

## Term Sheet

Sl. No.	Clause	Description
1.	Security Name	BIAL 2031
2.	Series	Series I- 2021
3.	Issuer	Bangalore International Airport Limited
4.	Type of Instrument	Secured, Unlisted, Rated, Redeemable, Non-Cumulative, Taxable, Non-Convertible Debentures (“ <b>Debentures</b> ”)
5.	Nature of Instrument	Secured
6.	Seniority	Senior (debt ranking <i>paripassu</i> with other existing lenders)
7.	Mode of Issuance	Private Placement
8.	Eligible Investors	<p>The following class of investors are eligible to participate in the offer (being “<b>Eligible Investors</b>”):</p> <ul style="list-style-type: none"> <li>(i) Mutual Funds, Public Financial Institutions as defined in section 2(72) of the Companies Act, 2013;</li> <li>(ii) Scheduled Commercial Banks;</li> <li>(iii) Insurance Companies;</li> <li>(iv) Provident Funds, Gratuity Funds, Superannuation Funds and Pension Funds;</li> <li>(v) Co -operative Banks;</li> <li>(vi) Regional Rural Banks authorized to invest in bonds/ debentures;</li> <li>(vii) Companies and Bodies Corporate authorized to invest in bonds/ debentures;</li> <li>(viii) Societies authorized to invest in bonds/ debentures;</li> <li>(ix) Trusts authorized to invest in bonds/ debentures;</li> <li>(x) Statutory Corporations/ Undertakings established by Central/ State legislature authorized to invest in bonds/ debentures;</li> <li>(xi) Foreign Portfolio Investors (“<b>FPIs</b>”)*</li> <li>(xii) Non- Banking Finance Company and</li> <li>(xiii) Any other person eligible to invest in the issue.</li> </ul>



		<p>Further, notwithstanding anything contained above, only eligible investors who have been addressed through the application form are eligible to apply. Prior to making any investment in these Debentures, each Eligible Investor should satisfy and assure himself/herself/itself that he/she/it is authorized and eligible to invest in these Debentures. The Issuer shall be under no obligation to verify the eligibility/authority of the Eligible Investor to invest in these Debentures. Further, mere receipt of the Disclosure Document (and/or any Transaction Document in relation thereto and/or any draft of the Transaction Documents and/or the Disclosure Document) by a person shall not be construed as any representation by the Issuer that such person is authorized to invest in these Debentures or eligible to subscribe to these Debentures. If after applying for subscription to these Debentures and/or allotment of Debentures to any person, such person becomes ineligible and/or is found to have been ineligible to invest in/hold these Debentures, the Issuer shall not be responsible in any manner.</p> <p>Notwithstanding any acceptance of bids by the Issuer on , (a) if a person, in the Issuer's view, is not an Eligible Investor, the Issuer shall have the right to refuse allotment of Debentures to such person and reject such person's application; (b) if after applying for subscription to these Debentures and/or allotment of Debentures to any person, such person becomes ineligible and/or is found to have been ineligible to invest in/hold these Debentures, the Issuer shall not be responsible in any manner.</p>
9.	Rating of the Instrument	CRISIL AA/Negative and IND AA+ / Negative
10.	Base Issue Size	10,000 Secured, Listed, Rated, Redeemable, Non-Cumulative, Taxable, Non-Convertible Debentures of the face value of INR 10,00,000/- each (Indian Rupees Ten Lakhs each), aggregating to INR 1000 crores (Indian Rupees One Thousand Crores)
11.	Objects of the Issue	<p>The proceeds of the Issue will be utilised inter-alia for part refinancing of existing borrowings availed by the Issuer to fund the Terminal 1 and Terminal 1 expansion projects and payment of issue related expenses.</p> <p>The issue proceeds shall not be used for the following:</p> <ul style="list-style-type: none"> <li>• Any speculative purposes;</li> <li>• Acquisition of land;</li> <li>• Investment in Real Estate sector or Capital Market activities;</li> </ul>



		<ul style="list-style-type: none"> <li>Any other activities that may not be eligible for Bank Finance</li> </ul> <p>Also proceeds shall not be utilized in contravention of the regulations, guidelines, or circulars issued by the RBI, SEBI RoC, etc.</p>
12.	Details of Utilization of funds	The proceeds of the issue shall be utilized as per the Objects of the Issue mentioned in the term sheet.
13.	Coupon Rate	8.35% per annum per month
14.	Step Up/Step Down Coupon Rate	As per the Credit Rating Related Covenant under this Term Sheet.
15.	Coupon Payment Frequency	Monthly
16.	Coupon Payment Dates	In the first instance, July 30, 2021; and thereafter, on the 30 <sup>th</sup> day of each subsequent calendar month, on which the Coupon shall be paid.
17.	Coupon Type	Fixed
18.	Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	As per the Credit Rating Related Covenant under this Term Sheet.
19.	Day Count Basis	Actual/Actual. Interest payable on the Debentures will be calculated on the basis of actual number of days elapsed in a year of 365 or 366 days as the case may be
20.	Interest on Application Money	<p>Interest at the Coupon Rate (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to the applicants on the application money for the Debentures for the period starting from and including the date of realization of application money in the Issuer's account up to one day prior to the date of allotment. Since the pay-in Date and the Deemed Date of Allotment fall on the same date, interest on application money shall not be applicable. Further, no interest on application money will be payable in case the Issue is withdrawn by the Issuer.</p> <p>The Issuer shall not be liable to pay any interest in case of invalid applications or applications liable to be rejected including applications made by person who is not an Eligible Investor.</p>
21.	Default Interest Rate	In case of default in payment of Interest and/or principal redemption or any costs, charges, expenses and other monies due and payable by the Issuer to the



		Debenture Trustee/Debenture Holders under any Transaction Document, on the due dates, default interest at 2% p.a. over the Coupon Rate will be payable by the Issuer for the defaulting period.
22.	Tenor	10 years from the Deemed Date of Allotment.
23.	Redemption Date	<p>Each Debenture shall comprise 5 Separately Transferable Redeemable Principal Parts (“STRPP”) of Rs. 2.00 lacs each. Each STRPP is redeemable at par separately from the end of 6th year of the deemed date of allotment till the end of 10th year.</p> <p>The redemption dates/ maturity dates (“<b>Redemption Date(s)</b>”) for each of the STRPPs are as follows:</p> <ul style="list-style-type: none"> <li>• STRPP A – Starting from 6<sup>th</sup> year from the Deemed Date of Allotment in four consecutive equal quarterly instalments such that the first such instalment shall be paid on the date falling at the end of a period of 63 (sixty three) months from the Deemed Date of Allotment and the last of such instalment shall be paid on the date falling at the end of a period of 72 (seventy two) months from the Deemed Date of Allotment;</li> <li>• STRPP B - Starting from 7<sup>th</sup> year from the Deemed Date of Allotment in four consecutive equal quarterly instalments such that the first such instalment shall be paid on the date falling at the end of a period of 75 (seventy five) months from the Deemed Date of Allotment and the last of such instalment shall be paid on the date falling at the end of a period of 84 (eighty four) months from the Deemed Date of Allotment;</li> <li>• STRPP C - Starting from 8<sup>th</sup> year from the Deemed Date of Allotment in four consecutive equal quarterly instalments such that the first such installment shall be paid on the date falling at the end of a period of 87 (eighty seven) months from the Deemed Date of Allotment and the last of such installment shall be paid on the date falling at the end of a period of 96 (ninety six) months from the Deemed Date of Allotment;</li> <li>• STRPP D - Starting from 9<sup>th</sup> year from the Deemed Date of Allotment in four consecutive equal quarterly instalments such that the first such instalment shall be paid on the date falling at the end of a period of 99 (ninety nine) months from the Deemed Date of Allotment and the last</li> </ul>



		<p>of such instalment shall be paid on the date falling at the end of a period of 108 (one hundred and eight) months from the Deemed Date of Allotment;</p> <ul style="list-style-type: none"> <li>• STRPP E -- Starting from 10<sup>th</sup> year from the Deemed Date of Allotment in four consecutive equal quarterly instalments such that the first such instalment shall be paid on the date falling at the end of a period of 111 (one hundred and eleven) months from the Deemed Date of Allotment and the last of such instalment shall be paid on the date falling at the end of a period of 120 (one hundred and twenty) months from the Deemed Date of Allotment.</li> </ul>
24.	Redemption Amount	At par: Rs. 10.00 lacs per Debenture comprising 5 STRPPs of Rs. 2.00 lacs each. Each STRPP shall be redeemed annually at the end of 6th year, 7th year, 8th year, 9th year, 10th year respectively in four consecutive equal quarterly payments.
25.	Face Value	Rs. 10 Lacs each per Debenture. 5 STRPPs having face value of Rs. 2.00 lacs each, redeemable annually from the end of 6th year from the deemed date of allotment till maturity.
26.	Issue Price	At par (Rs.10 lacs per Debenture) 5 STRPPs having face value of Rs. 2.00 lacs each.
27.	Deemed Date of Allotment	Deemed date of allotment of the Debentures as set out in PAS-4
28.	Issuance Mode	In Demat mode only.
29.	Trading Mode	In Demat mode only.
30.	Settlement Mode of the Instrument	Payment of interest and repayment of principal shall be made by way of credit through direct credit/ National Electronic Clearing Service/RTGS/ NEFT mechanism or any other permitted electronic method as offered by Banks.
31.	Business Day Convention/ Effect of Holidays	<p>'Business Day' shall be a day on which the Scheduled commercial Banks are functioning in Mumbai and Bengaluru.</p> <p>If any of the Coupon Payment Date(s), other than the ones falling on the Redemption Date, falls on a day that is not a Business Day, the payment shall be made by</p>



