

TELANGANA POWER GENERATION CORPORATION LIMITED
(A Govt. of Telangana Undertaking)



**Determination of Capital Cost and Provisional Tariff for
Unit-1 (800 MW) of Yadadri Thermal Power Station (5X800MW)**

**Volume- 6 of 6
(Loan Documents –II)**

October, 2025



रूरल इलेक्ट्रीफिकेशन कारपोरेशन लिमिटेड
Rural Electrification Corporation Limited

भारत सरकार का उद्यम A Government of India Enterprise

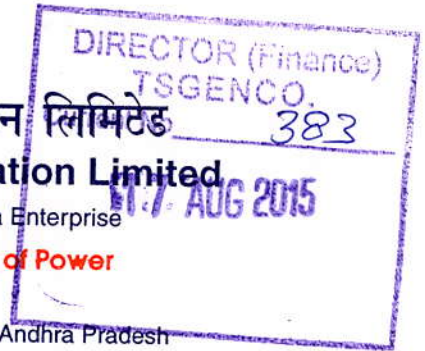
A 'NAVRATNA' Company under Ministry of Power

Zonal Office : Hyderabad

NPA Post, Shivarampally, Hyderabad - 500 052, Andhra Pradesh

Phone : 040-24014034, 24014420, 24018587, 24016023, Fax : 040-24014235

e-mail : rec1pohyd@yahoo.com, Web : www.recindia.nic.in



FA & CCA / TGENCO
Vidyut Soudha, Hyderabad-082.
Current No. 1907
11 8 AUG 2015
Dy. CCA (A/c) Dy. CCA (Res) Dy. CCA (Audit)
SAO (A/c & Budget) SAO (B&R, PG) SAO (Adm)
Pay Officer- SAO (P&A, Loans)
(GPF & Trust) SAO (Stores & Costing)
Pestri No.: REC/PO /Hydr Generation/2015-16/352

Corporate Identity Number: L40101DL1969GOI005095

Date: 11/08/2015

The Chairman and Managing Director

Telangana State Pradesh Power Generation Corporation Limited

Vidyut Soudha

Hyderabad-500 082 (Telangana)

FA&CCA
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H/S

Sanction Letter for Rupee Term Loan (RTL) – GENERATION

SAO/P&A

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Adm

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SAO/CCA

20/8

Sub: Financial assistance of Rupee Term Loan of Rs. 16,070.54 Crores (Rupees Sixteen Thousand Seventy Crores and Fifty Four Lakhs only) towards part funding of the 5x800 MW Yadadri Coal based Thermal Power Project being developed by M/s Telangana State Power Generation Corporation Limited (TSGENCO) for a total project cost of Rs. 25,099.42 Crores (Rupees Twenty Five Thousand Ninety Nine Crores and Forty Two Lakhs only) at Veerlapalem Village in Dameracherla Mandal of Nalgonda District of Telangana State. (Scheme Code No TL-GE-GEN-494-2015-9607)

Ref: TSGENCO Application for Financial Assistance vide Letter No TSGENCO/FA&CCA/DY.CCA(Res)/SAO(Loans)/AO(L)/D.No 151/15 dated 30-07-2015

Sir,

This is with reference to your above cited Loan Application for financial assistance of Rs. 16070.54 Crores (Rupees Sixteen Thousand Seventy Crores and Fifty Four Lakhs only) towards part funding of the 5x800 MW Yadadri Coal based Thermal Power Project being developed by M/s Telangana State Power Generation Corporation Limited (herein after referred to as "TSGENCO") with the total project cost of Rs. 25,099.42 Crore (Rupees Twenty Five Thousand Ninety Nine Crore and Forty Two Lakh only) at Veerlapalem Village in Dameracherla Mandal of Nalgonda District of Telangana State.

Your request has been considered and REC is agreeable to provide Rupee Term Loan ("RTL") assistance, to the extent of Rs. 16,070.54 Crores (Rupees Sixteen Thousand Seventy Crore and Fifty Four Lakh only) towards part funding of the 5x800 MW Yadadri Coal based Thermal Power Project for a total project cost of Rs 25,099.42 Crores (Rupees Twenty Five Thousand Ninety Nine Crores and Forty Two Lakhs only).

The aforesaid term loan assistance is subject to the Sanction Terms and Conditions as set out in the **Annexure- I** enclosed to this sanction letter and execution of the Rupee Term Loan Agreement (RTLA) between REC and TSGENCO in the prescribed format. Format of Rupee Term Loan Agreement will be sent in due course of time.

The sanction letter is being sent to you in duplicate and you are requested to return one copy of the same duly signed by the authorized representative/signatory on all pages with seal as a token of acceptance of the terms and conditions of this sanction within 30 (thirty) days from the date of receipt of this sanction letter to avail the above loan/financial assistance.

This communication should not in any way be construed as any binding obligation on the part of REC unless you communicate your acceptance to REC within 30 days from the date of receipt of this sanction letter and unless the Rupee Term Loan Agreement and other documents relating to the above loan/financial assistance are executed by M/s Telangana State Power Generation Corporation Limited (TSGENCO) in such forms as may be required by REC within six months from the date of this sanction letter, or such further time as may be allowed/extended by REC in its absolute discretion on your written request.

The following documents (in the prescribed formats) shall be required as per applicable policy of REC:-

A. Documents required at the time of execution/signing of loan documents:

1. Copy of the Board Resolution, duly attested by the Secretary/Company Secretary/Authorized Officer, regarding: -
 - a) To accept the loan on the terms and conditions of REC
 - b) To accept creation of charge on assets by way of hypothecation/ mortgage (if opted by the borrower)
 - c) To furnish undertakings as per the Terms and Conditions of this Term Loan.
 - d) To authorise an officer to accept and agree to the terms and conditions and to execute the relevant loan documents/undertakings etc.
2. Specimen signature of authorized signatory duly attested by the Secretary/Company Secretary.
3. Certificate from the Company Secretary/Secretary in respect of the compliance of laws, bye-laws, etc. applicable to the borrower.
4. Certificate from the Company Secretary / Statutory Auditors of the Borrower that the borrowing is within the borrowing limits with details thereof.
5. Certificate to the effect that the borrower shall continue to be the owner and in physical possession of the project till the outstanding loan amount is fully liquidated.
6. Certificate/Letter for opting 'commitment charge' or 'upfront fee'.
7. Quarter-wise drawal schedule.

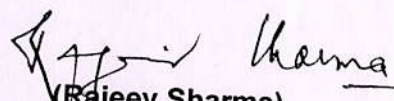
Documents required at the time of disbursement of loan: -

1. Tripartite Escrow Agreement/TRA Agreement, as the case may be, in the prescribed format.
2. Materials and equipment schedule, in the prescribed format, for the project/scheme to be financed under the loan.
3. State Govt. Guarantee in the prescribed format or charge on assets by executing security documents by way of Hypothecation and Mortgage Deeds in the prescribed formats.

In addition to above the borrower shall furnish other documents as may be required in terms of loan. Kindly acknowledge the receipt of this letter and feel free for any clarification in the matter.

Thanking you,

Yours faithfully,


(Rajeev Sharma)
Chairman and Managing Director

Enclosed: As above.

Copy for kind information to:

1. Chief Secretary, Government of Telangana, Telangana Secretariat, Saifabad, Hyderabad.
2. Secretary (Energy), Government of Telangana, Telangana Secretariat, Saifabad, Hyderabad.
- ✓ 3. Director(Finance/Thermal), TSGENCO, Vidyut Soudha, Hyderabad
4. Director(Projects), TSGENCO, Vidyut Soudha, Hyderabad
5. FA&CCA, TSGENCO, Vidyut Soudha, Hyderabad

ANNEXURE-I

STATE SECTOR BORROWERS

General Terms and Conditions for Sanction of Rupee Term Loan for Generation Projects:

Sl. No.	Title	Terms & Conditions
A. Pre-Commitment Conditions :		
1	Sanctioned Loan Amount	1) Loan Amount sanctioned by REC:– Rs.16070.54 Crore & (% of Project cost): – 64.03% 2) Name of the Project: 5X800 MW Coal based Yadadri Thermal Power Project (YTPS) at Veerlapalem village, Dameracherla Mandal, Nalgonda District, Telangana 3) Scheme Code: – TL-GE-GEN-494-2015-9607 4) Estimated Project Cost:– Rs.25099.42 Crore 5) Promoters' Contribution:– Rs.5019.88 Crore & (% of Project cost): – 20% 6) Debt Component: – Rs.20079.54 Crore & (% of Project cost): – 80% 7) Scheduled Date of Commercial Operation (COD) of the Project :– 31.01.2021
2	Validity of Sanction Letter	The sanction shall be valid for a period of six months from the date of sanction letter. However, REC can extend the validity period on the request of the borrower after being satisfied of the reasons of delay furnished by the Borrower.
3	Loan Agreement	a) The Borrower shall execute the Rupee Term Loan Agreement (RTLA) along with other loan documents and furnish all certificates within six months time or such extended period, as the case may be in the prescribed formats of REC. b) In case of any inconsistency between the terms and conditions of the sanction letter and the RTLA, the terms and conditions of Sanction Letter shall prevail, except as specifically provided in the RTLA. c) All the Terms and Conditions herein including all future additions/ amendments therein shall be the integral part of the RTLA.
4	Stamp Duty & Registration Expenses	The costs towards stamp duty and registration charges shall be borne by the Borrower for and in connection with execution of loan/security documents.
5	Drawn Schedule and Disbursement of Loan	a) The borrower shall furnish to REC a quarter-wise schedule of drawl of this loan, the year being the financial year commencing April 1 st and ending March 31 st and the quarters being three months period beginning from 1 st April, 1 st July, 1 st October and 1 st January of each year. The borrower will be required to draw the entire amount of committed funds in the respective quarters. <u>The borrower shall be allowed prospective revision of drawl schedule, with concurrence of REC two times only during the currency of the loan.</u> b) For the purpose of disbursement of loan, the financial year will be the year in which the loan is 1 st disbursed and the Zero date for the Loan shall be the date of 1 st disbursement. c) Unless REC agrees otherwise, the Borrower's right to make drawls from the Rupee Term Loan shall cease at end of 6 months after COD by default or on last date of drawl as agreed by REC and Borrower at the time of signing of RTLA, as the case may be but shall be limited for the Project Expenses incurred till the date of COD

