

**OFFICIAL
DOCUMENTS**

LOAN NUMBER 8611-IN

Loan Agreement

(Grid-Connected Rooftop Solar Program)

between

STATE BANK OF INDIA

and

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

Dated JUNE 30, 2016

LOAN NUMBER 8611-IN

LOAN AGREEMENT

Agreement dated JUNE 30, 2016, between the STATE BANK OF INDIA (variously the "Borrower" or "SBI") and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (variously "IBRD" or the "Bank"). The Borrower and the Bank hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — LOAN

- 2.01. The Bank agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, the amount of five hundred million United States Dollars (USD 500,000,000) ("Loan"), to assist in financing the program described in Schedule 1 to this Agreement ("Program").
- 2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section IV of Schedule 2 to this Agreement. All withdrawals from the Loan Account shall be deposited by the Bank into an account specified by the Borrower and acceptable to the Bank.
- 2.03. The Front-end Fee payable by the Borrower shall be equal to one quarter of one percent (0.25%) of the Loan amount.
- 2.04. The Commitment Charge payable by the Borrower shall be equal to one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.
- 2.05. The interest payable by the Borrower for each Interest Period shall be at a rate equal to the Reference Rate for the Loan Currency plus the Fixed Spread; provided, that upon a Conversion of all or any portion of the principal amount of the Loan, the interest payable by the Borrower during the Conversion Period on such amount shall be determined in accordance with the relevant provisions of Article IV of the General Conditions. Notwithstanding the foregoing, if any amount of the Withdrawn Loan Balance remains unpaid when due and such non-payment continues for a period of thirty days, then the interest payable by the Borrower shall instead be calculated as provided in Section 3.02 (e) of the General Conditions.
- 2.06. The Payment Dates are May 1 and November 1 in each year.

- 2.07. The principal amount of the Loan shall be repaid in accordance with the amortization schedule set forth in Schedule 4 to this Agreement.
- 2.08. (a) If on any given day, the Total Exposure exceeds the Standard Exposure Limit (as said terms are defined in sub-paragraphs (b)(ii) and (b)(iii) of this Section), the Borrower shall pay to the Bank a surcharge at the rate of one half of one percent (0.5%) per annum of the Allocated Excess Exposure Amount (as defined in sub-paragraph (b)(i) of this Section) for each said day ("Exposure Surcharge"). The Exposure Surcharge (if any) shall be payable semi-annually in arrears on each Payment Date.
- (b) For purposes of this Section the following terms have the meanings set forth below:
- (i) "Allocated Excess Exposure Amount" means for each day during which the Total Exposure exceeds the Standard Exposure Limit, the product of: (A) the total amount of said excess; and (B) the ratio of all (or, if the Bank so determines, a portion) of the Loan to the aggregate amount of all (or the equivalent portions) of the loans made by the Bank to the Borrower, the Guarantor and to other borrowers guaranteed by the Guarantor that are also subject to an exposure surcharge, as said excess and ratio are reasonably determined from time to time by the Bank.
- (ii) "Standard Exposure Limit" means the standard limit on the Bank's financial exposure to the Guarantor which, if exceeded, would subject the Loan to the Exposure Surcharge, as determined from time to time by the Bank.
- (iii) "Total Exposure" means for any given day, the Bank's total financial exposure to the Guarantor, as reasonably determined by the Bank.

ARTICLE III — PROGRAM

- 3.01. The Borrower declares its commitment to the objectives of the Program. To this end, the Borrower shall carry out the Program in accordance with the provisions of Article V of the General Conditions.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Borrower and the Bank shall otherwise agree, the Borrower shall ensure that the Program is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE BANK

- 4.01. The Additional Events of Suspension consists of the following, namely that:
- (a) the SBI Act and SBI General Regulations have been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Borrower to perform any of its obligations under the Program; or
 - (b) the Guarantor and/or the Borrower has/have taken any action, or adopted any policy or regulation, which results in: (i) the material and substantial impossibility for the Borrower to carry out the Program and/or implement the provisions of the Program Operations Manual; whether in whole or in part; and/or (ii) a significant reversal of the Program activities and/or any measures undertaken by the Borrower for the strengthening of the Program Fiduciary, Environment and Social Systems pursuant to the Program Operations Manual.
- 4.02. The Additional Event of Acceleration consists of the following, namely, that any of the events specified in Section 4.01 of this Agreement occurs and is continuing for a period of 30 days after notice of the event has been given by the Bank to the Borrower.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Condition of Effectiveness consists of the following, namely that each of the CTF Loan Agreement and CTF Grant Agreement has been executed and delivered and all conditions precedent to their effectiveness or to the right of the Borrower to make withdrawals under them (other than the effectiveness of this Agreement) have been fulfilled.
- 5.02. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