		<p>the Issuer on the immediately preceding Business Day, which becomes the coupon payment date for that coupon. However, the future coupon payment date(s) would be as per the schedule originally stipulated at the time of issuing the debentures. In other words, the subsequent coupon payment date(s) would not be changed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a non-Business Day.</p> <p>If the Redemption Date of the Debentures falls on a day that is not a Business Day, the redemption amount shall be paid by the Issuer on the immediately preceding Business Day which becomes the new Redemption Date, along with interest accrued on the debentures until but excluding the date of such payment.</p>
32.	Depository	NSDL and CDSL
33.	Record Date	The day which is 15 calendar days prior to each Coupon Payment Date or the Redemption Date (as the case may be). In the event the Record Date falls on a day, which is not a Business Day, immediately preceding Business Day shall be considered as Record Date.
34.	Side letter arrangement	The Issuer has not entered and shall not enter into any side letters/arrangements containing separate covenants for the Debentures.
35.	Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/ Information Memorandum	<p>The Debentures shall be secured by a first <i>pari-passu</i> charge on the immovable and movable assets of the Issuer on the outstanding amount of debentures and interest due thereon and pledge of share of the Issuer.</p> <p>For creation of security over the Debentures in the manner as mentioned above, the Issuer shall execute a debenture trust deed and the charge / mortgage /pledge shall be created over the immovable and movable assets of the Issuer by execution of deed of hypothecation / pledge/ mortgage by deposit of title deeds, which shall be registered with Registrar of Companies CERSAI, Depository etc , as applicable within the timelines prescribed under relevant act/ rules/ regulations and/or as detailed in this term sheet. Any substitution, addition and/or replacement of the aforesaid security shall be made under the terms of the debenture trust deed.</p>



	<p>The NCD's would be secured by creation of first ranking pari passu charge on the following (collectively the "Security"):</p>
	<ol style="list-style-type: none"> <li>1. All the Issuer's immovable assets (whether on leasehold basis or otherwise) both, both present and future including Equitable Mortgage on Land admeasuring 4008 acres and situated on various Sy. No. at Udayagiri, Doddasanem Yarthiganahallim anneshwaram Arasinakerem Ganagamuthanahalli, Bettakote, Chikkanahalli, Mylanahalli, Beguru, in the state of Karnataka.</li> <li>2. All the Issuer's movable properties and assets, both present and future (excluding on the shares held by the Issuer in Bangalore Airport Hotel Limited, Kempegowda International Airport Foundation, Bengaluru Airport City Limited, Bengaluru Airport Infra Services Limited and Digiyatra).</li> <li>3. All the rights of the Issuer under each of the Project Documents.</li> <li>4. To the extent permitted therein, licenses, permits, approvals, assignments, concessions, easements and consents in respect of the Project required to be in the Issuer's name.</li> <li>5. All the revenues and receivables of the Issuer.</li> <li>6. all insurance contracts, contractors' guarantees and liquidated damages payable by the contractors.</li> <li>7. all the Issuer's accounts and each of the other accounts required to be created by the Issuer pursuant to the debenture documents and, including in each case, all monies lying credited/deposited into such accounts.</li> <li>8. All the insurance policies relating to the Project Charge on the DSR to be created to meet the debt service requirements for the ensuing 90 days principal and interest payment due to the Debenture holders.</li> <li>9. Each letter of credit/bank guarantee or performance bond that may be posted by any party to a Project Document for the Issuer's benefit.</li> <li>10. subject to the provisions of Section 19(2) and 19(3) of the Banking Regulations Act, 1949, (i) a pledge over 51% (fifty one percent) of the fully paid-up equity share capital of the Issuer until the such time that each of the following conditions are satisfied: (A) 50% (fifty percent) of the total face value of Debentures are redeemed; (B) 50% (fifty percent) of the outstanding principal amount with respect to each of the existing term facilities of the Issuer (to the extent disbursed in terms of the facility</li> </ol>



agreement executed in relation to such existing term facilities of the Issuer as on the date of expiry of the availability period, specified therein) is repaid; and (C) no event of default is continuing under with respect to the Debentures and/or with respect to the existing term facilities and/or the existing working capital facility (the “**Cut-Off Date**”), to the satisfaction of the Debenture holders; and (ii) thereafter until the Debentures are fully redeemed, a pledge over 26% (twenty six percent) of the fully paid-up equity share capital of the Issuer. It is hereby clarified that each Private Promoter shall not be required to pledge more than 51% (fifty one percent) of the shares held by them in the Issuer and that the reduction in the percentage of the shares should occur only if no event of default is continuing.

11. The shares of the Issuer not covered by pledge will be covered by non-disposal undertaking (NDU) by the respective shareholders.

Issuer shall provide a certificate from a practicing chartered accountant for the half year on 30<sup>th</sup> September of each year confirming to the maintenance of the minimum FACR stipulated herein; similar certificate shall be provided by the Issuer from the statutory auditor at the end of each financial year.

The Issuer shall obtain no objection certificates/permission, where required, in terms of the existing transaction documents from all the existing charge holders agreeing to cede *pari-passu* charge on the assets (movable and immovable) of the Issuer to secure the Debentures and will execute the necessary documents for creation of the charge within the time frame prescribed herein.

In case of delay in execution of any security documents (other than in relation to the documents required to be executed by the Public Promoters), including any delay in perfection of the security (created pursuant to such security documents) beyond the stipulated time period, the Issuer shall be liable to pay penal interest at the rate of 2% p.a. over and above the applicable Coupon Rate, till such time the necessary security is not perfected to the satisfaction of the Debenture Trustee.

In case of any delay in execution of the relevant security documents by the Public Promoters, or delay in creation and perfection of security by the Public Promoters within the stipulated time period (i.e.



months from the Deemed Date of Allotment), the Issuer shall be liable to pay penal interest at the rate of 1% p.a. over and above the applicable Coupon Rate, till such time the necessary security is not created and perfected to the satisfaction of the Debenture Trustee. It is hereby clarified that no penal interest or any other additional interest shall be charged with respect to the non-execution of the relevant security documents by the Public Promoters or delay in creation and perfection of security by the Public Promoters up to such extended timeline, as may be agreed by the Debenture holders/Debenture Trustee, in writing (which period in any event shall not be more than 12 (twelve) months from the Deemed Date of Allotment).

The issuer shall ensure that the share pledge agreements provide for an obligation on the part of each of the Promoters that, upon the occurrence of an Event of Default (which has not been cured or waived) after the Cut-Off Date, each of such Promoters shall pledge such number of Shares held by them in the Issuer for the benefit of the Debenture Holders such that the total shares so pledged by each of them constitute at least 51% (fifty one percent) of the Shares held by each of them in the Issuer.

The security shall be created and perfected within the below mentioned timelines:

- (a) The security to be created over the assets of the Issuer as stipulated under paragraphs (2) to (8) above, shall be created prior to the Deemed Date of Allotment and shall be perfected within a period of 30 days from the date of creation of such security;
- (b) The security to be created over the immovable assets of the Issuer as stipulated under paragraph (1) above shall be created perfected within a period of 90 days from the Deemed Date of Allotment;
- (c) The security stipulated under paragraphs (10) and (11) above shall be created and perfected by the Private Promoters within a period of 90 days from the Deemed Date of Allotment;
- (d) The security stipulated under paragraphs (10) and (11) above shall be created and perfected by the Public Promoters within a period of 3 months from the Deemed Date of Allotment or such other extended timeline as may be agreed by the Debenture holders/Debenture Trustee, in writing, which period in any event shall not be more than 12 (twelve) month from the Deemed Date of Allotment.



		<p>(e) The Issuer shall intimate the relevant counter-party under the concession agreement, the CNS/ATM Agreement, and the relevant construction/EPC contracts within 30 days from the Deemed Date of Allotment, with regards to the security interest created over the rights of the Issuer under such agreements.</p>
36.	Transaction documents	<p>The Issuer shall submit the following documents in connection with the Issue:</p> <ol style="list-style-type: none"> <li>1. Consent letter from SBICAP Trustee Company Limited to act as trustee to the Debenture holders;</li> <li>2. debenture trustee appointment agreement;</li> <li>3. Debenture trust deed executed between the Issuer and the Debenture Trustee along with all</li> <li>4. security documents for creation of the Security;</li> <li>5. NDU from shareholders of the Issuer;</li> <li>6. Inter-creditor agreement;</li> <li>7. Trust and retention account agreement;</li> <li>8. agreements/ documents as may be executed by any Promoter/ related party in relation to subordinated loans</li> <li>9. Rating Letters from rating agency CRISIL Limited dated June 7, 2021 &amp; India Ratings dated June 9 2021.</li> <li>10. Tripartite Agreement between the Issuer, Registrar and NSDL for issue of the Debentures in dematerialized form;</li> <li>11. Tripartite Agreement between the Issuer, Registrar and CDSL for issue of Debentures in dematerialized form;</li> <li>12. Consent letter from Kfin Technologies Private Limited to act as Registrar to the Issue;</li> <li>13. Certified true copy of the resolution(s) passed by the shareholders of the Issuer under the Companies Act 2013 authorizing the borrowing and security creation by the Issuer;</li> <li>14. Certified true copy of the board resolution(s) of the Issuer regarding borrowing powers, authorization for accepting the terms and conditions of the Debentures and executing the documents in relation to the Issue;</li> <li>15. The Disclosure Document along with the application form.</li> </ol>
37.	Conditions precedent to subscription of Debentures	<p>The subscription from applicants shall be accepted for allocation and allotment by the Issuer, subject to the following:</p>