		<p>only. In case of any cost saving/reduction in the project cost, due to reasons whatsoever, the loan amount shall stand reduced by amount so reduced in proportion to the Debt & Equity.</p> <p>d) 1st instalment of the sanctioned loan amount shall be released only after execution of the prescribed loan agreements/documents, completion of other legal formalities including submission of such undertakings & certificates and authentication in the forms prescribed by REC for this purpose, and compliance by the borrower with the all others and special terms and conditions of the sanction letter/RTLA including all future additions/amendments.</p> <p>REC may consider the payment of advance, on the request of Borrower, depending on the need of the project, on creation of adequate security and compliance of terms & conditions of sanction to the satisfaction of REC. Further disbursement shall be based on "draw down schedule" accepted by REC or the revised draw down, if approved by REC in line with the Awarded Contract Provisions.</p> <p>e) 2nd and all subsequent instalments of loan shall be disbursed as per REC's prevailing disbursement procedures based on certification of the progress of the project/work done by the Borrower on the format acceptable to REC.</p> <p>f) REC reserves its right to withhold the entire or any part of un-disbursed amount of Rupee Term Loan and/or to recover/adjust any Additional interest, Penal Interest and any other dues payable under this sanction letter as well as under any other Rupee Term Loan availed by the Borrower from the Loan amount at the time of disbursement.</p> <p>g) REC may agree on the request of the borrower to extend the period of disbursement of loan and implementation of the project.</p>
6	Upfront fee / Commitment charges	<p>a) The borrower shall have the option to pay either upfront fee or commitment charges under due intimation to REC before executing of RTLA at the prevalent rate as per REC's Loan Policy. Once the option is exercised, the same shall be final, binding and irrevocable;</p> <p>b) If Borrower has opted for Upfront fee, the same shall be payable on or before the date of execution of the RTLA at the rate of 0.1% p.a. or at such rate as may be fixed by REC from time to time, on the loan amount as per REC's prevailing loan policy. <i>or,</i></p> <p>c) If Borrower has opted for Commitment Charges, the same will be payable quarterly on every "Interest Due Dates" at the rate of 0.25% p.a. or at such rate as may be fixed by REC from time to time as per REC's prevailing loan policy and it will be charged on the un-drawn amount of cumulative committed funds of each quarter from the first day of following quarter till the date of actual drawl.</p>
7	Payment of Interest, Interest Rates & Interest Reset Period.	<p>a) The Borrower shall pay interest on the loan amount disbursed, at the rate prevailing on the date of each disbursement as per REC's prevailing loan policy circular, for the entire period of loan, subject to interest rate reset (at the sole discretion of REC) as applicable <i>from the date of each disbursement</i> of loan instalment. The present rate of interest is as under :</p> <p>i) With interest rate reset option after Three years – @ 12% per annum OR</p> <p>ii) With interest rate reset option after Ten years – @ 11.85% per annum</p> <p>(Further, an additional interest rebate of 0.5% shall also be applicable in accordance with the MOU entered between REC and TSGENCO on 21.03.2015).</p> <p>b) The Interest shall be payable by the borrower and compounded quarterly. The 1st 'Interest Due Date' shall be the last day of the last month of the</p>

		<p>calendar quarter in which disbursement is made and all subsequent 'Interest Due Date's' shall be the last day of last month of following calendar quarter till the full Loan amount along with all other dues are paid back to REC. <u>There will not be any moratorium for payment of interest.</u> All interest and their cost, charges, expenses shall accrue on daily basis and be calculated on the basis of actual number of days elapsed and an year of 365 days.</p> <p>c) Notwithstanding anything stated hereinbefore, it will be open to REC to periodically reduce or enhance the rate of interest in respect of loan instalments not disbursed up to the date of such revision. The revision in the rate of interest shall take effect from such date as may be notified by REC.</p> <p>d) The Borrower shall exercise the option of the reset of Interest Rate by the Lender in respect of the Rupee Term Loan either 'after every 3 years' or 'after 10 years' beginning with the date of first disbursement. The option shall be exercised by the borrower before seeking first disbursement of loan and the option once exercised shall be final and binding and cannot be modified during the entire tenure of the loan.</p> <p>e) An additional interest at the rate as per prevailing policy of REC shall be charged in addition to the normal Interest for the period of non-creation of specified securities within stipulated period.</p>
8	Loan Repayment/ Moratorium Period, Appropriation of Receipts & Mode of Payment	<p>a) The entire loan shall be repaid by the Borrower in 60 equal quarterly instalments and the 1st 'Loan Repayment Due Date' shall be the last day of the last month of the calendar quarter following the quarter in which the moratorium period expires and all subsequent 'Loan Repayment Due Dates' shall be last day of each following calendar quarter till the entire loan amount along with interest & all other dues are repaid to REC in full.</p> <p>b) <u>Moratorium period shall be upto 2 years from the Project SCOD.</u></p> <p>c) The total moratorium period shall be calculated from the date of first disbursement.</p> <p>d) REC also reserves its right to adjust/appropriate from any remittances made by the Borrower for the following dues under this RTLA as well as under any other Rupee Term Loan availed by the Borrower in the following order unless otherwise agreed:</p> <p>e) All costs, charges, expenses, losses, applicable taxes, statutory duties and TDS and other moneys being due from the Borrower;</p> <p>f) Interest on costs, charges, expenses, losses, applicable taxes, statutory duties and TDS and other moneys. If any;</p> <p>g) Commitment Charges (if applicable);</p> <p>h) Penal and/or Additional Interest including interest tax, if any;</p> <p>i) Any overdue Interest including interest tax, if any;</p> <p>j) Any due Interest including interest tax, if any;</p> <p>k) Repayment of Principal falling due; and surplus remaining out of above, if any, shall be retained as an advance receipt of next falling due Interest and/or Principal instalment.</p> <p>l) Any shortfall in recovery of the dues mentioned in cl.(d) above shall be considered as default in payment and shall be treated as such as per provisions defined herein or elsewhere and REC will have the liberty to exercise all the rights as may be available under the RTLA or any other security documents.</p> <p>m) The Borrower shall ensure that all payments due from them are remitted and realised at par at the designated Bank at New Delhi or other places as may be directed by REC on the dates on which same falls due or preceding working day, if such due date is a bank holiday at the recipient branch. Any payment(s) received before the due date shall be deemed to have been received on the due date only.</p>

9	Default and Penal Interest & Consequences of default	<p>a) In the event of any instalment of interest/principal and/or any other dues not being paid to REC by the Borrower on or before the due dates & as per terms as indicated herein, the Borrower shall pay to REC a penal interest at the rate as per the prevailing Loan Policy of REC on the date of default, over and above and in addition to the applicable interest rate on the amount so overdue, for the period of default on quarterly compounding basis.</p> <p>b) Further in the event of default in payment of interest and/or in repayment of principal by the Borrower, subsequent receipts shall be appropriated as per the Accounting Policy of REC.</p> <p>c) In the event of default in terms and conditions of the loan by the Borrower or abandoning the project at any stage or the amount not getting utilized for the purpose for which it is sanctioned or viability of the Project or the financial strength of Promoters or there is any substantial deterioration in securities created for the loan, the whole or any part of the loan disbursed can be called back by REC prematurely and in such an event, the entire loan outstanding shall become immediately payable by the Borrower to REC together with all due interest and applicable penal interest shall be payable from the original date of disbursement of loan and REC shall have the full liberty to utilise any amount to the credit of the Trust and Retention /Escrow Account including its Sub-Accounts to service and repay the RTL facilities.</p> <p>d) Further in case of such defaults, REC shall have absolute rights to either enforce the entire or any part of securities created under the RTLA and/or to take possession of charged assets including entire or any part of plant/project and to sell, transfer or dispose otherwise, as REC may deem fit, besides taking legal recourse as may be available to REC.</p> <p>e) The occurrence of events of default shall be judged during currency of RTLA by REC at its sole discretion which shall be final and binding on the Borrower.</p>
10	Prepayment	<p>a) The Borrower shall not prepay the outstanding amount of the Rupee Term Loan in full or in part save as the instalments as per the repayment schedule. Any prepayment of the Rupee Term Loan shall be made with prior permission and at the sole discretion of REC and on the terms and conditions (<i>including prepayment premium</i>) as may be decided by REC on such request.</p> <p>b) During the period when the request for prepayment is under consideration of REC, the Borrower shall continue to service interest and repayments in terms of RTLA.</p>
11	Interest Tax, Service Tax, levies & duties and Other Costs & Expenses.	<p>a. The interest / fees and other charges mentioned herein are exclusive of any prevailing interest tax, service tax and / or other applicable levies/ duties. Such interest tax, service tax/ other levies/ duties, as may be applicable, besides of any stamp duties, court fee, professional fees, cost and charges for counsel/ advocate's fees for drafting, vetting of loan documents and rendering opinions, advice, creation of security, due diligence/investigation of title and expenses and fees incurred/ borne by REC for the monitoring and inspection of the project implementation/ operation by its representative and any insurance premium and related costs paid by REC on behalf of the Borrower and any other charges or surcharges as levied by the Government or any other statutory authorities on any Rupee Term payment under the loan or any other activity directly/indirectly applicable to the Term Loan shall be payable by the Borrower to REC in addition to and in the manner of the Loan Repayment / Interest Payments.</p>

		<p>b. The Borrower shall keep REC indemnified at all the time from any costs, expenses or losses suffered due to the conduct/default of Borrower and/or make good all monies that may be incurred by REC in discharging the obligations of the Borrower or in connection with the execution of the RTLA or for collection, preservation, disposing or otherwise dealing the offered Securities as per provisions herein or for collection/remittance of payments to/from Borrower, as the case may be. The decision of REC in this regard shall be final and binding on the Borrower.</p>
12	Security	<p>Before seeking 1st disbursement of the Rupee Term Loan, the entire Term Loan together with interest, costs, expenses and all other monies whatsoever accruing out of the RTLA shall be secured by any of the following to the satisfaction of REC :</p> <p>(A) State Govt. Guarantee (Individual/Bulk/Revolving) – The loan shall be guaranteed by the State Government fully, irrevocably and unconditionally securing repayment of principal together with payment of interest, penal interest and other charges thereon by Individual/Bulk/Revolving Guarantee executed by the said Government in favour of REC to the satisfaction of REC.</p> <p>If the loans are to be secured by a Deed of Bulk/Revolving Guarantee as aforesaid executed by the said Government in favour of REC, a copy of the RTLA shall be forwarded to REC by the State Government with a request to annex the said agreement to the said Deed of Bulk/Revolving Guarantee as one of the agreements, the loan under which is secured by the said Guarantee.</p> <p>The value of Individual/Bulk/Revolving Guarantee shall not be less than 100% of the loan amount and shall also cover the interest, penal interest and other charges as per policy of REC applicable from time to time</p> <p>OR (B) i) Hypothecation by way of first charge on all existing and future movables assets of the Project including equipments, machineries & other current assets, book debts/receivables & all other movables to the satisfaction of REC. AND</p> <p>iii) English/Equitable/Simple Mortgage by way of first charge on all immovable properties i.e. Land together with buildings and other civil works attached thereto of the project, subject to due diligence as to clear title as prescribed by REC in this behalf. Wherever land/properties are to be acquired by the Borrower, the mortgage shall be created within a period of six months from the date of disbursement of the loan. In case of the lease hold land/properties, the Borrower shall mortgage the leasehold rights by execution of registered Indenture of Mortgage thereby assigning to REC all the rights/interest available to the Borrower under the lease agreement.</p> <p>The above charges would be got timely registered by the Borrower and search reports should be submitted to REC.</p> <p>The total value of such securities shall not be less than 120% of the loan amount, which shall also cover the interest, penal interest and other charges as per policy of REC applicable from time to time.</p> <p>Securities provided by the Borrower shall be as per applicable REC norms. Every</p>