- 6.01. The Borrower's Representative is any of the following officials, acting severally: the Chairman, Managing Directors, Deputy Managing Directors, Chief General Managers, or any other officer of the Borrower authorized as per the SBI Act and SBI General Regulations.
- 6.02. The Borrower's Address is:

State Bank of India
Kind Attn: Chief General Manager
Corporate Center
State Bank Bhawan,
Madame Cama Road,
Mumbai – 400 021
India

Facsimile:

+91-22-22021906

6.03. The Bank's Address is:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Facsimile:

1-202-477-6391

AGREED at NEW DELHI, India, as of the day and year first above written.

STATE BANK OF INDIA

By

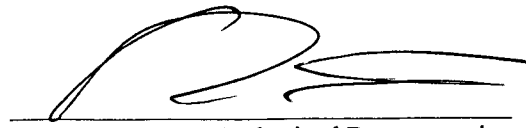

Authorized Representative

Name: KARNAM SEKHAR

Title: DEPUTY MANAGING DIRECTOR

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By


Authorized Representative

Name: ONNO RUHL

Title: COUNTRY DIRECTOR, INDIA

SCHEDULE 1

Program Description

The objective of the Program is to increase installed capacity of GRPV and strengthen the capacity of Relevant Institutions for GRPV.

The Program consists of the following activities:

Result Area 1: Strengthening Institutional Capacity for GRPV

- (a) *Strengthening the Institutional Capacity of SBI*, through: (i) establishing a PIU for the Program and mobilizing staff in other SBI departments and/or branches in support of its GRPVs business line; (ii) setting up SBI internal policies and procedures for loan origination, risk assessment and loan approval; (iii) providing training to SBI staff on GRPVs financing; (iv) providing incentives to SBI staff to undertake the promotion of GRPVs financing; (v) strengthening SBI's IT systems to track GRPVs transactions; (vi) carrying out public awareness and advertising campaigns promoting GRPVs financing products; (vii) internalizing lessons learnt during Program implementation and launching a second round of GRPVs financing; and (viii) setting up a loss offsetting fund.
- (b) *Strengthening the Institutional Capacity of DISCOMs, SNAs and ERCs to contribute to an improved investment climate for GRPV*, by coordinating the administration of a technical assistance program with the help of a program management consultant under the guidance of MNRE and the Steering Committee, which will be: (i) providing capacity building and technical assistance support to selected DISCOMs, regulators and other institutions in respect to solar rooftop power generation, trading and metering; (ii) facilitating the SNAs' communication and stakeholder awareness campaigns on GRPVs systems and the available financing therefor; and (iii) establishing training and accreditation programs for qualified rooftop PV technical inspectors.

Result Area 2 Developing GRPV Market

- (i) Developing and implementing market aggregation models for the financing of GRPV installers and rooftop owners; (ii) undertaking marketing and business development for deal origination; (iii) providing financing to SBI clients, eligible as per the Program Operations Manual, for the purchase, including inventory creation, and installation of GRPVs; and (iv) piloting targeted lending to non-banking financial companies and small and medium enterprises.

Results Area 3: Expanding GRPV Generation Capacity

Installing GRPVs systems for aggregate generation capacity of at least 400 MW including (optional) batteries for power storage in accordance with the technical standards issued by MNRE and/or CEA, as applicable.