	<ul style="list-style-type: none"> <li>(1) Rating Letters from CRISIL Limited and India Ratings not more than one month old from the Deemed Date of Allotment.</li> <li>(2) Consent letter from SBICAP Trustee Company Limited to act as the trustee to the Debenture holder(s).</li> <li>(3) Consent letter from Kfin Technologies Private Limited to act as Registrar for the issue.</li> <li>(4) Debenture trust deed executed between the Issuer and Debenture Trustee.</li> <li>(5) Deed of hypothecation executed between the Issuer and Debenture Trustee.</li> <li>(6) All necessary statutory and other government approvals with regards to Airport operation and construction.</li> <li>(7) Application by the Issuer to the Income Tax Department seeking their no objections under Section 281(1) (ii) of the Income Tax Act, 1961, for creation of Security, and the certificate provided by the relevant authorities under the said provisions of the Income Tax Act, 1961. In case, the said certificate is yet to be received by the Issuer, acknowledgement of the receipt of the said application submitted to the income tax department, along with a certificate from an independent chartered accountant certifying that there are no Taxes or statutory dues pending to be paid by the Issuer and there is no demand received by the Issuer from the relevant tax authorities, shall have been submitted by the Issuer to the Debenture Trustee..</li> <li>(8) Details of assets with the latest book value thereof charged as security and details of secured borrowings against these assets along with calculation of stipulated security cover ratio, duly certified by practicing chartered accountant;</li> <li>(9) The Debenture Trustee shall have received a legal opinion from the Indian Debenture Holders' legal counsel pertaining to (a) due execution, validity and enforceability of the debenture documents executed prior to the subscription of Debentures; and (b) the capacity of the Issuer to execute such debenture documents.</li> <li>(10) Procured and furnished copies of all insurance contracts (or appropriate endorsements, certifications or other satisfactory evidence of insurance), if required by Debenture Holders and furnished copies thereof to Debenture Holders at Issuer's cost.</li> <li>(11) Confirmation that all insurance policies with respect to the secured assets are in full force and effect.</li> </ul>
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- (12) Submission of a certificate from the director or company secretary or chief financial officer of the Issuer addressed to the Debenture Trustee certifying that:
- (a) no event of default has occurred or is continuing or will occur as a result of the Issuer entering into the Transaction Documents, or will result under the existing financing agreements, entered by the Issuer with its existing lenders or otherwise;
  - (b) the borrowings of the Issuer, including by way of issue of the Debentures, together with facilities from the existing lenders of the Issuer, will not breach the borrowing limits prescribed by shareholders' resolutions under Section 180(1)(c) and the security created/to be created by the Issuer is within the limits prescribed by the shareholders' resolution under Section 180(1)(a) of the Companies Act, 2013;
  - (c) no Material Adverse Effect has occurred; and
  - (d) the Issuer is and will remain in compliance with all provisions of the Transaction Documents, its own memorandum of association and articles of association and any other document to which it is a party or by which it is bound, and any Laws applicable to the same; and
  - (e) that all undisputed statutory dues including payment to the employees' provident fund or other labour and employment dues and benefits, income tax and other Taxes, until the date of the Debenture Trust Deed been paid in full by the Issuer, other than as mentioned in the certificate.
  - (f) the shareholders resolution under Section 42 of the Companies Act is not required to be passed by the shareholders of the Issuer for the issuance of Debentures.
  - (a) that it has obtained, and is in compliance with all the clearances including environmental, health, safety and social (EHSS) approvals / clearances for the Project;
- (13) provided (i) certified true copies of the memorandum and articles of association of the Issuer; and (ii) certified true copies of the resolution of the board of directors and/or shareholders of the issuer, wherever applicable, evidencing the corporate power, authority and required corporate



	<p>action to enter into, and execute the debenture documents.</p> <p>(14) Furnished KYC related documents of the Issuer.</p> <p>(15) Confirmed that all the requisite Project Documents shall have been executed and have become fully effective in accordance with their respective terms;</p> <p>(16) Obtained NOC from the existing lenders proposed to be prepaid for (i) allowing prepayment (ii) confirming outstanding amount under the loan and its status as Standard;</p> <p>(17) Furnished the title search report dated 15/07/2019 prepared by B.N.Tulsi Kumar in respect of the immovable properties of the Issuer;</p> <p>(18) Furnished Search Report from an independent company secretary, in respect of the existing charges /encumbrances created by the Issuer;</p> <p>(19) Furnished details of the Promoters/Directors viz., their full names, qualifications, age, residential addresses and their directorships in other companies/firms.</p> <p>(20) The Issuer shall have:</p> <ul style="list-style-type: none"> <li>(a) made all the necessary depository arrangements for issue and holding of the Debentures in dematerialized form;</li> <li>(b) obtained consent letter from Debenture Trustee for its appointment as required under applicable law;</li> <li>(c) furnished a certified true copy of the board resolution(s) of the Issuer approving the issue &amp; allotment of Debentures;</li> <li>(d) furnished a copy Form PAS – 4 to the Debenture Holders.</li> </ul>
38.	<p>Conditions subsequent to subscription of Debentures</p> <p>The Issuer shall ensure that the following documents are executed / activities are completed as per terms of the Disclosure Document and the Security created &amp; perfected within the timeline detailed hereunder:</p> <p>(1) Credit of Demat Account(s) of the Debenture holders by number of Debentures allotted within 2 Business Days from the Deemed Date of Allotment;</p> <p>(2) Prior to creation of Security (other than the security to be created pursuant to the deed of hypothecation) and in any case within the timeline for creation of security provided under the term sheet, the Issuer shall obtain, permission to create security from all third party, including from the existing charge holders, whether by way of no objection letters or otherwise in terms of the existing transaction documents;</p>



	<p>(3) Execution of the security documents (other than the deed of hypothecation by the Issuer), including the relevant NDU (by the respective shareholders of the Issuer) in accordance with the time period prescribed in this term sheet. The Debenture Trustee shall have received a legal opinion from the Debenture Holders' legal counsel pertaining to the relevant security documents, within the timelines for creation of security prescribed in this term sheet.;</p> <p>(4) The Inter creditor agreement shall have been executed within a period of 4 (four) months from the Deemed Date of Allotment.</p> <p>(5) The Issuer shall have provided to the Debenture Trustee, within a period of 6 (six) months from the Deemed Date of Allotment, the certified true copy of the requisite resolution of the shareholders of the Issuer in terms of the Companies Act, authorizing conversion of the Debenture into shares of the Issuer.</p> <p>(6) Prior to creation of security (other than the security to be created pursuant to the deed of hypothecation) and in any case within the timeline for creation of security provided for under the term sheet (other than the security to be created pursuant to the deed of hypothecation), the Debenture Trustee shall have appointed the security trustee as its agent for the purpose of holding security to be created for the benefit of the Debenture Holders.</p> <p>(7) Confirmation from depository on pledge of shares of the issuer, as required;</p> <p>(8) Filing of Form CHG-9 filed by the Issuer within 30 days from the date of execution of the relevant security document(s);</p> <p>(9) Certificate of registration of charge issued by ROC;</p> <p>(10) Confirmation from Debenture Trustee regarding receipt of certificate of registration of charges issued by ROC;</p> <p>(11) Within 15 days from the Deemed Date of Allotment, the Issuer shall file the return of allotment of securities under Form No. PAS-3 with the Registrar of Companies;</p> <p>(12) Within 15 days from the Deemed Date of Allotment, the Issuer shall provide evidence that the Form PAS-5 is being maintained;</p> <p>(13) Procure an end-use certificate for the proceeds of the Debenture from an independent chartered accountant confirming that funds have been used for the purpose as stipulated, within 30 days from Deemed Date of Allotment;</p>
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	<p>(14) Amend the Trust and Retention Account Agreement within 90 days of the Deemed Date of Allotment;</p> <p>(15) Provide a copy of acknowledgement letter written by Issuer to Insurance providers whereby Issuer has requested such Insurance provider to add Debenture Trustee's name as 'loss payee' within 15 days of Deemed Date of Allotment;</p> <p>(16) Modified the Issuer's memorandum and articles of association as may be required by Debenture Holders, to remove any inconsistency between the memorandum and articles of association of the Issuer and the Shareholders' Agreement including but not limited to, inclusion of Nominee Director, remove restrictions on pledge and/or transfer of shares, if applicable;</p> <p>(17) Furnished the updated 'Title Search Report' in respect of the immovable properties in the form and manner as may be prescribed by the Debenture Holders;</p> <p>(18) The Issuer shall provide (i) audited annual accounts for the given financial year, (ii) audited statements of income, expenditure, retained earnings and cash flow of the Issuer for the given financial year; and (iii) the related audited balance sheet as at the end of given financial year; within a period of 90 days from the end of a financial year.</p> <p>(19) The Issuer shall provide to the Debenture Trustee a report from its authorised officer, in a form and manner acceptable to the Debenture Holders, within a period of 6 months from the Deemed Date of Allotment , or any extended timeline as may be agreed by the Debenture Holders in writing in their sole discretion, certifying that the Issuer has procured quality biofuel for use in its vehicles.</p> <p>(20) The Issuer shall furnish to the Debenture Trustee, a valuation report (at the cost and expense of the Issuer) in relation to the immovable properties of the Issuer, from an empaneled and independent valuer, to the satisfaction of the Debenture Holders, within a period of 7 days from from the date of submission of any valuation report to the existing term lenders of the Issuer.</p>
39.	<p><b>Debt Service Reserve (DSR)</b></p> <p>The Issuer shall, within a period of 15 (fifteen) days from the Deemed Date of Allotment, create a fixed deposit (which is lien marked in favour of the Debenture trustee) with a scheduled commercial bank (with a long term rating of at-least AA from at-least</p>



	<p>(one) credit rating agency), acceptable to the Debenture Trustee for an amount equivalent to the aggregate of: the 1 quarter of debt service obligation (principal + interest).</p>
<p>Thereafter, upon execution of the second amended and restated trust and retention account agreement, the Issuer shall, fund and maintained during the entire tenor of the Debenture, the debt service reserve account from the cash flows available after meeting the debt servicing obligations.</p> <p>The amount in the DSR would be utilised only in case of a shortfall in cash flows for meeting debt service requirements from time to time. In case of DSR is utilized/falls below requirement the same shall be replenished by the Issuer within 45 days.</p> <p>The Issuer shall have the option to replace the DSR with a bank guarantee (the 'DSR BG') from a scheduled Bank, as acceptable to Debenture Holders. Bank providing DSRA BG will not have recourse to the Issuer's cash-flows and assets relating to the Project.</p> <p>If the DSRA is in the form of bank guarantee / letter of credit, then in that event (a) the Issuer shall get the DSRA guarantee / letter of credit renewed prior to 15 days from the date of its expiry, and in the event the Issuer fails to do so then Debenture Holders shall have the right to invoke the DSR BG.</p>	
40. <b>Reserve Accounts</b>	<p><b>Debenture Redemption Reserve (DRR):</b></p>
	<ul style="list-style-type: none"> <li>The Issuer shall maintain in the Debenture Redemption Reserve ("DRR") an amount as required under the Companies Act, 2013 or any guidelines issued under Applicable Laws. For creation and maintenance of DRR, the Issuer shall comply with the provisions of DRR as provided in the Companies Act, 2013 and any rules/circulars issued thereof.</li> <li>The DRR stipulated hereinabove shall be maintained at all times as per Applicable Laws.</li> </ul>
	<p>It is clarified that the Issuer shall maintain as reserve an amount which is equivalent to the higher of (i) the DRR; and (ii) amount to be maintained under the</p>