		<p>reimbursement claim for release of the funds shall be supported by details of assets created out of the project loan including their corresponding value. It will be open to REC to make field verification before actual release of funds against such claims.</p> <p>If at any time during the subsistence of loan, the Corporation (REC) is of the opinion that the security provided by the Borrower has become inadequate to cover the balance of the loan then outstanding, the Borrower shall provide and furnish to REC additional security as may be acceptable to REC to cover such deficiency.</p> <p>Project assets including contracts and project documents mortgaged/hypothecated/charged/assigned in favour of REC shall not be mortgaged/hypothecated/charged/assigned in favour of any other institution during the pendency of REC loan without prior written permission from REC.</p>
13	ESCROW /TRA ACCOUNT	<p>The Borrower shall establish a suitable Payment Security Mechanism as acceptable to REC to secure timely payment of interest and repayment of principal.</p> <p>i) The Borrower shall make operational a default Escrow arrangement of cash flows into the Escrow account in the designated Bank through a Tripartite Escrow Agreement for timely payments to the satisfaction of REC.</p> <p>Or</p> <p>ii) A Trust & Retention Account (TRA) during the construction stage shall be opened in the designated Bank to ensure all cash flows of the project are routed through the account and the transfer/utilisation of funds from the account shall be made strictly as per the mandate drawn up between the Borrower & REC.</p> <p>The above Payment Security Mechanisms shall be executed on formats as may be acceptable to REC.</p>
14	Loan Assignment	<p>REC shall be fully empowered to assign the debt and the benefit of this loan, guarantees and the securities to be created for the loan to the Government of India, RBI or any other institution as security of any refinance/arrangement which may be worked out by REC with such organization in respect of the loan and the Borrower shall, as and when required by REC, join in doing and executing all such acts, deeds, documents and assurances as REC may require to give effect to such assignment.</p>
B. Pre-disbursement Conditions :		
1	The Borrower shall undertake/ensure and demonstrate always that :	<p>a) The Borrower has not defaulted on any of its loans & shall submit satisfactory cash flow of the project.</p> <p>b) The Borrower to submit confirmed source of own investment & shall raise and proportionately invest the same along with REC loan & shall not utilize it for repayment/settlement of outstanding liabilities other than of the Project.</p> <p>c) The Borrower shall have tied up for equity and balance loan amount, if any, before disbursement.</p> <p>d) The Borrower will submit the implementation schedule and draw down schedule.</p> <p>e) The Borrower shall create the Security as per the terms of sanction and in the manner satisfactory to REC.</p> <p>f) The Borrower shall have to certify and satisfy REC that necessary budget allocation has been made in the State plan outlay for financing the balance/additional cost of the project, for reason(s) whatsoever, before the release of loan by REC.</p>

		<p>g) The Borrower shall ensure the availability of input resources viz. adequate supply of Fuel/start-up fuel/ water and also take adequate measures/safeguards against natural calamities such as earthquake, cyclone etc. during detailed engineering as well as execution of project etc.</p> <p>h) The Borrower shall furnish the approved Financial Plan of the Project.</p> <p>i) The Borrower shall submit copies of EPC/Package Contracts for main plant equipments indicating firm price/price variation clause with a cap & LD clauses.</p> <p>j) The Borrower shall submit the arrangement for BOP to REC.</p> <p>k) The Borrower shall furnish to REC the details of arrangement for Fuel Supply Linkage for a minimum PLF required as per norms.</p> <p>l) The Borrower shall submit the details of arrangement for Power Evacuation System to REC.</p> <p>m) The Borrower shall undertake to comply the time lines in respect of approved PPA and Tariff Plan, Firm Contract with relevant price variation/LD clauses for BOP, Fuel Supply Agreement (FSA) and Power Evacuation System.</p>																
2	Project Clearances	<p>All statutory and non-statutory clearances especially mentioned below have to be obtained and demonstrated at all stages –</p> <table><thead><tr><th>For Projects other than Hydro Project:</th><th>For Hydro Project:</th></tr></thead><tbody><tr><td>a. Environment & Forest Clearance.</td><td>a. CEA Clearance.</td></tr><tr><td>b. Civil Aviation Clearance.</td><td>b. Environment & Forest Clearance.</td></tr><tr><td>c. Clearance of R&R, if required.</td><td>c. Implementation Agreement/MOU with State Govt.</td></tr><tr><td>d. Fuel linkage.</td><td>d. Clearance of R&R, if required.</td></tr><tr><td>e. Water allocation</td><td>e. Evacuation of Power arrangement.</td></tr><tr><td>f. Evacuation of Power arrangement</td><td>f. Any other clearances (as may be applicable from time to time)</td></tr><tr><td>g. Any other clearances (as may be applicable from time to time)</td><td></td></tr></tbody></table>	For Projects other than Hydro Project:	For Hydro Project:	a. Environment & Forest Clearance.	a. CEA Clearance.	b. Civil Aviation Clearance.	b. Environment & Forest Clearance.	c. Clearance of R&R, if required.	c. Implementation Agreement/MOU with State Govt.	d. Fuel linkage.	d. Clearance of R&R, if required.	e. Water allocation	e. Evacuation of Power arrangement.	f. Evacuation of Power arrangement	f. Any other clearances (as may be applicable from time to time)	g. Any other clearances (as may be applicable from time to time)	
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3	Project Management Committee	<p>The Borrower shall, before seeking 1st disbursement of Loan, undertake to constitute a Project Management Committee of Directors/Senior Executives including REC's Nominee Director/LE or other representative(s) to the satisfaction of REC and strengthen/restructure/broad-base the same as may be required by REC during any stage of implementation of Project. The committee shall be responsible for monitoring the physical and financial progress of the Project including tendering, placement of orders for supply/construction of plant and machinery and other assets and issue quarterly progress report in the form acceptable to REC and provide any other information as and when desired by REC on the progress of work including photographs of the project at various stages of project implementation/ financial progress.</p> <p>The Borrower shall obtain and furnish an authenticated copy of all statutory and other clearances from the Central/State Govt. and all other agencies required for implementation of the Project and installation of plant and systems.</p>																

C. Other Conditions :

1	The Borrower shall always ensure	<p>a) Debt exposure for the project shall not exceed 80% of the cost of the project or Rs. 20079.54 crores, whichever is less.</p> <p>b) Cost overrun, if any, would be borne by Borrower without recourse to the project or REC.</p> <p>c) REC reserves the right to specify additional requirement by REC, in the offered security package and/or in the applicable terms & conditions and loan documents.</p> <p>d) The completion period for the project will be 64 months from date of Notice of proceed. Presently NTP date has been interpreted as 30.09.2015.</p> <p>e) The Borrower shall keep REC informed about any happening/events which shall have a substantial effect on the business of the borrower & shall provide necessary information, in case of any new project/expansion of existing project taken up during the currency of REC loan. REC shall have the right to cancel/recall the entire loan in case of misrepresentation/ suppression of information, if any noticed at any stage.</p> <p>f) The Borrower shall arrange to provide, as and when requested by REC, tariff plan approved by the appropriate authority. In case of any cost saving/reduction in the project cost the loan amount shall stand reduced proportionately.</p> <p>g) The Borrower shall not transfer/sell or abandon the project at any stage in any manner whatsoever without prior written consent of REC.</p> <p>h) REC shall have a right to appoint lender's engineer, lender's counsel and auditors as it may deem necessary and further rights to appoint a nominee on the project Management Committee of Borrower and Borrower shall provide all assistance to them. Borrower shall bear the costs of such appointees.</p> <p>i) The Borrower will be required to display a Display Board at the site to the satisfaction of REC showing that the project is financed by REC, which is having charge on the Project Assets.</p> <p>j) The PPA shall provide that the revenue of the Distribution Company/Buyer will be escrowed in favour of Generation Company/Borrower and in turn in favour of REC.</p> <p>k) The PPA shall provide that the Generating Company/Borrower/REC can undertake third party sale of power within state or outside state, if the distribution company/Buyer doesn't clear its dues as per stipulation in the PPA.</p> <p>l) If the project EPC cost is less, which reduces the project cost, then REC's sanctioned loan shall stand reduced in proportion to the sanctioned debt equity ratio. If there is any increase/escalation in Project/EPC costs for any reason whatsoever, the promoter has to meet the increased cost without any recourse to the project or REC.</p> <p>m) No dividend would be declared by the Borrower if there is any default in respect of REC's loan.</p> <p>n) Time bound action plan for the implementation of the project will be prepared by the Borrower Company and quarterly progress reports for the same will be submitted to REC along with photographs of the project sites indicating progress of works.</p> <p>o) The Borrower has to enter into an Agreement for transportation of fuel.</p> <p>p) The Borrower should ensure timely completion of water and power evacuation arrangement for the Plant..</p> <p>q) REC reserves the right to appoint a Nominee Director on the Board of the Borrower.</p> <p>r) Borrower shall file tariff petitions as per the time schedule specified by the State</p>
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		<p>Regulatory Commission (SRC).</p> <p>s) REC reserves the right to withhold/cancel the balance undisbursed loan either in full or in part on being satisfied of non-compliance of any of the terms & conditions of the loan by the Borrower or for any other reason.</p> <p>t) Besides above, other Special Conditions may be stipulated by REC at the time of sanction of loan, which shall be integral part of RTLA.</p>
2	Other Compliances to be ensured by the Borrower	<p>a) The Borrower shall enter into Power Purchase Agreement for sale of full power from the project and shall furnish approved tariff plan by the regulator 1 year before COD.</p> <p>b) The Borrower shall submit to REC duly executed BOP/Package Contracts and firm contracts indicating firm price/price variation clause with a cap & LD clauses to REC within 1 year from the date of first disbursement.</p> <p>c) The Borrower shall submit to REC the FSA for a quantity required for minimum PLF as per norms indicating firm price/price variation clause with a cap & LD clauses 1 year before the COD.</p> <p>d) The Borrower shall furnish firm contracts for Power Evacuation System indicating firm price/price variation clause with a cap & LD clauses for the full capacity of the Project shall be submitted to REC within 1 year of 1st disbursement.</p> <p>e) The Power Evacuation System shall be fully completed, tested and made available with all required interconnections and open access permission within 6 months before the COD.</p>
3	Inspection/ Monitoring & Progress Report	<p>a) It shall be open to REC to arrange for inspection/monitoring of the implementation of the project at all stages in respect of such matters as may be considered necessary and expedient either by itself or by monitoring agencies including institutions/individuals as may be appointed by REC.</p> <p>b) The officers/staff/consultants deputed by REC for the inspection/monitoring of matters relating to the project shall have access to such books and records of the Borrower as may be deemed necessary by them. The Borrower shall also furnish from time to time such reports, explanations or elucidations on its working in general or in relation to the specific Project financed by REC as and when may be asked and in the form and manner acceptable to REC/ such officials.</p> <p>c) The Borrower will carry out and comply with such further changes, modifications, improvements and/or guidelines as may be given by REC in the course of or on the basis of inspections so undertaken for the purpose of more effective and proper implementation of the project and in respect of performance of the Borrower and its Promoters.</p> <p>d) The Borrower will furnish to REC such reports, returns, information, statements etc. at such intervals and in such manner as may be prescribed by REC from time to time in regard to implementation of the Project.</p> <p>e) Furnish the Completion Report of the Project within 6 months of COD in the form and manner acceptable to REC.</p>
4	Training	The Borrower will permit and depute its officers and other employees as may be considered necessary by REC for the purpose of providing training from time to time in the procedures to be followed for making modifications/improvements on design and operation of the project components as may be considered relevant by REC.
5	Maintenance of Books of Accounts and Audit thereof	The Borrower shall maintain all the time during subsistence of RTLA, proper accounts and other records and prepare annual financial statements and get them audited as are required by the Companies Act, 1956 or other relevant law and shall furnish to REC the Unaudited Financial Statements within 3 months and Audited Financial Statements within 6 months from the close of relevant accounting years.
6	Demand Notice	On or before the due dates, the Borrower shall ensure the payment of interest and repayment of principal as per agreed terms & conditions irrespective of receipt or not