SCHEDULE 2

Program Execution

Section I. Implementation Arrangements

A. Program Fiduciary, Environmental and Social Systems

1. Without limitation on the provisions of Article V of the General Conditions, the Borrower shall carry out the Program, or cause the Program to be carried out, in accordance with financial management, procurement and environmental and social management systems acceptable to the Bank including those set out in the ESSA ("Program Fiduciary, Environmental and Social Systems") which are designed to ensure that:
 - (a) the Loan proceeds are used for their intended purposes, with due attention to the principles of economy, efficiency, effectiveness, transparency, and accountability; and
 - (b) the actual and potential adverse environmental and social impacts of the Program are identified, avoided, minimized, or mitigated, as the case may be, all through an informed decision-making process.
2. The Borrower shall establish within six (6) months after the Effective Date, and thereafter maintain and operate throughout the period of implementation of Program activities, a grievance redress mechanism, acceptable to the Bank, for the processing of any complaint for grievances arising out of the implementation of the Program.

B. Anti-Corruption

1. Without limitation on the provisions of Part A of this Section, the Borrower shall carry out the Program, or cause the Program to be carried out, in accordance with the provisions of the Anti-Corruption Guidelines.
2. In furtherance of paragraph 1, above, in this Sub-Section I.B, the Borrower shall prepare and furnish to the Bank quarterly reports detailing, in a manner and substance agreed with the Bank, any complaints received during such quarter from internal sources, supervisory bodies, the industry and/or general clients, regarding incidents of fraud, corruption, collusion, coercion, obstruction to investigations, and/or any other reprehensible actions/conducts contemplated in the Anti-Corruption Guidelines.

C. Lender's Engineer(s)

Prior to disbursing any amounts under any Sub-Loan Agreement for GRPVs financing pursuant to Sub-Section I.F below for which: (i) the Borrower's Sub-loan amount is equivalent to, or greater than, USD 7,400,000 (i.e. INR500,000,000 equivalent); or (ii) the overall GRPV investment costs is equivalent to, or greater than, USD 14,800,000 (i.e. INR1,000,000,000 equivalent), the Borrower shall engage and thereafter maintain for up

to at least three (3) months after the commercial operation date of the financed investment, a lender independent engineer, or a panel of engineers (the "Lender's Engineer"), with qualification and experience and under terms of reference set forth in the Program Operations Manual, to assist the Borrower in ensuring the clients' compliance with all applicable regulations, governmental permits and the Borrower's enabling policy framework (including the Program Operations Manual).

D. Program Operations Manual

1. Without limitation on the generality of Part A of this Section I, the Borrower shall:
 - (a) carry out the Program in accordance with the Program Operations Manual;
 - (b) implement the provisions set forth in the Program Operations Manual for the strengthening of the Program Fiduciary, Environmental and Social Systems, in a manner and substance satisfactory to the Bank, within the agreed timetable; and
 - (c) refrain from materially and/or substantially amending, revising, waiving, voiding, suspending or abrogating, any provision of the Program Operations Manual, whether in whole or in part, without the prior written mutual agreement of the Bank, which cannot be unreasonably withheld.
2. In the event of any inconsistency between the provision of the Program Operations Manual and those of this Agreement, this Agreement shall govern.

E. Annual Work Plans and Budget

The Borrower shall:

- (a) furnish to the Bank by not later than January 31st of each year, commencing on January 31, 2017, the annual work plan and associated budget covering the activities proposed for the Borrower's subsequent Year of Program implementation; which plan and budget shall be of such scope and detail as the Bank shall have reasonably requested; and
- (b) thereafter ensure that Program activities for the respective Year are carried out in accordance with such plan and budget as agreed with the Bank.

F. GRPVs Financing

1. The Borrower shall appraise, review and approve any individual application for GRPVs financing in accordance with the criteria, conditions and procedures set out in the Program Operations Manual, which shall include, among others:
 - (a) a certification by: (i) the Lender's Engineer, for any Sub-loans of US\$ 7,400,000 equivalent (i.e. INR500,000,000 equivalent) or more and/or GRPV investment sub-projects of USD 14,800,000 equivalent (i.e. INR1,000,000,000 equivalent) or more; or (ii) the Borrower's appraisal officer(s), confirming the proposed

GRPVs investment's compliance with the environmental, safety and social standards set out in the Program Operations Manual and the ESSA, as well as all applicable Indian laws and regulations relating to environmental, health, and safety issues;