		DSR, in terms hereof.														
41.	<b>Financial Covenants</b>	<p>Financial covenants shall be tested annually based on audited balance sheet (ABS) of the Issuer. First such testing will start from FY 2021-22. Penal interest will be charged in case of breach of any two of the four parameters vis-à-vis values as approved by the sanctioning authority in the sanction note. The penal interest will apply from the day after the date of ABS and shall continue till the breach is cured.</p> <p>The financial covenants are as follows:</p> <table border="1"> <thead> <tr> <th>Parameters</th> <th>Benchmark for annual testing for financial</th> <th>Penalty adverse deviation:</th> </tr> </thead> <tbody> <tr> <td>DSCR</td> <td>Min. 1.10</td> <td rowspan="4">i) U pt o 1 0 % ii) &gt; 1 0 %</td> </tr> <tr> <td>Interest Coverage Ratio</td> <td>Min. 1.50</td> </tr> <tr> <td>Debt/EBITDA</td> <td>&lt;12 (for FY 2022) &lt;8( for FY 2023 and FY 2024) &lt;6 (for balance years in the loan tenor)</td> </tr> <tr> <td>FACR</td> <td>Min. 1.12</td> </tr> <tr> <td>Debt/Tangible Networth</td> <td>&lt;=4 (upto FY 2024) &lt;=3.50( for FY 2025 and FY 2026) &lt;=3 (for balance years in the loan tenor)</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>• Gross DSCR shall be defined in respect of any period, the ratio of (i) to (ii) below <ul style="list-style-type: none"> <li>(i) (PAT+ non-cash expenses + Interest payable for such period on the Debt and working capital – Operating cash accruals generated in the year utilized for capex in the same year-yearly installment of Concession fee payable accumulated in the first 10 years of operations);</li> <li>(ii) (Interest on Debt/Repayment of Debt).</li> </ul> </li> <li>• Interest Coverage Ratio shall mean, in respect of any period, the ratio of (i) to (ii) below: <ul style="list-style-type: none"> <li>(i) EBITDA</li> <li>(ii) Interest on Debt + Interest on working capital facilities availed by the Issuer.</li> </ul> </li> </ul>	Parameters	Benchmark for annual testing for financial	Penalty adverse deviation:	DSCR	Min. 1.10	i) U pt o 1 0 % ii) > 1 0 %	Interest Coverage Ratio	Min. 1.50	Debt/EBITDA	<12 (for FY 2022) <8( for FY 2023 and FY 2024) <6 (for balance years in the loan tenor)	FACR	Min. 1.12	Debt/Tangible Networth	<=4 (upto FY 2024) <=3.50( for FY 2025 and FY 2026) <=3 (for balance years in the loan tenor)
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	<ul style="list-style-type: none"> <li>• Fixed Asset Coverage Ratio or FACR shall mean the ratio of (i) to (ii) below:           <ul style="list-style-type: none"> <li>(i) Net fixed assets of the Issuer (including CWIP);</li> <li>(ii) Debt excluding State Support Loan provided the same is unsecured.</li> </ul> </li> </ul> <p>Debt shall refer to term loan outstanding from all existing lenders to the Issuer, outstanding amounts of the Debentures and state support loan from Government of Karnataka.</p> <p>Financial Covenants shall be tested at the end of each financial year based on the certification of the Statutory Auditor of the Issuer.</p> <p>Further in the event of breach in any of the Financial Covenants due to tripling up of aeronautical tariff in the relevant Fiscal Year on account of surplus cash generation in the previous Fiscal Years, the Issuer shall have the option to seek, with proper justification and workings, waiver of breach of financial covenants(s), payment of any additional interest, if any. It is clarified that grant of any such waiver shall be in the sole discretion of the Debenture holders and such decision shall be final and binding on the Issuer.</p> <p>In the event the Issuer is required to pay additional/penal interest for breaching the Credit Rating Covenant and Financial Covenant simultaneously, the Issuer shall be required to pay additional/penal interest only with respect to the breach which carries a higher rate of additional/penal interest. Further, in case penal interest is same in both the clauses only one will apply to the Issuer.</p>
42. Credit Rating Covenant	<p>In the event of a rating downgrade of the Issuer / outstanding amounts of the Debentures, by any rating agency, post the issuance of Debentures and at any point of time during the currency of the Debentures the Coupon Rate shall be revised as follows:</p> <ul style="list-style-type: none"> <li>• If the lowest rating is AA- by any rating agencies, revised coupon shall be sum of Coupon Rate and an additional 0.10%</li> <li>• If the lowest rating is A+ by any rating agencies, revised coupon shall be sum of Coupon Rate, 0.10% and addition of 0.50%</li> <li>• If the lowest rating is A and below by any rating agencies, revised coupon shall be sum of Coupon</li> </ul>



	<p>Rate, 0.10%, 0.50% and addition of 0.25% for each notch downgrade</p> <ul style="list-style-type: none"> <li>• The revised coupon shall be effective from the date of such downgrade</li> <li>• If rating is subsequently upgraded, then the Coupon Rate shall be reduced by 0.25% for each notch upgrade till it reaches A+ levels, reduced by 0.50% in case of upgrade to AA- and further reduced by 0.10% in case of upgrade to AA levels.</li> </ul> <p>Notwithstanding anything contained above, the coupon shall not be reduced below the Coupon Rate at the time of issuance. The lowest outstanding credit rating by any of the rating agencies, shall be considered for determining the Coupon.</p> <p>In the event of a rating downgrade of the outstanding amounts of the Debentures to a rating being below A, by any rating agency, post the issuance of debentures and at any point of time during the tenor of the Debentures, the Debenture holders would reserve the right to recall the outstanding principal amount of the Debentures (i.e. redemption at par) along with other monies/accrued interest due in respect thereof. Such outstanding amount will be payable within a period of 90 days from the date of such notice of exercise of the right by the Debenture holders.</p> <p>In the event of a suspension / withdrawal of the rating of the Debentures, by rating agency, post the issuance of debentures and at any point of time during the tenor of the Debentures. The Debenture holders would reserve the right to recall the outstanding principal amount on the Debentures (i.e. redemption at par) along with other monies/accrued interest due in respect thereof. Such outstanding amount will be payable within a period of 90 days from the date of such notice of exercise of the right by the Debenture holders. It is hereby clarified that, the Debenture Holders would not have rights under this paragraph, in the event of credit rating being obtained from multiple Credit Rating Agencies, until such time that credit rating is available from any 1 (one) of the credit rating agencies.</p>
43. <b>General Covenants</b>	<p>Shall include the following as further detailed in the Debenture Trust Deed:</p> <ul style="list-style-type: none"> <li>▪ Issuer shall not change the accounting method or policies currently followed without prior notice to the Debenture Trustee/ debenture holders, unless</li> </ul>