		of demand notice from REC. However, REC may also send demand notice in advance for the amount falling due and payable, but absence of such demand notice shall not absolve the borrower of their obligations under RTLA.
7	REC's liability	Notwithstanding to above and hereafter, REC shall not be liable for any direct or indirect loss/ damage/ injury to the property, manpower or business of the Borrower or their affiliates caused due to the act, negligence, misconduct or omission of REC or its representative(s) except as defined herein or by virtue of any prevalent law.
8	Interpretation	The decision of REC in all matters including interpretation of any clause relating to this sanction letter shall be final and binding on the Borrower.
9	Abbreviations	BOP – Balance of Plants CEA – Central Electricity Authority COD – Commercial Operation Date EPC- Engineering Procurement and Construction FSA – Fuel Supply Agreement PES- Power Evacuation System PLF – Plant Load Factor PPA- Power Purchase Agreement RTL – Rupee Term Loan. RTLA – Rupee Term Loan Agreement SRC – State Regulatory Commission TRA – Trust and Retention Account

STATE SECTOR BORROWERS

Additional/Specific Terms and Conditions for sanction of Rupee Term Loan for 5X800 MW YTPS TPP by M/s TSGENCO:

Sl. No	Title	Proposed Terms
<u>Pre-Commitment Conditions</u>		
1	Pre-Commitment Condition	TSGENCO shall submit the approval of the Project Cost of Rs.25099.42 Cr for the proposed 5X800 MW Yadadri TPS from the TSGENCO Board of Directors.
<u>Pre-Disbursement Conditions</u>		
1	Pre-Disbursement Condition	Within 12 months from the date of first disbursement from REC, TSGENCO shall submit to REC the firm Long Term Fuel Supply Agreement (FSA) for the supply of coal for a quantity adequate for operation of the plant to achieve minimum 85% PLF indicating firm price/price variation clause.
2	Pre-Disbursement Condition	Within 12 months from the date of first disbursement from REC, TSGENCO shall have signed PPA with DISCOMs as per the National Tariff Policy on a long term basis for a period not less than 15 years for quantum of at least 70% of the capacity and PPA so executed must not be less than the rates taken for base calculation purposes. Further, PPA shall have adequate payment security mechanisms.

भारतीय गैर न्यायिक

एक सौ रुपये

रु. 100



सत्यमेव जयते

Rs. 100

ONE
HUNDRED RUPEES

भारत INDIA
INDIA NON JUDICIAL

తెలంగాణ తెలంగాణ TELANGANA

S.No. 2409 Date 26/11/2015 Rs. 100/- plotted

Purchaser E. Anuradha

S/No. D/o late Dr. E.S. Sastri

For Whom TS Genco.

105388

K. NAGARAJAM
LICENCED STAMP VENDOR
LIC:16-11-46/99, Reg.No.16-11-43/2014
59/A, Kushal Towers, Khairatabad,
Hyderabad (South) District
Ph.No.9849838068
(LA/TL)

LOAN AGREEMENT

(To be executed on Non-Judicial Stamp Paper)

This Agreement is made at Hyderabad on this 26th day of November 2015.

BETWEEN

Rural Electrification Corporation Limited (A Govt. of India Enterprise), a Company registered under the Companies Act, 1956 having its Registered Office at Core 4, Scope Complex, 7 Lodhi Road, New Delhi-110003 with a project office at CIRE Campus, NH 7, NPA Post, Shivarampally, Hyderabad-500 052(hereinafter referred to as 'REC' which expression shall include its successors and permitted assigns) ONE PART.

AND

TELANGANA STATE POWER GENERATION CORPORATION LIMITED, (TSGENCO), a Company registered under the Companies Act, 2013 and having its registered office at Vidyut Soudha, Khairatabad, Hyderabad (hereinafter referred to as "the Borrower", which expression shall include its successors and permitted assigns) OTHER PART.

REC and the Borrower collectively referred to as "Parties" and singularly as a "Party".

N. Venkatesan
एन. वेंकटेशन / N. VENKATESAN
मुख्य परियोजना प्रबंधक / Chief Project Manager
रूरल इलेक्ट्रिकेशन कारपोरेशन लिमिटेड
Rural Electrification Corporation Limited
परियोजना कार्यालय, हैदराबाद
PROJECT OFFICE, HYDERABAD-500 052

Financial Advisor and
Chief Controller of Accounts
TS GENCO, Vidyut Soudha,
HYDERABAD - 500 082

WHEREAS the TSGENCO vide letter dated 30-07-2015 has sought financial assistance of **Rs. 16070.54 Crores (Rupees Sixteen Thousand Seventy Crores and Fifty Four Lakhs only)** as Term Loan from REC towards part funding of the project cost of Rs 25099.42 crores (Rupees Twenty Five Thousand Ninety Nine Crores and Forty Two Lakhs only) to be utilized exclusively for the purpose of setting up of 5x800 MW Yadadri Coal Based thermal power plant at Veerlapalem village in Dameracherla Mandal of Nalgonda District of Telangana State (hereinafter referred to as the 'Project') the details whereof are provided in **Annexure - A**, written hereunder, and forms part and parcel of the present Agreement.

AND WHEREAS REC has agreed to sanction the Term Loan of **Rs. 16070.54 Crores (Rupees Sixteen Thousand Seventy Crores and Fifty Four Lakhs only)** to TSGENCO for the purpose(s) aforementioned and has conveyed the sanction of the Term Loan to the TSGENCO vide its Sanction Letter No REC/PO/Hyd/Generation/2015-16/352 dated 11-08-2015 on the terms and conditions stated in the Sanction Letter, (a copy whereof is enclosed hereto as **Annexure B**). The terms and the conditions stated in Annexure B hereof are to be read along with the terms and conditions set forth hereinafter and shall form part and parcel of the present Agreement.

WHEREAS TSGENCO vide request letters dated 25-08-2015 and 02-09-2015 has sought for modification/amendment of certain terms and conditions of the sanction conveyed by REC vide sanction letter dated 11-08-2015.

AND WHEREAS REC has conveyed approval for modification/amendment of certain terms and conditions of the sanction letter dated 11-08-2015 conveyed by REC to TSGENCO "the Borrower" vide letter No REC/PO/HYD/Generation/2015-16/548 dated 26-10-2015 (a copy whereof is enclosed hereto as **Annexure B-1**). The terms and the conditions stated in REC sanction letter dated 11-08-2015 and approval for modification/amendment of certain terms and conditions of the sanction letter conveyed by REC vide letter dated 26-10-2015 hereof are to be read along with the terms and conditions set forth hereinafter and shall form part and parcel of the present Agreement.

AND WHEREAS the Borrower has by its Resolution dated the 19th day of August 2015 and 26th day of November 2015 has agreed to accept the said loan on the said terms and conditions contained in sanction letter dated 11-08-2015 and approval for modification/amendment of certain terms and conditions conveyed by REC vide letter dated 26-10-2015.

AND WHEREAS as per the terms and conditions contained in the Sanction Letter dated 11-08-2015 and approval for modification/amendment of certain terms and conditions of the sanction letter conveyed by REC vide letter dated 26-10-2015, the Borrower agrees and undertakes to secure the principal sum of the Term Loan, interest and other charges by way of (i) Hypothecation of exclusive first charge on all existing and future movable assets to be created out of the project including equipments, machineries & other current assets, book debts/receivables & all other movables to the satisfaction of REC AND (ii) English/Equitable/Simple Mortgage by way of first charge on all immovable properties i.e. Land together with buildings and other civil works attached thereto of the project of 5X800 MW Yadadri coal based Thermal Power Plant at Veerlapalem village in Dameracherla Mandal of Nalgonda District of Telangana State (5X800 MW YTPS TPP) adequate to cover the loan amount, interest, penal interest and other charges. The aggregate value of the securities shall not be less than 120% of term loan.

AND WHEREAS the Borrower has agreed to accept the disbursement of the Term Loan on installments on the terms and conditions contained in the Sanction Letter.

NOW THIS AGREEMENT WITNESSETH AS UNDER:

1. REC will lend and advance to the Borrower the Term Loan of **Rs. 16070.54 Crores (Rupees Sixteen Thousand Seventy Crores and Fifty Four Lakhs only)** (the "Loan") to be repaid along with interest and other charges over a period of 15 years in 60 equal quarterly installments after moratorium period of 2 years from the scheduled commercial operation date (SCOD).
2. REC will make disbursement(s) of the Term Loan in installments, on REC being reasonably satisfied with the progress of the Project undertaken by the Borrower and more specifically in terms as laid down in the sanction letter.
3. The Borrower agrees and undertakes to secure the principal sum of the Term Loan, interest and other charges by way of (i) Hypothecation of exclusive first charge on all existing and future movable assets to be created out of the project including equipments, machineries & other current assets, book debts/receivables & all other movables to the satisfaction of REC AND (ii) English/Equitable/Simple Mortgage by way of first charge on all immovable properties i.e. Land together with buildings and other civil works attached thereto of the project of 5X800 MW Yadadri coal based Thermal Power Plant at Veerlapalem village in Dameracherla Mandal of Nalgonda District of Telangana State (5X800 MW YTPS TPP) adequate to cover the loan amount, interest, penal interest and other charges. The aggregate value of the securities shall not be less than 120% of term loan.
4. The Borrower shall repay loan with interest, penal and other charges in accordance with terms and conditions of the sanction letter. The Borrower shall make all payments of principal, interest, penal interest and other charges to REC at its Registered Office at New Delhi.
5. The Borrower shall implement the project in accordance with project report as submitted at the time of application for the grant of loan and shall also adhere to and comply with all such amendments thereto as are approved by REC. The Borrower also agrees to complete the project in the manner and according to time schedules as per terms of sanction letters.
6. The Borrower represents and assures REC that the Term Loan applied for and being granted by REC to the Borrower is within the borrowing powers of and in accordance with the laws and by-laws applicable to it and all formalities required by the laws and by-laws and rules regulating the work and conduct of the Borrower in respect of such borrowing have been fully complied with.
7. To secure REC against financial losses that may arise as a result of dilution of the security charged in favour of REC, on account of any reason whatsoever, the Borrower shall immediately intimate REC in writing about such dilution and/or inadequacy, and shall replace or provide such additional security to the satisfaction of REC, in order to protect the interests of REC against such financial loss that may arise due to the aforesaid reason.