- (b) the applicant's compliance with all necessary licenses, permits and/or clearances for the installation of GRPVs as required by the law of the land; and
 - (c) the applicant and/or disclosed sub-contractors/providers, at time of appraisal, not being debarred by the Bank nor listed in the temporary suspension lists that the Bank shall regularly notify to the Borrower.
2. The Borrower shall make the proceeds of the Loan available to its clients in accordance with eligibility criteria and procedures set out in the Program Operations Manual. To this end the Borrower shall enter into a Sub-loan Agreement with each approved applicant client on terms and conditions acceptable to the Bank, which shall include the following:
- (a) the Borrower shall obtain rights adequate to protect its interests and those of the Bank, including:
 - (i) the right to suspend or terminate the right of the client to use the proceeds of the Sub-loan, or declare the Sub-loan to be immediately due and payable, or obtain a refund of all or any part of the amount of the Sub-loan then withdrawn, upon the client's failure to perform any of its obligations under the Sub-loan Agreement; and
 - (ii) the requirement that each client:
 - (A) carry out its GRPVs investment with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices consistent with the Program Fiduciary, Environmental and Social Systems, and in compliance with the requirements of the ESSA and the Anti-Corruption Guidelines;
 - (B) procure the goods and works to be financed out of the Sub-loan in accordance with well-established private sector procurement methods or commercial practices, and:
 - (I) use such goods and works exclusively for the installation, operation and/or maintenance of GRPVs;
 - (II) refrain from procuring any contracts for: (α) civil works, estimated to cost one hundred fifteen million United States Dollar (USD 115,000,000) equivalent or more per contract; (β) goods, estimated to cost seventy five million United States Dollar (USD 75,000,000) equivalent or more per contract; (γ) non-consulting

services and IT systems, estimated to cost sixty million United States Dollar (USD 60,000,000) equivalent or more per contract; or (δ) consultants' services, estimated to cost thirty million United States Dollar (USD 30,000,000) equivalent or more per contract;

- (III) refrain from awarding any contract financed by the Sub-loan to firms or individuals on the debarment list published by the Bank;
 - (C) maintain procurement records (contracts, orders, invoices, bills, receipts and other documents) evidencing all expenditures incurred under the Sub-loan until at least five years after the signing of the Sub-loan;
 - (D) (I) maintain, a financial management system and prepare financial statements in accordance with consistently applied general accounting principles/standards applicable in India, both in a manner adequate to reflect the operations, resources and expenditures related to its GRPVs investments; (II) regularly provide utilization certificates in support of any withdrawals of Sub-Loan amounts providing name of suppliers/contractors with contract values in excess to USD 5,000,000 equivalent; and (III) at the Bank's or the Borrower's request, have such foregoing financial statements and/or utilization certificates audited by independent auditors acceptable to the Borrower or the Bank, as the case may be, in accordance with consistently applied auditing principles/standards applicable in India, and promptly furnish the statements as so audited to the Borrower and the Bank;
 - (E) enable the Borrower and the Bank to inspect its premises, operations, the GRPVs investment, and/or any relevant records and documents related to the Sub-loan; and
 - (F) prepare and furnish to the Borrower and the Bank all such information as the Borrower or the Bank shall reasonably request relating to the foregoing.
3. The Borrower shall exercise its rights under each Sub-loan Agreement in such manner as to protect the interests of the Bank and the Borrower and to accomplish the purposes of the Loan.
- G. Program Action Plan**
1. The Borrower shall implement the Program Action Plan agreed with the Bank, in a manner and substance agreed with the Bank.

2. In the event of any inconsistency between the provision of the Program Action Plan and those of this Agreement, the provision of this Agreement shall govern.

Section II. Excluded Activities

The Borrower shall ensure that the Program excludes any activities which:

- (a) in the opinion of the Bank, are likely to have significant adverse impacts that are sensitive, diverse, or unprecedented on the environment and/or affected people; or
- (b) involve the procurement of: (i) works, estimated to cost one hundred fifteen million United States Dollar (USD 115,000,000) equivalent or more per contract; (ii) goods, estimated to cost seventy five million United States Dollar (USD 75,000,000) equivalent or more per contract; (iii) non-consulting services and IT systems, estimated to cost sixty million United States Dollar (USD 60,000,000) equivalent or more per contract; or (iv) consultants' services, estimated to cost thirty million United States Dollar (USD 30,000,000) equivalent or more per contract.