	<p>such change is required by Law or accounting standards or by any regulatory authority.</p> <ul style="list-style-type: none"> <li>▪ Issuer's consolidated net worth to remain positive until the Final Settlement Date.</li> <li>▪ No dividend to be declared by the Issuer, if an Event of Default has occurred and is subsisting.</li> <li>▪ The Issuer shall intimate investors, Debenture Trustee, Debenture holders regarding any change in shareholding of the Issuer.</li> <li>▪ Post Commercial Operations Date (COD) of the Project insurance advisor to the existing lenders of the Issuer (LIA) shall provide adequacy certificate every year.</li> <li>▪ The Issuer shall not repay/redeem any equity capital, preference capital/mezzanine capital or the unsecured debt (except state support from Govt. of Karnataka infused for the project during the tenure of the facility without prior written approval of the Debenture Trustee.</li> <li>▪ In the event, the Issuer avails after the Deemed Date of Allotment, any subordinated loan from any of its Promoters or any related party (except for state support loan from KSIIDC), the promoters shall ensure that the sub-debt brought in by the promoter/group or related entities are subordinated, the Issuer shall ensure that the subordinated loans brought in by the Promoters or related Parties are at all times subordinated to Debenture Holders, and any payment to be made to the Promoters or any related party under such subordinated loans shall not be made other than by way of 'restricted payment' upon the satisfaction of the Restricted Payment Conditions. The Issuer shall ensure that, prior to availing any such subordinated loan, the Issuer shall require the Promoter/ related party proposing to grant such loan to: (a) execute a subordination agreement in favour of the Debenture Trustee, in a form and manner satisfactory to the Debenture Trustee, agreeing to the terms of subordination of such loans (including that it shall not initiate insolvency proceedings and/or take any adverse action against the Issuer which are detrimental to the interest of the Debenture Holders); and (b) create a Security Interest (by way of assignment or in any other form and manner as required by the Debenture Trustee) over such subordinated loanin favour of the Debenture Trustee..</li> <li>▪ Remove any director(s) from the Board of Directors of the Issuer or any other obligor who has been declared as a 'defaulter' by the Reserve Bank</li> </ul>
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	<p>of India or Credit Information Bureau (India) Limited within 30 days of notice from the investor or the Debenture Trustee or the debenture holders to the Issuer or such other obligor requiring such resignation of director(s), or the Issuer's/ such other obligor's knowledge of the same, whichever is earlier.</p> <ul style="list-style-type: none"> <li>▪ Obtain and maintain all the required statutory/ non-statutory Clearances for the Project.</li> <li>▪ Maintain comprehensive insurance covers. The insurance cover would be kept valid throughout the tenure of the Loan and insurance covers against loss of assets securing the Loan to be endorsed in favour of Debenture Trustee /security trustee as a 'loss payee';</li> <li>▪ Appoint technical, financial and executive personnel of proper qualifications and experience for the key positions and ensure that its organisational set up is adequate to ensure smooth implementation and operation of the Project.</li> <li>▪ Provide as soon as available, but in any event within 45 days of the end of each quarter, operational data of the Issuer for the quarterly period then ended.</li> <li>▪ Create/arrange to create and perfect security interest in terms of Security clause within the timelines stipulated in this term sheet.</li> <li>▪ File Form CHG 9 with Registrar of Companies, within 30 days of the execution of the relevant security document.</li> <li>▪ Agree and undertake that it shall keep itself / Debentures rated by ICRA / CARE / CRISIL / India Ratings throughout the tenor of the Debentures. The Issuer shall promptly inform the Debenture Holder regarding any up gradation/down gradation in the credit rating.</li> <li>▪ Debenture holders shall have a right to monitor the operations of the Project during the currency of the Debenture. The Issuer would provide the necessary information and assistance to Debenture Holders as may be required by it from time to time.</li> <li>▪ The independent engineer appointed for monitoring and reporting on the progress of the Project during the construction phase by the existing lenders of the Issuer (LIE) shall also act for the Debenture Holders/Debenture Trustee. All costs and expenses for the same shall be borne by the Issuer.</li> </ul>
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|  | <ul style="list-style-type: none"> <li>▪ The Issuer shall acknowledge and consents to the right of the Debenture Holders to, upon occurrence of an Event of Default (which has not been remedied or waived), appoint to the board on behalf of all the Debenture Holders and replace from time to time 1 (one) director ("Nominee Director") on behalf of all the Debenture Holders (together with any nominee directors appointed by the existing lenders of the Issuer) At any point in time the Nominee Directors on behalf of all existing lenders and Debenture Holders shall not exceed 2 in number.</li> <li>▪ The Issuer at all times shall comply with the environmental, health, safety and social (EHSS) requirements, all the Environmental Laws, and Clearances issued thereunder, and maintenance of documents to be able to demonstrate compliance with the same to Debenture Holders.</li> <li>▪ The Issuer shall make adequate operations and maintenance arrangements for the Project at least 1 (one) month prior to the Commercial Operation Date, to the satisfaction of the LIE.</li> <li>▪ The Issuer shall authenticate the financial information and information relating to assets on which any security interest has been created within 7 days of communication to an information utility (IU) submitted by the Debenture Trustee in such form and manner as specified under Section 215 of Insolvency and Bankruptcy Code (IBC), 2016.</li> <li>▪ The Issuer agrees and consents to disclosure by Debenture Holders of information and data relating to the Issuer /its director, the Debenture , the obligations assumed or to be assumed by the Issuer /its director in relation to the Debenture and default, if any, committed by the Issuer /its director in discharge thereof and accordingly: <ul style="list-style-type: none"> <li>○ agrees and consents to the disclosure by Debenture Holders of all or any such information and data relating to it, the Debenture, and default, if any, committed by it in discharge of such obligations as Debenture Holders may deem appropriate and necessary to disclose and furnish to the Credit Information Bureau (India) Ltd ("CIBIL") and / or any other agency authorised in this behalf by the RBI;</li> <li>○ declares that the information and data furnished by it to Debenture Holders was</li> </ul> </li> </ul> |
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		<p>true and correct as of the date such information and data was provided to Debenture Holders or, where such information and data relate to a specific date or period, on such date or in respect of such period;</p> <ul style="list-style-type: none"> <li>○ undertakes that CIBIL and / or any other agency so authorised by RBI may use and process the said information and data disclosed by Debenture Holders in the manner as deemed fit by them and furnish for consideration, the processed information and data or products thereof prepared by them, to banks/financial institutions and other credit grantors or registered users, as may be specified by the RBI in this behalf.</li> </ul> <ul style="list-style-type: none"> <li>▪ The Issuer shall (i) provide audited annual accounts for every financial year, audited statements of income, expenditure, retained earnings and cash flow of the Issuer for such Financial Year and the related audited balance sheet as at the end of such Financial Year; within 90 days from the date of financial closure of a financial year; (ii) The Issuer shall prepare and submit un-audited or audited financial results on a half yearly basis(only for half year ended September) within 60 days from the end of the half year to the Debenture Trustee. Above information shall be furnished on standalone basis consistent with trustee requirements.</li> <li>▪ The Issuer shall comply with following requirements with respect to preparation, approval, authentication and publication of annual and half-yearly financial results: <ul style="list-style-type: none"> <li>○ Un-audited financial results shall be accompanied by limited review report prepared by the statutory auditors of the Issuer,</li> <li>○ Half-yearly results shall be taken on record by the board of directors and signed by the managing director / executive director.</li> <li>○ The audited results for the year shall be submitted to the Debenture Trustee and Debenture holders in the same format as is applicable for half-yearly financial results.</li> <li>○ Issuer shall submit audited financial results for the entire financial year, as soon as they are approved by the board of directors.</li> </ul> </li> </ul>
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- Modified opinion(s) in audit reports that have a bearing on the interest payment/ dividend payment pertaining to non-convertible redeemable debentures/ redemption or principal repayment capacity of the Issuer shall be appropriately and adequately addressed by the board of directors while publishing the accounts for the said period.
- The annual audited financial results shall be submitted along with the annual audit report.
- The Issuer shall disclose to the Debenture Trustee in quarterly, half-yearly, year-to-date and annual financial statements, as applicable, the extent and nature of security created and maintained with respect to its secured non-convertible debt securities.
- Issuer shall submit a half-yearly certificate regarding maintenance of stipulated FACR in respect of the Debentures.
- The Issuer shall forward to the Debenture Trustee any such information sought and provide access to relevant books of accounts as required by the Debenture Trustee.
- The Issuer carry out the Project and conduct its business as per Good Industry Practice in India and with due diligence and efficiency and in accordance with generally acceptable construction, engineering, financial and business practices as applicable in India.
- The Issuer shall ensure that the Debentures shall be secured by the creation of a Security Interest on the properties or assets of the Issuer, having a value which is sufficient for the due redemption of the amount of the Debentures and Coupon thereon.
- The Issuer shall maintain the 'register of debenture holders containing necessary particulars of the Debenture Holders, by obtaining a download from the depository prior to the Record Date. The Debenture Trustee and / or the Debenture Holders or any of them or any other person shall, be entitled to inspect the 'register of debenture holders' and to take copies of or extracts from the same or any part thereof during usual business hours.
- From the Deemed Date of Allotment the Issuer undertakes not to offer to any of its lenders terms more favorable than the terms offered to the Denture Holders under the Debenture Trust Deed in respect of (i) Security; (ii) negative covenants;



		<p>(iii) Financial Covenants (iv) Additional Interest linked to the breach of Financial Covenants; (iv) Event of Default; and (v) consequences of Event of Default. Further, in an event that more favourable term is extended to any of the lenders in respect of the foregoing, such a term shall be deemed to <i>mutatis mutandis</i> apply to the Debentures as well.</p> <ul style="list-style-type: none"> <li>▪ In the event of any inconsistency between this 'term sheet' and the 'debenture trust deed', the provisions of the debenture trust deed shall prevail.</li> </ul>
44.	<b>Negative Covenant</b>	<p>The Issuer covenants and agrees that, until the Final Settlement Date, it shall comply with the following. <i>Provided that</i> the Issuer shall give a 60 days prior written notice to the Debenture Trustee before undertaking any of the below activities. If, in the opinion of the Debenture Trustee, the activity contemplated by the Issuer is not in the interest of the Debenture Holders, the Debenture Trustee (acting on behalf of the Debenture Holders) shall have the right of veto to reject the proposed activity, within the aforesaid time period of 60 days, and upon the exercise of such veto, the Issuer shall not proceed with such activity. However, in the event the Debenture Trustee does not respond with its decision within 60 days from the date of receiving the aforesaid notice, then it shall be deemed that the Debenture Trustee (acting on behalf of the Debenture Holders) has approved such activity. In the event, the Issuer proceeds with the activity contemplated herein, despite the Debenture Trustee exercising its veto right to reject the activity within the aforesaid time period of 60 days, the Debenture Holders shall have the right to declare an Event of Default and exercise the rights as provided in Section <b>Consequences of Event of Default</b> of this term sheet and under the Transaction Documents.</p> <ul style="list-style-type: none"> <li>(a) make any material modifications to any of the Project Documents or initiate termination proceedings under any of the Project Documents;</li> <li>(b) undertake any new project, or augment, modernise, expand, or otherwise change the scope of the Project;</li> <li>(c) convey, sell, lease or otherwise dispose of all or any part of the assets charged to Debenture Holders, other than Permitted Disposal.</li> </ul> <p><b>Permitted Disposal</b> shall mean any sale, disposal, lease or other transfer of any property or assets which are:</p>