N. Venkatesan
एन. वेंकटेशन / N. VENKATESAN
मुख्य परियोजना प्रबंधक / Chief Project Manager
रुरल इलेक्ट्रिफिकेशन कारपोरेशन लिमिटेड
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PROJECT OFFICE, HYDERABAD-500 052.

[Signature]
Financial Advisor and
Chief Controller of Accounts
TS GENCO, Vidyut Soudha,
HYDERABAD - 500 082.

8. The Borrower shall make available for the inspection of REC, as and when called upon to do so, all its books of account and other books and documents maintained by it and/or required to be maintained by it under any law, by-laws, or rules of the Borrower and allow all facilities to REC, its Agents, Nominees and Authorized Representatives authorised by it for the purpose of carrying out such inspection.
9. The Borrower agrees and undertakes to execute, sign, seal and deliver all documents, papers, acknowledgements and other writings as may be required by REC at any time during the pendency of this agreement, more fully and effectively securing the moneys due and payable or to become due and payable by the Borrower to REC in terms of these presents.
10. REC shall without prejudice to its other rights and remedies be entitled to recall the Loan or any portion or portions thereof at any time before the due date for repayment thereof, if the Borrower fails to fulfill its obligations under this agreement and/or in the event of its committing a breach of any of the terms thereof. The decision of the Chairman and Managing Director of REC as to whether a breach of the terms of this agreement has been committed by the Borrower or not, shall be final and binding on the Borrower.
11. In the event of a default on the part of the Borrower or any breach of the terms and conditions of these presents, Borrower shall be liable to pay to the REC all costs, charges and expenses incurred by REC in connection with the negotiations for the agreement and in respect of the agreement.
12. Neither this agreement nor any of the rights, obligations hereinafter shall be assigned by the Borrower without the prior written consent of REC.
13. No waiver by REC of any breach of this Agreement by the Borrower shall be considered a waiver of any subsequent breach of the same or any other provision.
14. The Borrower agrees that REC shall have the right of assignment of the debt due by the Borrower and securities furnished under these presents to any Financial Institutions, Banks and or to any other Authorities or Agency for the purpose of refinancing etc., and the Borrower undertakes to assist and join hands with REC in furnishing any information, executing documents etc. in connection therewith
15. The Borrower undertakes to indemnify and keep REC saved, defended, unharmed and indemnified against all costs and consequences arising as a result of any act of omission or commission on the part of the Borrower.
16. The Borrower agrees that notwithstanding any other remedy available to REC, these presents create a security interest in REC and REC shall have the prerogative to exercise its rights under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.

N. Venkatesan
एन. वेंकटेशन / N. VENKATESAN
मुख्य परियोजना प्रबंधक / Chief Project Manager
ग्रामीण विद्युतीकरण कॉर्पोरेशन लिमिटेड
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TS GENCO, Vidyut Soudha,
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17. The Borrower agrees / shall ensure and demonstrate always that:

- a) The Borrower has not defaulted on any of its loans & shall submit satisfactory cash flow of the project.
- b) The Borrower shall submit confirmed source of own investment & shall raise and proportionately invest the same along with REC loan & shall not utilize it for repayment/settlement of outstanding liabilities other than of the Project.
- c) The Borrower has tied up for equity and balance loan amount, if any, within 3 months from the date of first disbursement.
- d) The Borrower will submit the implementation schedule and draw down schedule.
- e) The Borrower shall create the Security as per the terms of sanction and in the manner satisfactory to REC.
- f) The Borrower confirm that necessary budget allocation has been made in the State plan outlay for financing the balance / additional cost of the project, for reason(s) whatsoever, before the release of loan by REC.
- g) The Borrower shall ensure the availability of input resources viz. adequate supply of Fuel / start-up fuel / water and also take adequate measures / safeguards against natural calamities such as earthquake, cyclone etc. during detailed engineering as well as execution of project etc.
- h) The Borrower shall furnish the approved Financial Plan of the Project.
- i) The Borrower shall submit copies of EPC Package Contracts for main plant equipments indicating firm price/price variation clause with a cap & LD clauses.
- j) The Borrower shall submit the arrangement for BOP package to REC.
- k) The Borrower shall furnish to REC the details of arrangement for Fuel Supply Linkage for a minimum PLF required as per norms.
- l) The Borrower shall submit the details of arrangement for Power Evacuation System to REC.
- m) The Borrower shall undertake to comply with the time lines in respect of approved PPA and Tariff Plan, Firm Contract with relevant price variation/LD clauses for BOP, Fuel Supply Agreement (FSA) and Power Evacuation System.

18. The Borrower shall, within 12 months from the date of 1st disbursement of Loan, undertake to constitute a Project Management Committee of Directors / Senior Executives including REC's Nominee Director / LE or other representative (s) to the satisfaction of REC and strengthen / restructure / broad-base the same as may be required by REC during any stage of implementation of Project. The committee shall be responsible for monitoring the physical and financial progress of the Project including tendering, placement of orders for supply /construction of plant and machinery and other assets and issue quarterly progress report in the form acceptable to REC and provide any other information as and when desired by REC on the progress of work including photographs of the project at various stages of project implementation / financial progress.

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19. The Borrower shall obtain and furnish an authenticated copy of all statutory and other clearances from the Central/State Govt. and all other agencies required for implementation of the Project and installation of plant and systems.

20. The Borrower undertakes and shall always ensure that:

- a) Debt exposure for the project shall not exceed **80%** of the cost of the project or **Rs. 20079.54 crores**, whichever is less.
- b) Cost overrun, if any, would be borne by Borrower without recourse to the project or REC.
- c) REC reserves the right to specify additional requirement by REC, in the offered security package and/or in the applicable terms & conditions and loan documents
- d) The completion period for the project will be 64 months from date of Notice of proceed. Presently, NTP date has been interpreted as 30-09-2015.
- e) The Borrower shall keep REC informed about any happening / events which shall have a substantial effect on the business of the borrower & shall provide necessary information, in case of any new project / expansion of existing project taken up during the currency of REC loan. REC shall have the right to cancel / recall the entire loan in case of misrepresentation / suppression of information, if any noticed at any stage.
- f) The Borrower shall arrange to provide, as and when requested by REC, tariff plan approved by the appropriate authority. In case of any cost saving/reduction in the project cost the loan amount shall stand reduced proportionately.
- g) The Borrower shall not transfer / sell or abandon the project at any stage in any manner whatsoever without prior written consent of REC
- h) REC shall have a right to appoint lender's engineer, lender's counsel and auditors as it may deem necessary and further rights to appoint a nominee on the project Management Committee of Borrower and Borrower shall provide all assistance to them. Borrower shall bear the costs of such appointees.
- i) The Borrower will be required to display a Display Board at the site to the satisfaction of REC showing that the project is financed by REC, which is having charge on the Project Assets.
- j) The PPA shall provide that the revenue of the Distribution Company / Buyer will be escrowed in favour of Generation Company / Borrower and in turn in favour of REC.
- k) The PPA shall provide that the Generating Company / Borrower / REC can undertake third party sale of power within state or outside state, if the distribution company/Buyer doesn't clear its dues as per stipulation in the PPA.

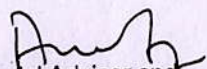
- l) If the project EPC cost is less, which reduces the project cost, then REC's sanctioned loan shall stand reduced in proportion to the sanctioned debt equity ratio. If there is any increase/escalation in Project/EPC costs for any reason whatsoever, the promoter has to meet the increased cost without any recourse to the project or REC.
- m) No dividend would be declared by the Borrower if there is any default in respect of REC's loan.
- n) Time bound action plan for the implementation of the project will be prepared by the Borrower Company and quarterly progress reports for the same will be submitted to REC along with photographs of the project sites indicating progress of works.
- o) The Borrower has to enter into an Agreement for transportation of fuel.
- p) The Borrower should ensure timely completion of water and power evacuation arrangement for the Plant.
- q) REC reserves the right to appoint a Nominee Director on the Board of the Borrower.
- r) Borrower shall file tariff petitions as per the time schedule specified by the State Regulatory Commission (SRC).
- s) REC reserves the right to withhold / cancel the balance undisbursed loan either in full or in part on being satisfied of non-compliance of any of the terms & conditions of the loan by the Borrower or for any other reason.

21. The Borrower agrees and undertakes to comply that:

- a) The Borrower shall enter into Power Purchase Agreement for sale of full power from the project and shall furnish approved tariff plan by the regulator 1 year before COD.
- b) The Borrower shall submit to REC duly executed BOP/Package Contracts and firm contracts indicating firm price/price variation clause with a cap & LD clauses to REC within 1 year from the date of first disbursement.
- c) The Borrower shall submit to REC the FSA for a quantity required for minimum PLF as per norms indicating firm price/price variation clause with a cap & LD clauses 1 year before the COD.
- d) The Borrower shall furnish firm contracts for Power Evacuation System indicating firm price/price variation clause with a cap & LD clauses for the full capacity of the Project shall be submitted to REC within 1 year of 1st disbursement.
- e) The Power Evacuation System shall be fully completed, tested and made available with all required interconnections and open access permission within 6 months before the COD.

22. It shall be open to REC to arrange for inspection / monitoring of the implementation of the project at all stages in respect of such matters as may be considered necessary and expedient either by itself or by monitoring agencies including institutions / individuals as may be appointed by REC.

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 TS GENCO, Vidyut Soudha,
 HYDERABAD - 500 082.

23. The officers / staff / consultants deputed by REC for the inspection / monitoring of matters relating to the project shall have access to such books and records of the Borrower as may be deemed necessary by them. The Borrower shall also furnish from time to time such reports, explanations or elucidations on its working in general or in relation to the specific Project financed by REC as and when may be asked and in the form and manner acceptable to REC / such officials.
24. The Borrower will carry out and comply with such further changes, modifications, improvements and/or guidelines as may be given by REC in the course of or on the basis of inspections so undertaken for the purpose of more effective and proper implementation of the project and in respect of performance of the Borrower and its Promoters.
25. The Borrower will furnish to REC such reports, returns, information, statements etc. at such intervals and in such manner as may be prescribed by REC from time to time in regard to implementation of the Project.
26. The Borrower shall furnish the Completion Report of the Project within 6 months of COD in the form and manner acceptable to REC.
27. The Borrower shall permit and depute its officers and other employees as may be considered necessary by REC for the purpose of providing training from time to time in the procedures to be followed for making modifications/improvements on design and operation of the project components as may be considered relevant by REC.
28. The Borrower shall maintain all the time during subsistence of Term Loan, proper accounts and other records and prepare annual financial statements and get them audited as are required by the Companies Act, 1956 or other relevant law and shall furnish to REC the Unaudited Financial Statements within 3 months and Audited Financial Statements within 6 months from the close of relevant accounting years.
29. Notwithstanding to above and hereafter, REC shall not be liable for any direct or indirect loss/ damage/ injury to the property, manpower or business of the Borrower or their affiliates caused due to the act, negligence, misconduct or omission of REC or its representative(s) except as defined herein or by virtue of any prevalent law.
30. In case of privatisation of the Borrower in terms of the applicable laws, the entire dues of REC shall be repaid in full or secured to the satisfaction of REC in the manner that REC would require.

