction to the satisfaction of such Debenture Holders.</p>
Security Package	<ol style="list-style-type: none"> 1. A first ranking pledge over the Company's equity held by GIDL constituting 99.99% of its issued and paid up share capital (on a fully diluted basis), shared pari-passu amongst the Lenders from the deemed date of allotment and receipt of UTR by YES Bank Limited;



	<p>2. A first ranking pledge over shares of GMR Airports Limited ("GAL Shares") held by the Company and/or GIL constituting atleast 51% of GMR Airports Limited's ("GAL") post money issued and paid up share capital (which constitute at least 2.2x cover ("Minimum Security Cover") on the outstanding amount of Total Debt Envelope) at all times and shared <i>pari-passu</i> amongst the Lenders from the deemed date of allotment and receipt of UTR by YES Bank Limited. GAL valuation for security calculation shall be INR 18,000 crores for 100% stake on pre- money valuation basis or such other valuation (higher or lower) as agreed in writing between the Company and the Debenture Holders ("Agreed Valuation"). If there is a shortfall in security cover due to reduction in Agreed Valuation, there shall be an obligation for top up. The Company shall ensure that upon the occurrence of any stake sale by any member of the GMR group or the GAL group in any of the Company, GIDL, GAL and its subsidiaries or any equity investment for an aggregate purchase consideration of at least Rs 7000 Crores), the Company shall maintain such valuation as may be agreed in writing, as of a date mutually agreed between the Debenture Holders and the Company</p> <p>3. Demand Promissory Note by the Company</p> <p>4. A Corporate Guarantee from each of GIL and GIDL.</p> <p>5. A first ranking <i>pari-passu</i> charge by way of hypothecation on all moveable assets, current assets, insurance policies, receivables, inter-company loans, bank accounts, amounts standing to credit of such accounts, etc. of the Company, shared <i>pari-passu</i> amongst Lenders from the deemed date of allotment other than the company account bearing 026881300001140 and 055505007685 which shall form part of common <i>pari-passu</i> security only upon receipt of the UTR by Yes Bank Limited and the full redemption of the non-convertible debentures issued to IVY Icon Solutions LLP respectively and the assets mentioned in (6) or (7) below.</p> <p>6. first ranking exclusive charge, by way of hypothecation, on the Debenture proceeds and the debenture subscription account till the deemed date of allotment and utilization of the Debenture proceeds; and</p> <p>7. First ranking exclusive charge, by way of hypothecation, on the amounts received by any Debenture Holders upon the occurrence of any redemption.</p> <p>8. Any other security interest as may be agreed between the Company and the Debenture Holders.</p>
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Key Conditions Precedent	<p>Each of the following in manner satisfactory to the Debenture Holders:</p> <ul style="list-style-type: none"> Conditional no-objection certificate / consent letters to be obtained from YES Bank Limited in relation to: (i) upon receipt of the UTR, the Security over the Security Package (including the pledge over atleast 51% shares of GAL) and the freeze on approximately 15% of the shares of GAL will be automatically released and Yes Bank Limited will cease to be a party to or get any benefit under the common security trustee agreement or related security documents and all of Yes Bank Limited's existing or future rights shall stand extinguished; (ii) the Security Trustee executing and/or amending the security trustee agreement to which Yes Bank Limited will not be a party and related security documents; (iii) the Debenture Trustee being made a party to the security trustee agreement and related security documents which execution and / or amendments shall only be effective upon receipt of the UTR by YES Bank Limited; (iv) the shareholders of GAL can transfer the shares of GAL lying with YES Bank Limited (as a depository participant). Cash flow chart from Obligors and the group detailing month-wise repayments due from current month until March 2021 and means of servicing the same. Establishment of mechanism (to the satisfaction of Debenture Holders) to ensure that there is no gap risk in creation of security over 51% in favor of Security Trustee and payment to Yes Bank from proceeds of the Debentures. Agreement between Debenture Holders and Company on monitoring the end use of funds raised from the proposed Debentures for end use as covenanted by the Company. All costs and expenses of the Debenture Holders (including legal costs) in relation to the Debentures and the Transaction Documents have been paid by the Company. Any actions required to be taken for issuance of the Debenture's or for creation and perfection of Security Package in favor of Security Trustee post completion of diligence, including without limitation all lender NOC's required. Additional debt of INR 900 crores is subject to creation of pledge over an aggregate of 61% GAL shares and such other conditions as specified in the debenture trust deed.
