

To
Mr. Anand Rathi
GR Phagwara Expressway Limited
GR House, Hiran Magri, Sector No. 11
Udaipur, Rajasthan – 313 002, India

Sub: Transfer of equity shares held by G R Infraprojects Limited (“Sponsor”) in GR Phagwara Expressway Limited (the “Company”) to an Infrastructure Investment Trust named Bharat Highways InvIT (the “Trust”) registered under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended (the “SEBI InvIT Regulations”).

Dear Sir:

We refer to the non-convertible debentures issued by the **Company** and outstanding as of December 31, 2023 under the Debenture Documents amount to ₹ 853.48 million (“**NCDs**”) pursuant to the debenture trust deed, agreements and other related documentation, including any sanction letters, security documentation, undertakings, guarantees (including any amendments, supplements, and annexures thereto) (collectively, the “**Debenture Documents**”)

We hereby confirm that the above-mentioned Debenture Documents govern all non-convertible debentures currently issued by the Company in favor of the debenture holders. The outstanding NCDs as of December 31, 2023 under the Debenture Documents amount to ₹ 853.48 million.

We understand that 100% equity shareholding of the Company (including all securities convertible into equity shares) held by GRIL is proposed to be transferred to the Trust in accordance with the provisions of Concession Agreement dated Oct 5, 2016 between the Company and the National Highways Authority of India (“**Proposed Transaction**”). We further understand that pursuant to the restructuring, 100% equity shareholding of the Company will be held by the Trust. We further understand that the Trust is exploring, subject to favourable market conditions, upon receipt of requisite approvals and certain other considerations, to undertake fund raising, including by way an initial public offering of its units and consequent listing of such units on the stock exchange(s) in terms of the InvIT Regulations (the “**Offer**”). The Proposed Transaction will be effected upon the successful completion of the Offer in accordance with applicable law.

We note that on or after the completion of the Proposed Transaction and the successful completion of the Offer of the units of the Trust, the Company intends to prepay / repay the existing rupee term loan facilities availed from existing lenders, out of financing availed from the Trust (“**Trust Financing**”), as may be permitted under the SEBI InvIT Regulations. The Trust Financing may be provided from the proceeds of the Offer or through a loan availed by the Trust from new lenders.

We further note that the Company proposes to assign the entire unsecured subordinate debt availed by the Company from GRIL including by way of non-convertible debentures or compulsorily convertible debentures, to the Trust, simultaneously with the transfer the 100% of the shareholding of the Company to the Trust (“**Assignment**”). Pledge over Quasi Equity and Subordinate Loans, non-convertible debentures or compulsorily convertible debentures, if any, to be extended by the Trust to the Company in favour of the Debenture Trustee for the benefit of the Debenture Holders in form and substance satisfactory to the Debenture Trustee.

Additionally, we note that Company has undertaken to comply with terms and conditions specified in Schedule I and enter into necessary documents with the Trustee (in the form and manner acceptable to the Majority Debenture Holders) to record the same.

We hereby confirm, on behalf of the debenture holders, that we have no objection and convey our approval and consent to the Company, to proceed with and undertake the following:

Corporate Identity Number: U74999MH2008PLC182264 | MSME Registered UAN: MH19E0033585

Registered Office:

Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400 025

Corporate Office:

The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai - 400 028

Tel No: 022-62300451 Fax No.: 022-6230 0700 Website: www.axistrustee.com



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1. Transfer 100% of the outstanding equity shares (and convertible instruments) of the Company held by shareholders and its nominees, to the Trust and its nominees, resulting in the change shareholding, management and control of the Company, including any change in the composition of the board of directors of the Company;
2. Temporary release of negative lien, pledge and non-disposal undertakings (“NDUs”) on the pledged equity shares of the Company created in favour of [Axis Trustee Services Limited], for the limited purpose of the Proposed Transaction, subject to no events of default continuing at the time of such release. The date of temporary release of negative lien and pledge on the pledged equity shares will be intimated to [Axis Trustee Services Limited] by the Company. Such equity shares shall be re-pledged in favour of [Axis Trustee Services Limited] within a period of [30] days from the date of the release of the existing pledge and/or negative lien . However, the release of negative lien and pledge on the pledged equity shares of the Company shall not impact the rights of [Axis Trustee Services Limited] with respect to the other secured assets of the Company;
3. Prepayment / repayment of the existing rupee term loan facilities availed from existing lenders within mutually agreed timeline in financing documents;
4. Assignment the entire unsecured subordinate debt availed by the Company from GRIL including by way of non-convertible debentures or compulsorily convertible debentures, to the Trust, simultaneously with the transfer the 100% of the shareholding of the Company to the Trust. Pledge over Quasi Equity and Subordinate Loans, non-convertible debentures or compulsorily convertible debentures, if any, to be extended by the Trust to the Company in favour of the Debenture Trustee for the benefit of the Debenture Holders in form and substance satisfactory to the Debenture Trustee;
5. Replacement of project agreements, including the execution of a new operation and maintenance (“O&M”) agreement and engineering, procurement and construction (“EPC”) agreement, and appointment of a new O&M contractor (“O&M Contractor”) and EPC contractor (“EPC Contractor”), namely G R Infraprojects Limited]
6. Major Maintenance reserve to be created from FY 2026 onwards for major maintenance expenses expected in FY 2027 /FY2028 (schedule of reserve creation to be specified in documentation), subject to the fulfillment of the conditions prescribed in Schedule I.
7. Disclosure of the Debenture Documents and details in relation thereto in the draft offer document, offer document and any other documents in relation to the Offer, as required under applicable laws;
8. To do all other acts and deeds, and execute all other documents, forms and instruments, as may be required to give effect to the above Proposed Transaction or the Offer in accordance with applicable law subject to compliance with existing terms of financing documents and the conditions specified in this certificate .