N. Venkatesan
एन. वेंकटेशन / N. VENKATESAN
मुख्य परियोजना प्रबंधक / Chief Project Manager
रुरल इलेक्ट्रिफिकेशन कारपोरेशन लिमिटेड
Rural Electrification Corporation Limited
परियोजना कार्यालय, हैदराबाद
PROJECT OFFICE, HYDERABAD-500 052.

[Signature]
Financial Advisor and
Chief Controller of Accounts
TS GENCO, Vidyut Soudha,
HYDERABAD - 500 082.

31. The Borrower certifies that it would adhere to the Policy for prevention of Fraud in REC and not indulge or allow anybody else working in the organization to indulge in fraudulent activities and would immediately apprise REC of the fraud/suspected fraud as soon as it comes to their notice.

32. Parties hereto have expressly understood that only the *Courts at Delhi shall have exclusive jurisdiction over all matters arising out of or relating to this Agreement.

IN WITNESS WHEREOF the parties hereto have executed these presents on the day, month and year first here-in-above written.

SIGNED AND DELIVERED

SIGNED SEALED AND DELIVERED

By N. Venkatesan
एन. वेण्कटेशन / N. VENKATESAN
मुख्य परियोजना प्रबंधक / Chief Project Manager
रूरल इलेक्ट्रिफिकेशन कॉर्पोरेशन लिमिटेड
Rural Electrification Corporation Limited
परियोजना कार्यालय, हैदराबाद
PROJECT OFFICE, HYDERABAD-500 052.

On behalf of RURAL ELECTRIFICATION CORPORATION LIMITED

By [Signature]
Financial Advisor and
Chief Controller of Accounts
TS GENCO, Vidyut Soudha,
HYDERABAD - 500 082.

On behalf of TELANGANA STATE POWER GENERATION CORPORATION LIMITED

THE COMMON SEAL OF TELANGANA STATE POWER GENERATION CORPORATION LIMITED has pursuant to the Resolutions of its Board of Directors passed in Behalf on the 19th day of August 2015 and ---

26th day of November 2015 hereunto been

affixed in the presence of Shri. M. Sakthidharan

and Shri. C. Venkataratnam

who have signed these presents in token thereof and Shri. ---

G. Adinarayana Authorized Signatory who shall

Countersign the same

Telangana State Power Generation Corporation Limited

[Signature]
Authorized Signatory

[Signature]
DIRECTOR (HYDEL)
TS Power Gen. Corp. Ltd.
Vidyut Soudha, Hyd - 82.

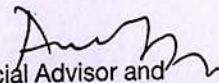
[Signature]
DIRECTOR (THERMAL)
TSGENCO, Vidyut Soudha
HYDERABAD - 500 082

HYDERABAD - 500 082

*since all the disbursements are made at Delhi and the repayments are received in Corporate Office Delhi, substantial cause of action arises in Delhi, so the jurisdiction over the matter shall fall within the jurisdiction in the Courts at Delhi

Details of the Project – SCHEDULE-I							
Sl No	Name of the Project	Location	Category	Code No	Project Cost(Rs in crores)	Term Loan sanctioned by REC (Rs in crores)	Date of sanction by REC
1	5X800 MW Yadadri Coal based Thermal Power Plant project	Veerlapalem village in Dameracherla Mandal in Nalgonda District of Telangana State	GENERATION	9607	25099.42	16070.54	D.No 352 dated 11-08-2015 and D.No 548 dated 26-10-2015
				Total::	25099.42	16070.54	

N. Venkatesan
 एन. वेंकटेशन / N. VENKATESAN
 मुख्य परियोजना प्रबंधक / Chief Project Manager
 रुरल इलेक्ट्रीफिकेशन कारपोरेशन लिमिटेड
 Rural Electrification Corporation Limited
 परियोजना कार्यालय, हैदराबाद
 PROJECT OFFICE, HYDERABAD-500 052.


 Financial Advisor and
 Chief Controller of Accounts
 TS GENCO, Vidyut Soudha,
 HYDERABAD - 500 082.

ANDHRA BANK,
ZONAL OFFICE
HYDERABAD



HPA/LA आंध्र प्रदेश
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ANDHRA PRADESH

BULK HYPOTHECATION OF ASSETS - TSGENCO

This Bulk Hypothecation Agreement is made at Hyderabad on this 26th day of November 2015. ("Agreement")

BETWEEN

Rural Electrification Corporation Limited (A Govt. of India Enterprise), a Company registered under the Companies Act, 1956 having its Registered Office at Core 4, Scope Complex, 7 Lodhi Road, New Delhi-110003 and a project office at CIRE Campus, NH 7, NPA Post, Shivarampally, Hyderabad-500 052 (hereinafter referred to as 'REC' which expression shall include its successors and permitted assigns) of the ONE PART.

AND

TELANGANA STATE POWER GENERATION CORPORATION LIMITED, (TSGENCO), a Company registered under the Companies Act, 2013 and having its registered office at Vidyut Soudha, Khairatabad, Hyderabad (hereinafter referred to as "the Borrower", which expression shall include its successors and permitted assigns) of the OTHER PART.

REC and the Borrower are hereinafter collectively referred to as "Parties" and singularly as a "Party".

Financial Advisor and
Chief Controller of Accounts
TS GENCO, Vidyut Soudha,
HYDERABAD - 500 082.

N. Venkatesan

एन. वेंकटेशन / N. VENKATESAN
मुख्य परियोजना प्रबंधक / Chief Project Manager
रूरल इलेक्ट्रिकेशन कारपोरेशन लिमिटेड
Rural Electrification Corporation Limited
परियोजना कार्यालय, हैदराबाद
PROJECT OFFICE, HYDERABAD-500 052.

[Signature]
Financial Advisor and
Chief Controller of Accounts
TS GENCO, Vidyut Soudha,
HYDERABAD - 500 082.

WHEREAS the Borrower is undertaking setting up of 5x800 MW Yadadri Coal Based Thermal Power Project at Veerlapalem Village in Dameracherla Mandal of Nalgonda District of TSGENCO jurisdiction area in the State of Telangana (hereinafter referred to as "the Project"). The details of the Project have been more specifically set out in Schedule I hereto. Pursuant thereto, 1 no of Generation category scheme for setting up of 5x800 MW Yadadri Coal Based Thermal Power Project at Veerlapalem Village in Dameracherla Mandal of Nalgonda District of TSGENCO jurisdiction area in the State of Telangana has been sanctioned to the Borrower. The borrower, vide letter dated 30-07-2015 has sought from REC Term Loans amounting to **Rs. 16070.54 Crores (Rupees Sixteen Thousand Seventy Crores and Fifty Four Lakhs only)** towards part funding of the project cost of Rs 25099.42 crores (Rupees Twenty Five Thousand Ninety Nine Crores and Forty Two Lakhs only) to be utilized exclusively for setting up of 5x800 MW Yadadri Coal Based Thermal Power Project at Veerlapalem Village in Dameracherla Mandal of Nalgonda District of TSGENCO jurisdiction area in the State of Telangana under the Project (more specifically detailed in Schedule II and hereinafter individually referred to as "Scheme" and collectively referred to as "Schemes") for the purpose as stated therein and has also submitted the Project proposal and Financial projections in connection therewith (hereinafter referred to Project).

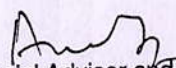
AND WHEREAS the Borrower has by its Resolution dated the 19th day of August 2015 and 26th day of November 2015 has agreed to accept the said loan on the said terms and conditions contained in sanction letter No REC/PO/Hyd/Generation /2015-16 /352 dated 11-08-2015 dated 11-08-2015 and for modification/amendment of certain terms and conditions of the sanction letter conveyed vide letter No REC/PO/HYD/Generation/2015-16/548 dated 26-10-2015

AND WHEREAS the borrower has executed the Loan Agreement dated 26th November 2015 more particularly listed in detail in **Schedule III** hereto (hereinafter referred to as "Loan Agreements") for the said schemes/ project, for which REC has agreed to lend and advance to the Borrower, and the Borrower has agreed to borrow from REC, an amount of **Rs. 16070.54 Crores (Rupees Sixteen Thousand Seventy Crores and Fifty Four Lakhs only)** on the terms and conditions contained therein;

AND WHEREAS in terms of the sanction letters of the REC and also in terms of the conditions contained in the Loan Agreements, the Borrower is required to secure due repayment of the said Loan, together with interest, penal interest and other costs and charges thereon, by way of Hypothecation and exclusive first charge on all existing and future movables assets to be created out of 5X800 MW Yadadri coal based Thermal Power Plant at Veerlapalem village in Dameracherla Mandal of Nalgonda District of Telangana State (5X800 MW YTPS TPP) including movable machinery, equipments, machinery, *machinery* spares, tools, implements, accessories installed and other current assets, book debts/receivables (hereinafter referred to as "Movables") and its stock of materials and equipment under the said project and procured out of the project Loan sanctioned by REC (hereinafter referred to "Stocks"), adequate to cover 120% of term loan sanctioned by REC, totaling to the entire project cost of Rs **25099.42 crores (Rupees Twenty Five Thousand Ninety Nine Crores and Forty Two Lakhs only)** as security to adequately cover of the amount of Loans, interest, penal interest and other costs and charges;

N. Venkatesan

एन. वेंकटेशन / N. VENKATESAN
मुख्य परियोजना प्रबंधक / Chief Project Manager
रूरल इलेक्ट्रिफिकेशन कॉर्पोरेशन लिमिटेड
Rural Electrification Corporation Limited
परियोजना कार्यालय, हैदराबाद
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TS GENCO, Vidyut Soudha,
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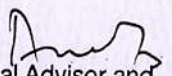
AND WHEREAS the Borrower has agreed to hypothecate by way exclusive first charge on all existing and future movables assets to be created out of 5X800 MW Yadadri coal based Thermal Power Plant at Veerlapalem village in Dameracherla Mandal of Nalgonda District of Telangana State (5X800 MW YTPS TPP) including movable machinery, equipments, machinery, *machinery* spares, tools, implements accessories installed and other current assets, book debts/receivables *including those procured* out of the loans sanctioned/to be sanctioned by REC, adequate to cover 120% of term loan sanctioned by REC, totaling to the project cost of **Rs 25099.42 crores (Rupees Twenty Five Thousand Ninety Nine Crores and Forty Two Lakhs only)** (hereinafter collectively referred to as "**Hypothecated assets**") as detailed Scheme-wise in **Schedule 'IV'** and the Parties have agreed to execute a common agreement to record the hypothecation of all the assets in terms of the Loan Agreements pertaining to the Scheme and/or under the Project;

NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. In consideration of REC having granted various Term Loans amounting to **Rs. 16070.54 Crores (Rupees Sixteen Thousand Seventy Crores and Fifty Four Lakhs only)** to the Borrower pursuant to the Loan Agreement as stated hereto, the Borrower hereby hypothecates and charges by way of first charge on all existing and future movables assets of 5X800 MW Yadadri coal based Thermal Power Plant at Veerlapalem village in Dameracherla Mandal of Nalgonda District of Telangana State (5X800 MW YTPS TPP) to be created out of the project adequate to cover 120% of term loan sanctioned by REC including movable machinery, equipments, machinery, *machinery* spares, tools, implements and accessories installed *including those procured* out of the loans sanctioned/to be sanctioned by REC as security *including all the future Movables and Stocks* to be created under the project *including those procured* out of the loans sanctioned/to be sanctioned by REC, totaling to the project cost of **Rs 25099.42 crores (Rupees Twenty Five Thousand Ninety Nine Crores and Forty Two Lakhs only)** as unencumbered Hypothecated assets, which now or hereafter, from time to time, during the continuance of these presents for security to be created, erected/installed and brought into the stores or be in or about the Borrower's land, godowns or premises at TSGENCO Jurisdiction area or wherever else the same may be, installed/erected for the scheme and/or *under the Project* (including any such Goods in course of transit or delivery), along with current assets, book debts/receivables by way of an exclusive first charge as security for the repayments of the said loans by the Borrower to REC together with interest, penal interest and other costs and charges in terms of the Loan Agreements.

N. Venkatesan

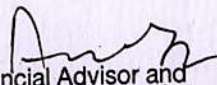
एन. वेंकटेशन / N. VENKATESAN
मुख्य परियोजना प्रबंधक / Chief Project Manager
रुरल इलेक्ट्रिफिकेशन कॉर्पोरेशन लिमिटेड
Rural Electrification Corporation Limited
परियोजना कार्यालय, हैदराबाद
PROJECT OFFICE, HYDERABAD-500 052.


Financial Advisor and
Chief Controller of Accounts
TS GENCO, Vidyut Soudha,
HYDERABAD - 500 082.

2. The Borrower undertakes that it shall at all times maintain adequate quantities of the Hypothecated assets to cover the entire Loan, interest, penal interest, and other charges payable under the Loan Agreements and in the event of deficiency in such quantity shall immediately inform REC in writing and take steps to forthwith replenish the same. The said Hypothecated assets shall be kept in good condition by the Borrower at its own risk and expense.
3. The Borrower undertakes to insure and keep insured all the Hypothecated assets at its own expense. REC reserves the right to call for statements and details of the Hypothecated assets with list of current insurance policies etc. Any failure or default on the part of the Borrower to fulfill the aforesaid obligation to the satisfaction of REC shall amount to an event of default and REC shall have a right to recall the outstanding Loan amount together with interest, other charges and expenses thereon under the respective Loan Agreement.
4. In the event of loss or destruction of the Hypothecated assets, for reasons beyond the reasonable control of the Borrower, the Borrower shall immediately notify REC in writing and take steps to replace the security hereunder created with adequate security to the satisfaction of REC.
5. In the event of any breach of any terms, covenants, obligations stipulated in the Loan Agreements or any default of the Borrower in payment of any monies under any of the Loan Agreements under Schedule III hereby secured or the performance of any obligation of the Borrower to REC, its Agents, Nominees and Authorised Representatives. REC shall have the right to take possession of, seize, recover, receive, appoint receivers, or remove and/or sell by public auction or private contract, dispatch for realization or otherwise dispose or deal with all or any part of the said Hypothecated assets pertaining to the respective Scheme and enforce, realize, settle, compromise and deal with any rights or claims relating thereto without being bound to exercise any of these powers or being liable for any loss in the exercise thereof and without prejudice to REC's rights and remedies of suit or otherwise. The Borrower hereby agrees to accept REC's accounts of sales and realizations as sufficient proof of the amounts realized and related expenses and to pay on demand by REC any shortfall or deficiency thereby shown provided that REC shall not be in any way liable or responsible for any loss/damage or depreciation that the said Hypothecated assets may suffer or sustain or any account whatsoever whilst the same are in possession of REC, or by reason or exercise or non-exercise of rights or remedies available to REC as aforesaid and all such loss, damages or depreciation shall be wholly debited to the account of the Borrower. The Borrower may with the approval of REC sell or dispose of any portion of the said Hypothecated assets from time to time in due course of business provided the margin of the security required by REC is fully maintained and on the terms of payment and delivery to REC of the proceeds thereof or documents therefore immediately on receipt thereof.
6. REC at any time after the security hereby constituted has become enforceable and whether or not REC shall then have entered into or taken possession and in addition to the powers here-in-before conferred upon REC after such entry into or taking possession of, may have Receiver or Receivers appointed for the said Hypothecated assets or any part thereof.

N. Venkatesan

एन. वेंकटेशन / N. VENKATESAN
मुख्य परियोजना प्रबंधक / Chief Project Manager
रुरल इलेक्ट्रिफिकेशन कॉरपोरेशन लिमिटेड
Rural Electrification Corporation Limited
परियोजना कार्यालय, हैदराबाद
PROJECT OFFICE, HYDERABAD-500 052.


Financial Advisor and
Chief Controller of Accounts
TS GENCO, Vidyut Soudha,
HYDERABAD - 500 082.

7. The said Hypothecated assets and all sales realization and all documents under this security shall always be kept distinguishable and held as REC's exclusive property specifically appropriated to this security to be dealt with only under the directions of REC and the Borrower shall not create any mortgage, charge, lien, or encumbrance upon or over the same or any part hereof except in favour of REC nor suffer any such mortgage, charge, lien, or encumbrance to affect the same or any part thereof nor do or allow anything that may prejudice this security. In case the Hypothecated assets are subject to at any time after creation of this security any attachment or distress of any Court of competent jurisdiction, then the Borrower shall immediately inform REC in writing and shall forthwith take steps to release the Hypothecated assets from such attachment or distress. In the event the Borrower is unable to get the Hypothecated assets released, then the Borrower shall immediately replace such Hypothecated assets with alternative security to the satisfaction of REC.

8. This security shall be a continuing security for the repayment of the Loan together with all interest, penal interest, liquidated damages premia etc. on prepayment, redemption or payment of all other monies due to REC under the respective Loan Agreements and these presents, and shall not affect, impair or discharge the liability of the Borrower by winding up (voluntary or otherwise) or by any merger or amalgamation, restructuring or otherwise of the Borrower with any other company or takeover of the management of the undertaking of the Borrower.

9. The Borrower hereby appoints REC as its attorney and authorises REC to act for and in the name of the Borrower to do whatever the REC may be required to do under these presents and generally to use the name of the Borrower in the exercise of all or any of the powers by these presents conferred on REC and the Borrower shall bear the expenses that may be incurred in this regard.

10. That nothing herein shall prejudice any rights or remedies of REC in respect of any present or future security guarantee obligation or decree for any indebtedness or liability of the Borrower to REC.

11. The Borrower represents as under:

(a) That the Borrower shall be the absolute owner of the assets to be created out of the loan including all the future Movables & Stocks referred to in Schedule-IV hereof, at the sole disposal of the Borrower and shall be maintained free of any prior charge or encumbrance of any nature whatsoever, which shall form part of the Hypothecated assets as security created hereunder.

(b) That the Borrower shall utilise the Loan exclusively for the implementation of setting up of 5x800 MW Coal Based Thermal Power plant project (Yadadri Coal Based Thermal Plant) at Veerlapalem Village in Dameracherla Mandal in Nalgonda District in the jurisdiction area of TSGENCO in the State of Telangana and all the assets created/installed and materials procured *under the respective Scheme of the Project including those created* out of the Loan totaling to the project cost of **Rs 25099.42 crores (Rupees Twenty Five Thousand Ninety Nine Crores and Forty Two Lakhs only)** shall remain hypothecated by way of exclusive first charge in favour of REC.

N. Venkatesan

एन. वेंकटेशन / N. VENKATESAN
मुख्य परियोजना प्रबंधक / Chief Project Manager
ग्रामीण इलेक्ट्रिफिकेशन कॉर्पोरेशन लिमिटेड
Rural Electrification Corporation Limited
परियोजना कार्यालय, हैदराबाद
PROJECT OFFICE, HYDERABAD-500 052.

Financial Advisor and
Chief Controller of Accounts
TS GENCO, Vidyut Soudha,
HYDERABAD - 500 082.

c) That the Loan sanctioned by REC to the Borrower is within the borrowing powers of the Borrower in accordance with the laws and by-laws applicable to it and all formalities required by the laws and by-laws and rules regulating the work and conduct of the Borrower in respect of such borrowing have been fully complied with.

12. The Borrower agrees and undertakes to furnish to REC, periodical progress on implementation of the Project and more specifically status on value of future assets/properties created *under the respective Scheme of the Project* and out of the Loan so as to ensure that the Loan installments drawn from REC under this Agreement are adequately secured.

13. The Borrower shall furnish to REC, if and when required, such periodical returns of its working and with regard to the utilisation of the amount of the Loan and the progress of each of the Schemes under the Project as may be required by REC.

14. The Borrower shall make available for the inspection of REC, if and when required, all its books of account and other books and documents maintained by it and/or required to be maintained by it under any law, by-laws or rules of the Borrower and allow all facilities to REC or any person authorised by it for the purpose of carrying out such inspection. The Borrower agrees and undertakes to follow and give effect to all recommendations regarding standards and specifications of work, economy measures, maintenance of records, utilisation of the loan amount as may be given by REC from time to time.

15. The Borrower agrees and undertakes to execute, sign, seal and deliver all documents, papers, acknowledgements and other writings as may be required by REC at any time during the pendency of this Agreement more fully and effectively securing the monies due and payable or to become due and payable by the Borrower to REC in terms of these presents.

16. REC shall without prejudice to its other rights and remedies be entitled to recall the respective loan at any time before the due date for repayment thereof, if the Borrower fails to fulfill its obligations under the respective Loan Agreement, and REC's decision whether a breach of any of the terms of the said Loan Agreement has been committed by the Borrower or not shall be final and binding on the Borrower.


17. In the event of default on the part of the Borrower or any breach of the terms and conditions of these presents, the Borrower shall be liable to pay to REC all costs, charges and expenses incurred by REC in connection with the negotiations for the agreement and in respect of the agreement.

18. The Borrower agrees that these presents create a security interest in REC in respect of the Hypothecated assets and the REC shall have the prerogative to exercise its rights under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.

19. Neither this Agreement nor any of its rights, obligations hereinafter shall be assigned by the Borrower without the prior written consent of REC.