	<ul style="list-style-type: none"> <li>(i) required or expressly permitted under any Transaction Document or Project Document; or</li> <li>(ii) disposals constituted as a result of enforcement of any Permitted Security Interest; or</li> <li>(iii) a sale or other disposal of equipment (other than as permitted under paragraph (d) below) which is either <ul style="list-style-type: none"> <li>(A) uneconomic or obsolete;</li> <li>(B) no longer used or useful; or</li> <li>(C) at the end of its useful life</li> </ul> in respect of (A), (B) and (C) above, which is either not required anymore by the Issuer for the effective operation of its business or is (if required) replaced by other equipment of equal or greater value and utility based on the advice of a technical expert/chartered accountant and if such material/equipment is not secured, shall be immediately secured in favour of the Secured Parties; or</li> <li>(iv) any disposal of assets to the extent of Rs. 50,00,00,000 (Rupees Fifty Crores) in any Fiscal Year; or</li> <li>(v) any lease or sub-lease of property or assets including leasehold rights therein for real estate monetization / development, in the normal course of business of the Issuer</li> </ul>
	<ul style="list-style-type: none"> <li>(d) mortgage or otherwise charge all or any part of the assets charged to Debenture holders other than permitted security interest;</li> <li>(e) issue any debentures, raise any loan, accept deposits, issue equity or preference shares, prepay any debt, redeem any preference shares, prepay promoters loans, provide any loan, change its capital structure, create any Security Interest or give any guarantees or make any investments (except as otherwise provided in financing documents) or undertake any other financial obligation for any other person;</li> <li>(f) enter into any transaction of merger, de-merger, consolidation, re-organisation, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction;</li> <li>(g) If, without the prior written consent of the Debenture Trustee other than permitted</li> </ul>



		<p>disposal, the mortgaged property or any material part thereof is sold, disposed, or any of the buildings, structures, plant and machinery is removed, pulled down or demolished;</p> <p>(h) without the prior written consent of the Debenture Trustee, Formulation of any scheme of amalgamation or reconstruction or merger or demerger.</p>
45.	<b>Other Covenants</b>	<p>a) The Issuer shall not be allowed to change its corporate identity from 'public limited' to 'private limited' ;</p> <p>b) No merger or reorganizations without prior approval of Debenture Trustee;</p> <p>c) The Issuer shall give prior intimation to the Debenture Trustee at least eleven working days before the date on and from which the interest on debentures, and redemption amount of redeemable shares or of debentures shall be payable;</p> <p>d) The Issuer shall intimate the Debenture Trustee, its intention to raise funds through new non-convertible debt securities or non-convertible redeemable preference shares it proposes to list either through a public issue or on private placement basis, prior to issuance of such securities;</p> <p>e) The Issuer shall intimate to the Debenture Trustee, at least two working days in advance, excluding the date of the intimation and date of the meeting, regarding the meeting of its board of directors, at which the recommendation or declaration of issue of non convertible debt securities or any other matter affecting the rights or interests of holders of non convertible debt securities or non convertible redeemable preference shares is proposed to be considered.</p>
46.	<b>Information Covenants</b>	<p>The Issuer shall promptly inform the Debenture Trustee and the Debenture holders of all information having bearing on the performance/operation of the Issuer, price sensitive information or any action that shall affect payment of interest or dividend of the Debentures or redemption of the Debentures including :</p> <p>(1) expected default in timely payment of interests/preference dividend or redemption or repayment amount or both in respect of the Debentures and also default in creation of security</p>



	<p>for debentures as soon as the same becomes apparent;</p> <p>(2) any attachment or prohibitory orders restraining the Issuer from transferring of the Debentures from the account of the registered holders.</p> <p>(3) any action which shall result in the redemption, conversion, cancellation, retirement in whole or in part of any of the Debentures;</p> <p>(4) any action that shall affect adversely payment of interest on the Debentures including default by issuer to pay interest on the Debentures or redemption amount and failure to create a charge on the assets;</p> <p>(5) any change in the form or nature of any of the Debentures;</p> <p>(6) any changes in the general character or nature of business / activities, disruption of operation due to natural calamity, and commencement of commercial production / commercial operations of the Issuer;</p> <p>(7) any events such as strikes and lock outs, which have a bearing on the interest payment/ dividend payment / principal repayment capacity of the Issuer;</p> <p>(8) details of any letter or comments made by debenture trustee regarding payment/non-payment of interest on due dates, payment/non-payment of principal on the due dates or any other matter concerning the security, Issuer and /or the assets along with its comments thereon, if any;</p> <p>(9) delay/ default in payment of interest or dividend / principal amount /redemption for a period of more than three months from the due date;</p> <p>(10) failure to create charge on the assets within the stipulated time period;</p> <p>(11) any instance(s) of default/delay in timely repayment of interests or principal obligations or both in respect of the Debentures including, any proposal for re-scheduling or postponement of the repayment programmes of the dues/debts of the Issuer with any investor(s)/lender(s).</p> <p>(12) any major change in composition of its board of directors, which may amount to change in control;</p> <p>(13) any revision in the rating of the issuer and/or the Debentures;</p> <p>(14) the following approvals by board of directors in their meeting:</p> <p>(a) the decision to pass any interest payment;</p> <p>(b) short particulars of any increase of capital whether by issue of bonus securities through</p>
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	<p>capitalization, or by way of right securities to be offered to the debenture holders, or in any other way;</p> <p>(15) all the information, report, notices, call letters, circulars, proceedings, etc concerning the Debentures;</p> <p>(16) the Issuer shall intimate Debenture Trustee, Debenture holders of any change in shareholding of the Issuer;</p> <p>(17) copy of all notices, resolutions and circulars relating to- new issue of non-convertible debt securities at the same time as they are sent to shareholders.</p> <p>(18) The Issuer shall provide to the Debenture Trustee a report from its authorised officer within a period of 30 (thirty) days from the end of each fiscal quarter regarding:</p> <ul style="list-style-type: none"> <li>(i) its operational data, including traffic and key performance indicators achieved by the project.</li> <li>(ii) details on maintenance and operation of the project.</li> </ul> <p>(19) The Issuer shall provide a report from its authorised officer, in a form and manner acceptable to the Debenture Holders, at the end of 12 (twelve) months from the Deemed Date of Allotment, and thereafter at the end of every 12 (twelve) month period, in relation to the positive impact to the quality of life of the project affected persons.</p> <p>(20) The Issuer shall furnish to the Debenture Trustee a quarterly report from its authorised officer containing the following particulars:</p> <ul style="list-style-type: none"> <li>(i) updated list of the names and addresses of the Debenture Holders;</li> <li>(ii) details of Coupon due but unpaid and reasons thereof.</li> </ul>
47. <b>Promoters Undertaking</b>	<p>Promoter Shall mean to include the following:</p> <p>(1) Private Promoters:</p> <ul style="list-style-type: none"> <li>(a)Siemens Project Ventures GmbH; and</li> <li>(b) FIH Mauritius Investments Ltd.</li> </ul> <p>(2) Public Promoters:</p> <ul style="list-style-type: none"> <li>(a)Airports Authority of India; and</li> <li>(b) Karnataka State Industrial and Infrastructure Development Corporation Limited;</li> </ul> <p>(collectively, the “<b>Promoters</b>”)</p> <p>Promoters should provide undertaking to:</p>



		<ol style="list-style-type: none"> <li>1. To maintain existing shareholding in the Issuer at all times during the currency of the Debentures. They shall not reduce their stake by way of sale to any new entity without prior written approval from the Debenture Trustee except in case of Permitted Transfer.</li> <li>2. To retain management control of the Issuer during the tenor of the Debentures.</li> </ol>
48.	<b>Permitted Transfer</b>	<p>Permitted Transfer shall mean:</p> <ol style="list-style-type: none"> <li>1. Inter-se transfers by way of sale of the shares held by any Promoter amongst the Promoters;</li> <li>2. Transfers by way of sale of the shares held by any of the Promoters to its Affiliate or Affiliate of another Promoters;</li> <li>3. Transfers by way of sale of the shares held by any Promoters to any Person who has been approved by the Majority Debenture Holders;</li> <li>4. Transfers by way of sale, after the Cut-Off Date, of the Shares held by Siemens to any Investor;</li> <li>5. Any other transfers approved by all the Debenture Holders,</li> </ol> <p>provided that:</p> <ul style="list-style-type: none"> <li>■ The Promoters shall ensure that such transfer of the shares, as mentioned above, is not in violation of the provisions of the Concession Agreement, State Support Agreement and the Shareholders' Agreement.</li> </ul> <p>The Private Promoters shall, post such transfer of the shares, continue to retain control of the Issuer and there is no Change of Control.</p>
49.	<b>Cashflow Waterfall</b>	<p>All the revenues of the Issuer to be transferred compulsorily to the Trust and Retention (TRA) account. All proceeds lying in the TRA account would be subject to the waterfall mentioned below :</p> <ol style="list-style-type: none"> <li>(1) Payment of statutory dues/ taxes.</li> <li>(2) Payment of O&amp;M expenses subject to the annual budget as per the base case plan.</li> <li>(3) Payment of the concession Fee .</li> <li>(4) Payment towards debt servicing of the state support loan.</li> <li>(5) Payment of principal and interest due (including overdue, if any) for the Debentures, term Loan facility, corporate loan facility and working capital facility.</li> </ol>



		<p>(6) Replenishment of DSR to the extent stipulated and required as per terms hereof and the TRA Agreement.</p> <p>(7) Payment towards the routine capital expenditure as per the base case plan.</p> <p>(8) Transfer to the distribution account.</p> <p>Surplus Funds can be transferred out of the distribution account subject to the satisfaction of all the Restricted Payment Conditions on an annual basis.</p>
50.	<b>Restricted Payment Conditions</b>	<p>The Issuer cannot declare any dividend till the Expansion Project achieves scheduled commercial operation date (SCOD). Post SCOD, the Issuer may declare or pay dividends, and/or subject to fulfilment of the following conditions:</p> <p>(1) Availability of cash for distribution.</p> <p>(2) There being no occurrence / outstanding 'Event of Default' under the Debentures and is continuing.</p> <p>(3) Issuer has met its interest, instalment and other dues to the Debenture Holders and has complied with the Financial Covenants.</p> <p>(4) All Reserve including DSR has been topped up.</p> <p>(5) Such restricted payment is permitted by Applicable Laws.</p> <p>(6) the repayment of the existing term facilities availed by the Issuer shall have commenced in terms of the relevant facility agreement executed in relation thereto;</p> <p>(7) Security for the Debentures is fully created and perfected as per stipulated timelines.</p> <p>In case of dividend payment over 10% of paid-up capital, Debenture Trustee's approval has to be obtained. Further, the Debenture Trustee (acting on instructions of the requisite Debenture Holders) shall provide such confirmation within a period of 30 days of receipt of the request from the Issuer in this regard accompanied with the necessary compliance certificates from the Issuer (including the certificate from an independent chartered accountant regarding compliance of the financial covenants and certificate from the Issuer regarding compliance of other 'restricted payment conditions'). If the Debenture Trustee (acting on instructions of the requisite Debenture Holders) does not provide such approval/reject the proposal within the stipulated timeline of 30 days, the proposal shall be considered to be approved by the Debenture Trustee.</p>