Additionally, we waive any rights under Debenture Documents that we may have to require mandatory prepayment of the NCDs on account of change in shareholding from GRIL to InvIT .

We further confirm that:

- (i) no events of default/delays or roll-overs have occurred under the Debenture Documents, until date;
- (ii) we have not, until date, issued any notices of default/delays (including cross-default) or sought any prepayments, accelerations in repayment, lump sum payments or conversion of the loan amounts into equity shares of the Company or exercised any rights in relation to the security provided pursuant to the terms and conditions of the Debenture Documents; and



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(iii) there are no pending litigation/disputes/notices/show cause/attachment orders initiated by us against the Company or against any of the directors/promoters of the Company in relation to any of the Company's borrowings from us as of date.

We authorise you to deliver this letter of consent to SEBI, the stock exchange(s) and any other regulatory or statutory authority as required by law. The contents of this certificate may be disclosed in any document relating to the Offer, including but not limited to, the draft offer document and offer document as may be required or appropriate in accordance with applicable laws..

This letter can be relied on by the Company, the legal advisors appointed by the Trust, or any other intermediary involved in the Offer and the legal advisor appointed by the Trust in respect of the Offer.

The aforesaid confirmations, consents, waiver and no objections given in this letter satisfy the requirements under the Debenture Documents to obtain our consent for actions that the Company may be required to take in relation to the Offer and the Proposed Transactions.

This consent may be deemed to be in full force until the date of the listing of the units of the Trust on a recognized stock exchange pursuant to the Offer.

We confirm that we will inform the Company of any change in the above consent until the date of the listing of the units of the Trust on a recognized stock exchange pursuant to the Offer..

Subject to applicable law, we also agree to keep the contents of this letter strictly confidential.

Sincerely,

For Axis Trustee Services Limited



(Authorised Signatory)

Name: Rajendar Singh

Designation: Deputy Manager

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Schedule I

1. The sponsor undertaking from GRIL, will continue to remain in force after completion of the Proposed Transaction and the GRIL undertakes to execute a letter re-confirming this understanding in favor of Debenture Trustee.
2. The Aadharshila Infratech Private Limited shall remain the sponsor of the Trust. GRIL along with Aadharshila Infratech Private Limited shall maintain at least 40% unitholding in the Trust until the NCDs are redeemed. Further, GRIL shall maintain at least 25% unitholding in the Trust until the NCDs are redeemed.
3. The investment manager of the Trust, GR Highways Investment Manager Private Limited, shall be controlled by the Lokesh Builders Private Limited by way of majority equity shareholding until the NCDs are redeemed.
4. Lokesh Builders Private Limited shall form part of the Promoter group of GRIL until the NCDs are fully redeemed.
5. Promoters of GRIL will continue to own 100% of Lokesh Builders Private Limited until the NCDs are redeemed.
6. The Trust shall maintain a credit rating of 'AAA' until the NCDs are redeemed.
7. The consolidated debt/EV value of the Trust shall not be above 49%;
8. The Trust shall maintain a minimum DSCR of at least 1.5 until the NCDs are redeemed and the DSRA shall continue to remain in force as agreed upon in the Debenture Documents;
9. The consolidated debt/EBITDA of the Trust shall not be more than 4;
10. The NCDs shall remain as a senior debt of the Company on the same terms agreed upon in the Debenture Documents unless specified otherwise herein in this letter;
11. The Company shall not borrow any additional senior debt, except for the Trust Financing;
12. The debt availed by the Company from the GRIL which is proposed to be assigned to the Trust pursuant to the Assignment (*as defined above*) and any other debt availed by the Company from the Trust shall be subordinate to the NCDs;
13. Any debt or quasi equity availed by the Company from the Trust shall be subordinate to the NCDs
14. The entire rupee term loan availed by the Company shall be prepaid within mutually agreed timeline such that the total senior debt of the Company reduces by at least ₹3,000 million
15. No prepayment of NCDs from funds raised at Trust from the Offer.
16. The holders of the other non-convertible debentures issued by the Company shall not receive any favorable terms which have not been made available to us.
17. Pledge over Quasi Equity and Subordinate Loans, if any, extended by the Trust to the Company in favour of the Debenture Trustee for the benefit of the Debenture Holders in form and substance satisfactory to the Debenture Trustee.



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