Section III. Program Monitoring, Reporting and Evaluation; Audits

A. Program Reports

1. The Borrower shall monitor and evaluate the progress of the Program and prepare Program Reports in accordance with the provisions of Section 5.08 of the General Conditions. Each Program Report shall cover the period of one calendar semester, and shall be furnished to the Bank not later than sixty (60) days after the end of the period covered by such report.
2. Notwithstanding the provision of paragraph 1 above, the Borrower shall:
 - (a) prepare, by no later than November 30, 2018, and furnish to the Bank, a mid-term review report, in a manner and substance satisfactory to the Bank, integrating the results of the monitoring and evaluation activities performed pursuant to paragraph (1) above on the progress achieved in the carrying out of the Program during the period preceding the date of such report, and setting out the measures recommended to ensure: (i) the efficient carrying out of the Program and/or the said activities; and (ii) the achievement of the objectives of the Program, during the period following such date; and
 - (b) review with the Bank, by January 31, 2019, or such later date as the Bank shall agree, the mid-term review report referred in sub-paragraph (a) above, and, thereafter, take all measures required to ensure the efficient completion of the Program and the achievement of the objectives thereof, based on the conclusions and recommendations of the said report and the Bank's views on the matter.

B. Program Financial Audits

1. Without limitation on the generality of Section I.A of this Schedule 2 and Section 5.09 of the General Conditions, the Borrower shall have the Program's Financial Statements audited in accordance with the provisions of Section 5.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Borrower, commencing with the fiscal year in which the first withdrawal was made. The audited Financial Statements for each such period shall be furnished to the Bank not later than nine (9) months after the end of such period.
2. Notwithstanding the provision of paragraph 1 above, the Borrower shall prepare and furnish to the Bank not later than sixty (60) days after the end of each calendar semester, interim unaudited financial reports for the Program, covering the Program Expenditures incurred during the semester in form and substance agreed with the Bank.

C. Verification Protocols for the Program

1. The Borrower shall:
 - (a) engage by no later than six (6) months after the Effective Date, and thereafter maintain, throughout the period of implementation of the Program, one or more verification agents, having experience and qualification in the relevant technical fields acceptable to the Bank, and under terms of reference satisfactory to the Bank, in order to monitor, audit, analyze and/or verify the achievement/fulfillment of the DLRs corresponding to DLIs #2 and #3, as set out in Schedule 3 to this Agreement; and
 - (b) furnish to the Bank the corresponding verification/audit reports, in form and substance agreed with the Bank.
2. The Borrower shall furnish to MNRE and the Bank any information and/or documentation that MNRE and/or the Bank shall reasonably require for the monitoring, audit, analysis and/or verification of the achievement/fulfillment of the DLRs corresponding to DLIs #1 and #4, as set out in Schedule 3 to this Agreement.

Section IV. Withdrawal of Loan Proceeds

A. General

1. The Borrower may withdraw the proceeds of: (a) the Loan in accordance with the provisions of Article II of the General Conditions; (b) the CTF Loan in accordance with the provision of Article III of the CTF Standard Conditions; and (c) the CTF Grant in accordance with the provisions of the Grant Standard Conditions; as well as the provisions of this Section, and such additional instructions as the Bank may specify from time to time by notice to the Borrower to: (i) pay the Front-end Fee; (ii) pay each Interest Rate Cap or Interest Rate Collar premium; and (iii) finance the Program Expenditures, on the basis of the results ("Disbursement Linked Results" or "DLRs") achieved by the

Borrower, as measured against specific indicators ("Disbursement Linked Indicators" or "DLIs"); all as set forth in the table in Schedule 3 to this Agreement.