Representations Warranties	<ul style="list-style-type: none"> Acceptable to the Debenture Holders customary for such transactions, including on Anti-Bribery and Corruption, Anti-Money Laundering and Sanctions and such other representations and warranties provided /to be provided from time to time under DTD and all other debenture documents.
Company Guarantor Covenants	<ul style="list-style-type: none"> Company shall have no other debt, other than the Varde Debentures, Ivy Debentures and these Debentures, aggregate of which shall not exceed Total Debt Envelope The Company, GIDL, GAL and the Guarantor shall not incur any financial indebtedness, encumber, dispose of any of their assets, without the prior written consent of the Debenture Holders and other as permitted in the DTD <p>The Company shall ensure that the proceeds of the Debentures are not utilized towards redemption of the Ivy Debentures. In the event the Company proposes to redeem the Ivy Debentures by way of incurring additional financial indebtedness, the Company shall not offer more favourable terms to such incoming lender or financial institution than the terms stipulated by, or offered to, the Debenture Holders and the tenor of the such financial indebtedness shall be co-terminus with the Debentures.</p>



Key Conditions Subsequent	<ul style="list-style-type: none"> • Debenture Holders and the proposed equity investors shall meet on monthly basis with the Company wherein a) the Company shall present status update on the progress of the conclusion of the equity transaction b) the Company shall provide update to consortium regarding operating performance, debt position and any material developments/ events in Company, GIL or any other company within the group
Events of Default	<ul style="list-style-type: none"> • Any payment default by Company or Guarantors to any of the Debenture Holders • Non-compliance of Financial Covenants • Cross Default upon acceleration of any facility after occurrence of an event of default under any indebtedness of: <ul style="list-style-type: none"> ✓ Company or Guarantors or GAL, or ✓ any member of GAL Group, or ✓ any loan guaranteed by the Company or Guarantors or GAL or any member of GAL Group • Termination of any of the airport concession agreements in GAL Group • Decrease in beneficial shareholding percentage (calculated on fully diluted basis) of GIL in the Company. • Insolvency of the Company or any Guarantors or Insolvency proceeding against the Company or any Guarantor or any member of GAL Group • Other Events of Default customary for a transaction of this nature and detailed in the DTD.
Consequences of Events of Default	<ul style="list-style-type: none"> • The Debenture Trustee may, and shall if directed by any Debenture Holders: • declare that all or part of the Debentures, together with Coupon, Step Up Coupon and any other amount payable under the Transaction Documents shall become payable immediately on demand by the Debenture Trustee; • enforcement of any or all of the security that comprises the Security Package, including without limitation, enforce any pledge or hypothecation, invoke any Guarantee or present any Demand Promissory Note for payment. • Transfer, assign or appropriate the Receivables or the insurance policies in relation to the Secured Assets; • Exercise or direct the Security Trustee to exercise any or all of its rights, remedies, powers and discretions under the Transaction Documents or applicable law. • Without prejudice to right to enforce the pledge, all the voting rights of security providers in GAL pursuant to their current holding in GAL being pledged for the Debentures shall automatically be transferred to the Security Trustee (acting on the instructions of the Debenture Holders). • Default Interest will become payable immediately; • Any other consequences of an event of default mentioned in the DTD
Other Covenants / Conditions	<ul style="list-style-type: none"> • Other terms and conditions as are customary for a transaction of this nature and more particularly detailed in the DTD.
Confidentiality	No Party shall disclose this Term Sheet or any term or conditions contained herein to any other persons nor engage in any discussions or execute any agreements or issue any securities with or to any other person other than Debenture Holders until the signing of the Transaction Documents, provided that either party may disclose the indicative terms and conditions of this Term Sheet to its professional advisors, rating agencies, Equity Investors, affiliates/associates/group companies (on a confidential basis) or if required by law, rules, regulation, court order, subpoena or other similar legal process or regulatory request or for purposes of legal proceedings.
Costs and Expenses	All costs and expenses of the Debenture Holders (including legal costs) in relation to the Debentures and the Transaction Documents shall be paid by the Company.