N. Venkatesan

एन. वेंकटेशन / N. VENKATESAN
मुख्य परियोजना प्रबंधक / Chief Project Manager
रूरल इलेक्ट्रिफिकेशन कॉर्पोरेशन लिमिटेड
Rural Electrification Corporation Limited
परियोजना कार्यालय, हैदराबाद
PROJECT OFFICE, HYDERABAD-500 052.


Financial Advisor and
Chief Controller of Accounts
TS GENCO, Vidyut Soudha,
HYDERABAD - 500 082.

20. No waiver by REC of any breach of this Agreement by the Borrower shall be considered as a waiver of any subsequent breach of the same or any other provision.

21. The Borrower agrees that REC shall have the right of assignment of the debt due by the Borrower and securities furnished under these presents to Banks or Financial Institution(s) and or Agencies for the purpose of refinancing etc., and the Borrower undertakes to assist and join hands with REC in furnishing any information, executing documents etc. in connection therewith.

22. The Borrower undertakes to indemnify and keep REC saved, defended, unharmed and indemnified against all costs and consequences arising as a result of any act of omission or commission on the part of the Borrower.

23. Parties hereto have expressly understood that only the Courts at Delhi alone shall have exclusive jurisdiction over all matters arising out of or relating to this Agreement.

IN WITNESS whereof the parties have executed these presents on the day, month and year here-in-above written.

SIGNED AND DELIVERED

By _____
On behalf of RURAL ELECTRIFICATION
CORPORATION LIMITED

N. Venkatesan

एन. वेण्कटेशन / N. VENKATESAN
मुख्य परियोजना प्रबंधक / Chief Project Manager
ग्राम इलेक्ट्रिफिकेशन कारपोरेशन लिमिटेड
Rural Electrification Corporation Limited
परियोजना कार्यालय, हैदराबाद
PROJECT OFFICE, HYDERABAD-500 052.

SIGNED, SEALED AND DELIVERED

By _____ (Common Seal)
On behalf of TELANGANA STATE POWER GENERATION
CORPORATION LIMITED

A. S. Soudha
Financial Advisor and
Chief Controller of Accounts
TS GENCO, Vidyut Soudha,
HYDERABAD - 500 082.

THE COMMON SEAL OF TELANGANA STATE
POWER GENERATION CORPORATION LIMITED has
pursuant to the Resolutions of its Board of Directors passed
in Behalf on the 19th day of August 2015 and 26th
- day of November 2015 hereunto been affixed in
the presence of Shri. M. Sachidanandan
and Shri. N. Venkatesan Who have signed these
presents in token thereof and Shri. G. Adinarayana
, Authorized Signatory who shall Countersign the same

G. Adinarayana
DIRECTOR (HYDEL)
TS Power Gen. Corp. Ltd.
Vidyut Soudha, Hyd - 82.

S. J. Soudha
DIRECTOR (THERMAL)
TSGENCO, Vidyut Soudha,
HYDERABAD - 500 082.

For Telangana State Power Generation
Corporation Limited

G. Adinarayana
Authorized Signatory
Since all the documents are made at Delhi and the repayments are received in Corporate Office Delhi, substantial cause of action arises in Delhi, so the jurisdiction over the matter shall fall within the jurisdiction in the Courts at Delhi

SCHEDULE I
Details of the Project

Sl No	Name of the Project	Location	Project Cost(Rs in crores)	Term Loan sanctioned by REC (Rs in crores)	Date of sanction by REC
1	5X800 MW Yadadri Coal based Thermal Power Plant project	Veerlapalem village in Dameracherla Mandal in Nalgonda District of Telangana State	25099.42	16070.54	D.No 352 dated 11-08-2015 and D.No 548 dated 26-10-2015

N. Venkatesan

एन. वेंकटेशन / N. VENKATESAN
मुख्य परियोजना प्रबंधक / Chief Project Manager
रूरल इलेक्ट्रिफिकेशन कॉरपोरेशन लिमिटेड
Rural Electrification Corporation Limited
परियोजना कार्यालय, हैदराबाद
PROJECT OFFICE, HYDERABAD-500 052.

[Signature]

Financial Advisor and
Chief Controller of Accounts
TS GENCO, Vidyut Soudha,
HYDERABAD - 500 082.

SCHEDULE II
Schemes under the Project

Sl No	Name of the Project	Location	Category	Code No	Project Cost(Rs in crores)	Term Loan sanctioned by REC (Rs in crores)	Date of sanction by REC
1	5X800 MW Yadadri Coal based Thermal Power Plant project	Veerlapalem village in Dameracherla Mandal in Nalgonda District of Telangana State	GENERATION	9607	25099.42	16070.54	D.No 352 dated 11-08-2015 and D.No 548 dated 26-10-2015
				Total::	25099.42	16070.54	

N. Venkatesan

एन. वेंकटेशन / N. VENKATESAN
मुख्य परियोजना प्रबंधक / Chief Project Manager
ग्रामीण विद्युत्तीकरण कॉर्पोरेशन लिमिटेड
Rural Electrification Corporation Limited
परियोजना कार्यालय, हैदराबाद
PROJECT OFFICE, HYDERABAD-500 052.



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HYDERABAD - 500 082.

SCHEDULE III

Details of the Loan Agreements pertaining to the various Schemes under the Project

Sln.	Loan Agreement No	No.of Schemes	Project Cost(Rs in Crores)	Loan Amt. (Rs. In crores)	Sanction Lr.No. & Date
1	1	1	25099.42	16070.54	D.No 352 dated 11-08-2015 and D.No 548 dated 26-10-2015
			25099.42	16070.54	

N. Venkatesan

एन. वेंकटेशन / N. VENKATESAN
मुख्य परियोजना प्रबंधक / Chief Project Manager
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PROJECT OFFICE, HYDERABAD-500 052.

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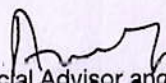
SCHEDULE IV

Description of Movables and Stocks to be created *in respect of the Project including out of the Loan from REC, and to be covered under the Hypothecation Deed.*

Particulars/Description of the Movables/Stocks	The Geographical location Circle/Division/Central Store etc.	Estimated value (Rs.)
All existing and Future movable assets to be created out of the 5x800 MW Coal based Yadadri Thermal Power Project (YTPS TPP): Steam Generator, Turbine and Generator with Auxiliaries, Balance of Plant(Mechanical, Electrical and Civil), Equipments including current assets, book debts/receivables, spares, other Civil works etc	5x800 MW Yadadri Coal Based Thermal Power Project at Veerlapalem Village in Dameracherla Mandal of Nalgonda District of TSGENCO jurisdiction area in the State of Telangana.	5x800 MW Yadadri Coal Based Thermal Power Project at Veerlapalem Village in Dameracherla Mandal of Nalgonda District of TSGENCO jurisdiction area in the State of Telangana, totaling to the entire project cost of Rs 25099.42 crores.

N. Venkatesan

एन. वेंकटेशन / N. VENKATESAN
मुख्य परियोजना प्रबंधक / Chief Project Manager
ग्रामीण विद्युत्तीकरण कॉर्पोरेशन लिमिटेड
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HYDERABAD - 500 082.



TELANGANA STATE POWER GENERATION CORPORATION LTD

(Govt. of Telangana State Undertaking)

Vidyut Soudha, Khairatabad, Hyderabad - 500 082.

CIN: U40102TG2014SGC094070, Phone No. 040-23499339, 110, Fax No. 040-23499640

Website : www.tsgenco.co.in, E-mail ID : cs@tsgenco.co.in

TRUE EXTRACT OF THE RESOLUTION PASSED IN THE BORROWINGS COMMITTEE MEETING HELD ON MONDAY, THE 13th NOVEMBER, 2023 AT 11.00 A.M AT THE REGISTERED OFFICE OF THE COMPANY, VIDYUT SOUDHA, HYDERABAD - 500 082.

SUB: Sanction of Additional Term Loan from M/s PFC Limited, New Delhi - Reg

“RESOLVED that TSGENCO do accept and avail the additional term Loan of Rs.7037.00 Crs. (Rupees Seven Thousand and Thirty Seven Crores only) from M/s Power Finance Corporation Limited (PFC), New Delhi for implementation of 5X800 MW Yadadri TPS as per PFC Lr.No.03/30/Telangana/TSGENCO/Yadadri TPS/ 37101003/ D.No.084294 Dt.04.10.23”

“RESOLVED FURTHER that Dy.CCA(Resources) of TSGENCO be and is / are hereby severally/ jointly authorized to accept and execute the requisite documents and complete the necessary documentation for availing the financial assistance from M/s.PFC Ltd., including signing of Tripartite Escrow Agreement with PFC & SBI”.

“RESOLVED FURTHER that Dy.CCA (Resources) of TSGENCO be and is / are hereby severally / jointly authorized to agree and to accept any changes and modifications in the terms and Conditions contained in the said letter of sanction and format of Memorandum of Agreement and to accept and execute relevant loan documents, any amendments to any deed, documents and other writings including the agreements, as and when necessary.”

Chaitanya

Contd..

“ RESOLVED FURTHER that TSGENCO do specifically note and confirm that unless and until the relevant loan documents entering in to by TSGENCO with M/s. PFC Ltd., after compliance by the Company of all the requisite formalities and conditions to the satisfaction of the M/s PFC Ltd., , the letter of the sanction does not give rise to any binding obligation on the part of M/s. PFC Ltd., under any obligation or commitment to advance any money to TSGENCO”

“ALSO RESOLVED that the loan shall be utilized for implementation of 5X800MW Yadadri TPS”

“RESOLVED FURTHER that the Company Secretary of the company is authorized to file required documents with ROC for creation/modification/satisfaction of charges on the assets offered in favour of M/s PFC Ltd.,”

“RESOLVED FURTHER that the Common Seal of the Company be affixed on the MOA/Hypothecation Deed in the presence of the two Directors of the Company and Company Secretary”.

“ RESOLVED FURTHER that copies of the aforesaid resolutions certified to be true by the Company Secretary of the Company who is hereby authorized to forward the aforesaid resolutions to M/s Power Finance Corporation Limited, New Delhi and they be requested to accept the same and thereon”

// CERTIFIED COPY //

For Telangana State Power Generation Corporation Ltd.

G.P.R. HRUDAYA
Company Secretary

Request for furnishing of 1 Yr MCLR of SBI as on 01.04.24

RELATIONSHIP MANAGER 2 C B HYD <rm2.cbh@sbi.co.in>
To: "tsgencoloans@gmail.com" <tsgencoloans@gmail.com>

Thu, May 30, 2024 at 3:57 PM

Sir,

MCLR as on 01-04-2024 is 8.65%.

For AGM & Relationship Manager -II
State Bank of India
Commercial Branch, Hyderabad
Banks Street, Koti
Hyderabad - 500095

From: RELATIONSHIP MANAGER 2 C B HYD <rm2.cbh@sbi.co.in>

Sent: Thursday, May 30, 2024 3:46 PM

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[Quoted text hidden]

