



हिमाचल प्रदेश HIMACHAL PRADESH

A 507911

Loan Agreement
"On-Lending Agreement"

Between

Himachal Pradesh Government and H.P. Power Transmission Corporation
Limited

This agreement is made at Shimla on this 3rd day of December, 2014 between Government of Himachal Pradesh (hereinafter called First Party) of the one part and H.P. Power Transmission Corporation Limited., a State Owned Company formed under the Companies Act, 1956 (hereinafter called the Second Party) and having its registered office at Barowalias House, Khalini, Shimla-171002 which expression shall unless be repugnant to the context and meaning include its successors, administrators and assigns of the other part.

WHEREAS the Government of India is taking a loan of 350 Million U S Dollar from Asian Development Bank in various tranches under Himachal Pradesh Clean Energy Transmission Investment Programme for execution of various Transmission projects covered in Power System Master Plan for

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3/12/2014

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Himachal Pradesh. Out of the above loan of 350 Million U S Dollar, Tranche-II loan of 110 Million U S Dollar shall fund following fourteen number Transmission Projects:

- 1 66 kV GIS Switching station at Urni in Distt. Kinnaur
- 2 66 kV D/C Line from 66 kV Switching station at Urni to Wangtoo Sub station in Distt. Kinnaur.
- 3 33/220 kV, 50/63 MVA GIS P.S at Lahal in Distt. Chamba.
- 4 220 kV Lahal- Budhil S/C line on D/C Towers in Distt. Chamba
- 5 220 kV GIS Switching Station at Hatkoti in Distt. Shimla.
- 6 220 kV D/C (Twin MOOSE) Transmission Line from Sunda to Hatkoti in Distt. Shimla.
- 7 132/220 kV, 2x100 MVA GIS Pooling Station at Sunda in Distt. Shimla.
- 8 33/132 kV, 2x25/31.5 MVA GIS sub station at Chambi (Shahpur) in Distt. Kangra.
- 9 LILO of 132 kV Kangra- Dehra S/C Line in Distt. Kangra.
- 10 33/132 kV, 31.5 MVA GIS sub station at Pandoh+LILO of one circuit of 132 kV Bajaura- Kangoo D/C Line in Distt. Mandi.
- 11 220 kV D/C line (Twin MOOSE) from Charor to 400/220 kV Banala sub station of PGCIL in Distt. Kullu.
- 12 33/132 kV, 2x25/31.5 MVA GIS Sub Station at Barsaini in Distt. Kullu.
- 13 132 kV D/C line from Barsaini to 132/220 kV sub station at Charor in Distt. Kullu.
- 14 132/220 kV, 100 MVA GIS sub station at Charor in Distt. Kullu.

AND WHEREAS future Tranches shall fund Transmission Projects in Distt. Kullu (Satluj basin), Distt. Chamba (Ravi Basin), Distt. Kangra (Beas basin) and Distt. Shimla (Yamuna Basin).

AND WHEREAS the Government of India will further transfer this loan granted by Asian Development Bank to the Government of Himachal Pradesh, which interalia, shall transfer the same to H.P. Power Transmission Corporation Limited (Second Party) which is designated implementing agency for these Transmission Projects.

NOW THIS AGREEMENT WITNESSTH AS FOLLOWS:

1. The second party will prepare the required documents and file the claims/ requests for release of funds with the concerned agencies in accordance with Government of India guide lines and Asian Development Bank requirements. The second party under this agreement will be responsible for the maintenance of accounts and to file the return/information to Government of India and to Asian Development Bank as required from time to time.
2. The first party agrees to transfer the loan money to the accounts of second party with in 15 days of receipt of the loan amount from the Government of India.


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3. The second party hereby agrees that:-

- i) Rate of Interest shall be 10% per annum for all disbursements.
 - ii) Interest on 10% of the total disbursed amount will start immediately from the date of disbursement which will be payable by second party to the First Party annually.
 - iii) The Second Party will be given a grace period of 5 years in case of interest on the 90% of the total disbursed amount. Interest on this amount will start immediately at the end of 5th year which will be payable annually thereafter.
 - iv) Principal repayment will be made in 15 equal annual installments with a moratorium of 5 years.
4. The interest will be repaid as due on 15th January of each financial year. The amount of the interest will be calculated on the above rates up to the last day of the preceding month in which the payment is due i.e. 31st December.
5. The second party agrees to supply such information and maintain accounts in such manner as may be desired by the first party and will be subject to audit.
6. The transactions under this agreement shall be in Indian Rupees only.

This agreement is being executed in duplicate and original will remain with first party and duplicate copy with second party.

IN WITNESS WHEREOF, the parties aforementioned have executed this agreement on the date and year first above mentioned.

Witness:

1) Akshay Sood 
Director Public Finance
& Spl Secy (Fin)

Signed By

SKB

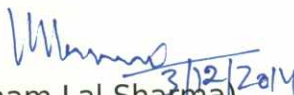
(Dr. Shrikant Baldi)
Principal Secretary (Finance) to
the Govt. of Himachal Pradesh

For and on behalf of
Govt. of Himachal Pradesh
(First Party)

Witness:

2) SK Sharda
DIRECTOR (PFC)
HPPTCL SHIMLA.

Signed By


(Sh. Sham Lal Sharma)
Managing Director
HPPTCL, Shimla
Authorized signatory
(Second Party)