51.	<b>Mandatory Redemption Events</b>	<p>The Issuer shall mandatorily redeem the Debentures in the following events certain proceeds including the following:</p> <ul style="list-style-type: none"> <li>• In the event of termination under the Concession Agreement;</li> <li>• In case the rating of the Debentures fall below A and the Debenture Holders exercise their rights under the debenture documents;</li> <li>• Occurrence of a payment event of default;</li> <li>• Occurrence of any other events of default beyond the agreed cure period, if any;</li> <li>• Liquidated damages, Loss Proceeds and payments of similar nature received by the Issuer under or pursuant to the Project Documents, to the extent not utilized towards the reinstatement of the assets pertaining to the Project and for meeting the requirements of the Project;</li> <li>• any surplus cash flows realized by the Issuer through real estate/commercial development of the land parcels available with the Issuer in accordance with the terms of the Concession Agreement and the Land Lease Agreement, after meeting the real estate capital expenditures;</li> <li>• proceeds arising from disposal of any assets of the Issuer (other than through scrap sale) exceeding an amount of Rs. 10,00,00,000 (Rupees Ten Crores) per disposal.</li> <li>• in the event of receipt of the proceeds resulting from the expropriation or other takeover by any government authority of the project assets.</li> <li>• in the event of receipt of the proceeds resulting from an arbitral or judicial award in connection with any of the project document(s).</li> </ul>
52.	<b>Key Project Documents</b>	<ol style="list-style-type: none"> <li>(1) the Concession Agreement;</li> <li>(2) the State Support Agreement;</li> <li>(3) the land Lease Agreement;</li> <li>(4) the CNS/ATM Agreement;</li> <li>(5) the agreements executed by the Issuer with any Government Authority in relation to the Project;</li> <li>(6) documents of title reflecting, the Issuer's title to its fixed assets, easement and all other documents analogous to the above, as per the Project Documents;</li> <li>(7) Insurance Contracts providing for Insurance required under the Project Documents.</li> </ol>
53.	Events of Default (including manner of	<ol style="list-style-type: none"> <li>(1) failure by the Issuer to pay the outstanding amounts on the due date when due, any amounts</li> </ol>



<p>voting /conditions of joining Inter Creditor Agreement)</p>	<p>payable in connection with the Debenture, unless the failure to pay is caused by technical error at the end of any secured parties or account bank and payment in such case is made on the next business day after the due date;</p> <p>(2) failure by the Issuer to pay the outstanding amounts on the due date when due, any amounts payable in connection with any Key Project Document;</p> <p>(3) breach of a covenant, undertaking, condition or any other obligation by the Issuer and/or Promoters, other than a breach of payment obligations, and such default continues for a period of 30 days after written notice has been given to the Issuer by the Debenture Trustee of any such breach, requiring the same to be remedied; Provided that any delay in execution of the relevant security documents by the Public Promoters, or delay in creation and perfection of security by the Public Promoters shall be an Event of Default only after the expiry of a period of 12 (twelve) months from the Deemed Date of Allotment (or such extended period as may be agreed in writing by the Debenture Holders in their sole discretion).</p> <p>(4) Non adherence to the terms of any of the Key Project Document and material terms of Other Project Documents by the Issuer, and such failure is not cured within a period of 90 days from the date of such failure, unless a shorter cure period has been provided under such Key Project Documents and/or the Other Project Documents in this behalf;</p> <p>(5) Any material representation or warranty confirmed or made or repeated or specified as being repeated, by the Issuer in any transaction document is substantially incorrect and/or misleading when made or repeated or specified as being repeated. Any information provided by the Issuer to any secured party is incorrect or untrue, which causes a Material Adverse Effect;</p> <p>(6) Any material representation or warranty confirmed or made or repeated or specified as being repeated, by the Promoters in any Transaction Document is substantially incorrect and/or misleading when made or repeated or specified as being repeated and such substantially incorrect and/or misleading material representation or warranty by the Promoters has, if capable of being cured, not</p>
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	<p>been cured within a period of 30 (thirty) days and/or Promoters are unable to satisfy the Debenture Trustee, within a period of 30 (thirty) days, that such substantially incorrect and/or misleading material representation or warranty does not prejudice the security interest created by them and/or the interest of the Debenture Trustee. Any information provided by the Promoters to any secured party is incorrect or untrue, which causes a Material Adverse Effect, and the same has not been cured within a period of 30 (thirty) days;</p> <p>(7) Abandonment of the Project;</p> <p>(8) one or more events, conditions, occurrences or circumstances (excluding events specifically provided in the 'event of default' section of the debenture trust deed), shall exist or shall have occurred which have had and continue to have a Material Adverse Effect, and the effect of such event, condition, occurrence or circumstances is not remedied within a period of 30 (thirty) days from the date of occurrence of such condition, occurrence or circumstance; without the prior written consent of the Debenture Trustee, Promoter's shares in the borrowing entity is encumbered, other than as provided for under the debenture documents;</p> <p>(9) Downgrade of Credit Rating below A</p> <p>(10) Breach in any of the Financial Covenants set out under the debenture documents on 2 (two) consecutive annual testing dates;</p> <p>(11) the Issuer commences a voluntary proceeding under any applicable bankruptcy, insolvency, dissolution, reorganization, winding up or other similar law now or hereafter in effect, or consents in writing to the entry of an order in an involuntary proceeding under any such law;</p> <p>(12) An involuntary proceeding against the Issuer under any applicable bankruptcy, insolvency, dissolution, winding up or other similar law now or hereafter in effect, or in any case, proceeding or other action before the appropriate forum for the appointment of a receiver, liquidator, assignee, trustee, custodian (or similar official) for any substantial part of its property, or for the winding up or liquidation of its affairs is admitted and orders for the winding up or appointment of a receiver, liquidator, assignee, trustee, custodian (or similar official) have been passed;</p> <p>(13) Any corporate action, legal proceedings or other</p>
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	<p>procedure or step is taken or threatened (in writing) by the Issuer for commencement of an insolvency resolution process under the Insolvency and Bankruptcy Code, in respect of the Issuer;</p> <p>(14) any notice received by the Issuer in relation to the actual or threatened (in writing) liquidation, dissolution, bankruptcy, insolvency of the Issuer from a financial creditor under Applicable Laws (including under the Insolvency and Bankruptcy Code), and such events is not cured to the satisfaction of the Debenture Trustee within a period of 30 (thirty) days;</p> <p>(15) an attachment or restraint has been levied on the substantial assets or any part thereof of the Issuer comprised within the security or certificate proceedings have been taken or commenced for recovery of any dues from the Issuer and such proceedings or attachment is not stayed/ discharged within 90 (ninety) days from commencement of the proceedings;</p> <p>(16) failure by the Issuer to pay one or more amounts due under any non-appealable judgment or decree which shall have been entered against the Issuer within the time period specified in such judgement or decree;</p> <p>(17) Execution or distress being levied or enforced against the whole or substantial part of the Issuer's property comprised within the security and the same is not cured within a period of 30 (thirty) days of such levy/enforcement;</p> <p>(18) Default by the Issuer/any subsidiary of the Issuer (present or future) in meeting any payment obligations with respect to any indebtedness (excluding the indebtedness availed under these debenture documents) incurred by the Issuer /any subsidiary of the Issuer (present or future) and if the lenders with respect to such indebtedness have triggered an event of default as per their respective financing agreements and the same is not cured within the cure periods specified therein; it is hereby clarified that cross default shall be deemed to have occurred only on service of a written default notice by the concerned lender(s). The Issuer shall and ensure that the entity which has caused the default shall notify the occurrence of such default, immediately to the Debenture Trustee;</p> <p>(19) The Issuer defaults payment of any amount (in rupees) excess of Rs. 250,00,00,000 (Rupees Two</p>
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	<p>Hundred and Fifty Crores) to any Person (other than Person specified in paragraph xix) when due or any Person demands repayment of dues from the Issuer ahead of its agreed repayment terms, other than with respect to payments which are contested by the Issuer and in which case the Issuer has either: (i) maintained adequate provisions in relation thereto, as per Accounting Principles; and/or (ii) if mandatorily required under Applicable Law and/or as per order of any Government Authority, posted a bond or such other security, in accordance with such requirement;</p> <p>(20) If, the mortgaged property has not been insured or has depreciated in value to an extent that in the opinion of the Debenture Trustee further security should be given and on advising the Issuer to that effect, such security is not given to the Debenture Trustee within 30 (thirty) days from the date of the notice from the debenture trustee for such additional security;</p> <p>(21) in the event of any failure by the Issuer to create/perfect the security interest over the secured assets within the prescribed timelines or such security interest shall fail to have the priority contemplated in such security document or any such security document shall cease to be in full force and effect; for avoidance of doubt, it is clarified that no event of default shall be triggered with respect to the non-execution of the relevant security documents by the Public Promoters, up to such extended timeline, as may be agreed by the Debenture holders/Debenture Trustee, in writing (which period in any event shall not be more than 1 (one) year from the Pay in Date);</p> <p>(22) any event, which in the opinion of the Debenture Trustee jeopardizes, impairs or endangers or affects the validity of the security interest over the secured assets or the same ceases to be effective or any part of the security interest is disaffirmed by or on behalf of the Issuer or any other party creating such security or any event or circumstance shall have occurred which is prejudicial to or imperils the security and such breach or event has not been cured within a period of 30 days;</p> <p>(23) The value of the Security depreciates (i.e. FACR falls below 1.12 times due to any reason) entitling the Debenture Holders to call for further</p>
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	<p>Security and such additional/alternate Security is not provided to the satisfaction of the Debenture Holders within 30 (thirty) days from the date of the notice from the Debenture Holders for such additional Security.</p> <p>(24) if the Issuer creates any charge on its assets (or any parts thereof) which has been provided as security leading to a reduction in the fixed asset cover ratio to below 1.12 (one point one two) and such breach or event has not been cured within a period of 30 (thirty) days from the date of notice of such breach from the Debenture Holders or Debenture Trustee in this regard to the Issuer;</p> <p>(1) it is or becomes unlawful or contrary to any Applicable Law in any applicable jurisdiction for the Issuer to perform any of its material obligations under any transaction document;</p> <p>(2) any transaction document or any provision thereof which has an adverse impact on the rights of the Debenture Trustee is required by any Applicable Law to be: (i) amended or waived (to the extent this adversely affects the rights or remedies of the Debenture Trustee under the transaction documents); or (ii) repudiated or terminated to the extent this adversely affects the rights or remedies of the Debenture Trustee under the transaction documents;</p> <p>(3) Any transaction document is not or ceases to be a valid and binding obligation of the Issuer, the Promoters or counterparty to any Key Project Document or becomes void, illegal, unenforceable, or is repudiated or terminated by such Person (other than the Secured Parties), in each case which has a Material Adverse Effect;</p> <p>(4) if the Issuer ceases or issues a notice in writing, threatening to cease to carry on its business for a continuous period exceeding 30 days unless such cessation is on account of an event of Force Majeure;</p> <p>(5) In the event, Issuer repudiates, disavows or take any action to challenge the validity or enforceability of any debenture document;</p> <p>(6) the Issuer fails to obtain or maintain any of the insurance described in the insurance contracts in terms of the transaction documents, and such failure is not cured within a period of 90 days from the date of such failure;</p> <p>(7) Any Government Authority shall have condemned, nationalised, seized, or otherwise expropriated the Airport or substantial part of the</p>
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		<p>property or other assets of the Issuer comprised within the security or of the equity interests of the shareholders of the Issuer, or shall have assumed custody or control of the equity interests of the shareholders of the Issuer or of the business or operations of the Issuer in violation of the debenture documents, which has a Material Adverse Effect on the construction or operation of the Airport, and such event has not been cured within a period of 90 days;</p> <p>(8) Any ruling, judgment or order from any regulated or judicial body under or relating to any environmental law or asserting any environmental claim is passed against the Issuer and the same is not stayed/ discharged within a period of 90 (ninety) days from the date of the ruling, judgment or order;</p> <p>(9) change of control occurs without the prior consent of the debenture trustee;</p> <p>(10) Any legal proceeding is initiated against the Issuer in relation to the debenture documents and such legal proceeding is not stayed within 90 (ninety) days or such extended cure period as may be approved by the Debenture Trustee on a case to case basis. Any legal proceeding is initiated against the Issuer by any third party in relation to the Key Project Documents which is not dismissed or stayed within a period of 90 days or such extended cure period as may be approved by the Debenture Trustee on a case to case basis and which has a Material Adverse Effect. Any legal proceeding (unrelated to or not impacting the transaction documents) is initiated against the Issuer by any third party which is not dismissed or stayed within a period of 90 days or such extended cure period as may be approved by the Debenture Trustee on a case to case basis and which has a Material Adverse Effect;</p> <p>(11) The Issuer or any counterparty to any Key Project Document fails to obtain, renew, maintain or comply in any respects with any Clearances, or revocation/ withdrawal of any critical Clearances for the operation of the Airport by any Government Authority and such Clearance is not obtained/reinstated/reapproved within 90 days of the revocation/withdrawal by such Government Authority;</p> <p>(12) The Issuer ceases to have the right to possess and use the Project Site or indulges in an impermissible sale of its interest in the Airport</p>
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		<p>and such act of the Issuer is not cured within a period of 30 days;</p> <p>(13) Failure of the Issuer to make arrangements required for meeting the working capital requirements for the Project from time to time to the satisfaction of the Debenture Trustee and such failure is not remedied by the Issuer within a period of 90 days from the date of notification in this regard by the Debenture Trustee;</p> <p>(14) Breach of any covenant captured in this term sheet and or the debenture trust deed.</p> <p>The Debenture Trust Deed contains the clauses with respect to Events of Default and provisions for the meetings of the Debenture holders and manner of voting.</p>
54. <b>Material Adverse Effect</b>		<p><b>Material Adverse Effect</b> shall mean the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, or could reasonably be expected to cause a material and adverse effect on:</p> <ul style="list-style-type: none"> <li>(1) the business or operation of the Airport;</li> <li>(2) the ability of the Issuer to perform or comply with its obligations under the Debenture Documents or any Key Project Documents or any material obligations under the Other Project Documents, or the ability of any counterparty to Key Project Participant to perform its obligations under such Key Project Documents;</li> <li>(3) the ability of the Issuer to exercise or enforce any right, benefit, privilege or remedy under any Key Project Document or any material right, benefit, privilege or remedy under any Other Project Documents;</li> <li>(4) the ability of the Issuer to comply in material respects with the terms or conditions of any Clearances for the Project;</li> <li>(5) the validity or enforceability of any of the Financing Documents (including the ability of any Financing Party to enforce any of its remedies thereunder), any terms of the Key Project Documents or any material terms of the Other Project Documents or the material Clearances for the Project;</li> <li>(6) the priority of any Security Interest created for the benefit of the Lenders; and</li> <li>(7) any of the business, financial condition, operations performance, properties of the Issuer in relation to the Project.</li> </ul>



55.	<b>Consequences of Event of Default</b>	<p>The consequences of default will include but not be limited to the following:</p> <ul style="list-style-type: none"> <li>▪ Acceleration of all amounts due, and declare all redemption amounts and other monies which are payable in terms of the debenture documents to the debenture holders or the Debenture Trustee, wholly or partly, to be immediately due and payable, and cancellation of total Issue;</li> <li>▪ Enforcement of Security;</li> <li>▪ Enforce its right under the Transaction Documents;</li> <li>▪ Appropriate any amounts in bank accounts of the Issuer forming a part of the Security and utilize it for payment/repayment of any amount outstanding under the Issue;</li> <li>▪ Any cost incurred on any of the above shall be borne by Issuer;</li> <li>▪ require the Issuer to cause each of the Promoters to pledge 51% (fifty one percent) of the Shares held by them in the Issuer for the benefit of the Debenture Holders (in case the pledge of shares held by any of the Promoters, has fallen below 51% (fifty one percent).</li> </ul>
56.	Registrar	Kfin Technologies Private Limited
57.	Debenture Trustee	SBICAP Trustee Company Limited
58.	Role and Responsibilities of Trustees to the Issue	<p>The Trustees shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustees by the Debenture holders and shall further conduct itself, and comply with the provisions of all applicable laws, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Trustees. The Trustees shall carry out its duties and perform its functions as required to discharge its obligations under the terms of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Debenture Trusteeship Agreement, Disclosure Document and all other related Transaction Documents, with due care, diligence and loyalty.</p>
59.	Additional Covenants	<p><b>Default in Payment:</b> In the event of delay in the payment of interest amount and/ or principal amount on the due date(s), the Issuer shall pay additional interest of 2.00% per</p>



		annum in addition to the respective Coupon Rate payable on the Debentures, on such amounts due, for the defaulting period i.e. the period commencing from and including the date on which such amount becomes due and up to but excluding the date on which such amount is actually paid.
60.	<b>Transferability</b>	<p>(1) The Debentures issued shall be freely transferable and / or transmitted in accordance with the provisions of applicable law including the Depositories Act, 1996, the regulations made there under and the rules, regulations and byelaws of the Depository.</p> <p>(2) The Debenture holder(s) shall have the right to novate, transfer or assign its rights and/or the benefits under the Transaction Documents without the prior written notice to the Issuer to any person and at the Debenture Holders' own cost and expense.</p>
61.	Risk factors pertaining to the Issue	As provided in Section 4 of this Information Memorandum
62.	Mode of Subscription	<p>Eligible Investors are required to do the funds pay-in through electronic mode/cheque from their bank account for credit into the following bank account of the Issuer:</p> <p>Name of the Bank: [.]</p> <p>Account No.:</p> <p>Branch Name: [●]</p> <p>IFSC Code: [●]</p> <p>[●]: [●]</p>
63.	Governing Law, Jurisdiction, and Dispute Resolution	<p>The Debentures are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of courts of Bengaluru, India. Provided that in case a Debenture Holders does not have the benefit of Recovery of Debts and Bankruptcy Act, 1993 (“<b>DRT Act</b>”) and/or the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (“<b>SARFAESI Act</b>”) (“<b>Non-Recourse Lender</b>”), all claims, disputes, and differences arising out of or in connection with the obligations owed to such Non-Recourse Lender by the Issuer shall be referred to arbitration under the provisions of the Arbitration and Conciliation Act, 1996.</p> <p>Notwithstanding anything contained herein:</p> <p>(a) nothing shall affect the right of the Debenture Trustee and the Debenture Holders other than the Non-Recourse Lenders to take any other</p>



	<p>action against the Issuer in terms of the applicable law including but not limited to under the provisions of SARFAESI and/or the DRT Act;</p> <p>(b) nothing shall affect the right of the Debenture Trustee and/or the Debenture Holders to take any action against the Issuer in terms of the Insolvency and Bankruptcy Code, 2016;</p> <p>(c) in relation to all the Debenture Holders including the Non-Recourse Lenders, (i) any dispute solely between a Debenture Holder and the Debenture Trustee relating to the trust settled under the Debenture Trust Deed; or (ii) any other dispute which is not arbitrable under applicable law, shall be subject to the jurisdiction of the courts and tribunals in Bengaluru; and</p> <p>(d) The Issuer hereby expressly waives any right it may have to raise any objection to any actions taken or proposed to be taken by the Debenture Holders / Debenture Trustee before any court or tribunal in Bengaluru.</p>
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for Bangalore International Airport Limited



Authorised Signatories