2. The following table specifies each category of withdrawal of the proceeds of the Loan, the CTF Loan, and the CTF Grant (including the Disbursement Linked Indicators as applicable) ("Category"), as well as the allocation of the amounts of the Loan, CTF Loan and CTF Grant to each such Category:

Category (including Disbursement Linked Indicator as applicable)	Amount of the Loan Allocated 8611-IN (expressed in USD)	Amount of the CTF Grant Allocated TF0A2023 (expressed in USD)	Amount of the CTF Loan Allocated TF0A2401 (expressed in USD)
(1) DLI #1: Establishing a GRPVs program at SBI	0	5,000,000	0
(2) DLI #2: Aggregate amounts of loans originated by SBI for the financing of GRPVs power generation schemes	198,750,000	0	100,000,000
(3) DLI #3: MW of solar (PV) rooftop power generation installed and commissioned under SBI financing	300,000,000	0	0
(4) DLI #4: Sustainability of GRPVs program at SBI	0	0	20,000,000
(5) Front-end Fee to be paid pursuant to Section 2.03 of this Agreement in accordance with Section 2.07(b) of the General Conditions*	1,250,000	N/A	N/A
TOTAL AMOUNT	500,000,000	5,000,000	120,000,000

* The Front-end Fee is exclusively accrued under, and applicable to, the IBRD Loan.

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
 - (a) for payments for Program Expenditures made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed: (i) USD 25,000,000 out of the Loan proceeds; and (ii) USD 6,250,000 out of the CTF Loan proceeds, may be made for such payments made prior to this date but on or after October 15, 2015; or/and
 - (b) for any DLR under Category (1), (2), (3) or (4), until and unless:

- (i) the Borrower has prepared and adopted a Program Operations Manual, acceptable to the Bank, including a pro-forma Sub-Loan Agreement detailing the environmental, social and safety standards applicable to all GRPV investments; and
 - (ii) the Borrower has furnished evidence satisfactory to the Bank that said DLR has been achieved.
- 2. Notwithstanding the provisions of Part B.1(b)(ii) of this Section, the Borrower may, at any point in time and upon fulfilment of the condition precedent to disbursements set forth in Part B.1(b)(i) of this Section, withdraw the proceeds of the Loan, the CTF Grant and/or the CTF Loan up to an aggregate amount not to exceed the equivalent of twenty-five percent (25%) of each such financings (net of any cancellations) as advance for purposes of achieving one or more DLRs for which the Borrower shall subsequently furnish to the Bank the evidence referred to in sub-paragraph 1.(b)(ii) (above), Part B of this Section IV; provided, however, that, if by the date six (6) month after the Closing Date (i.e. the end of the acceptable period for the verification of the DLRs) the Borrower has withdrawn amounts out of the proceeds of the Loan, the CTF Grant and/or the CTF Loan in excess of the Allocated Amount(s) authorized for disbursement as per Schedule 3 to this Agreement in respect of documented/achieved DLRs, the Bank shall require the Borrower to refund the amount of such excess to the Bank, promptly upon notice thereof by the Bank, in order for the Bank to proceed with its cancellation. Notwithstanding the foregoing, the Bank may, at any time, in its own discretion, exercise any of the actions set forth in sub-paragraph 3.(a) (below), Part B of this Section IV, in respect of any such amounts.
- 3. Notwithstanding the provisions of Part B.1(b)(ii) of this Section, if the Bank is not satisfied that any of the DLR(s) set forth in Schedule 3 of this Agreement has/have been achieved by the end of the Year in which said DLR(s) is/are set to be achieved and/or the Allocated Amount(s) of such DLR(s) has/have not been fully withdrawn under paragraph 2 (above) of this Part B, Section IV, the Bank may, at any time, by notice to the Borrower, decide, in its sole discretion, to:
 - (a) authorize the withdrawal of such lesser amount of the respective Allocated Amount(s) allocate to said DLR(s) which, in the opinion of the Bank, corresponds to the extent of achievement of said DLR(s);
 - (b) withhold all or a portion of the proceeds of the Loan, the CTF Grant or the CTF Loan then allocated to said DLR(s) until such DLR(s) is/are satisfactorily met;
 - (c) reallocate all or a portion of the proceeds of the Loan, the CTF Grant or the CTF Loan then allocated to said DLR(s) to any other DLR(s); and/or
 - (d) cancel all or a portion of the proceeds of the Loan, the CTF Grant or the CTF Loan then allocated to said DLR(s).
- 4. The Closing Date is November 30, 2021.

5. Notwithstanding the foregoing provisions of this Section IV, if at any time after the Closing Date the Borrower has failed to provide evidence satisfactory to the Bank that the aggregated amounts of the Withdrawn Loan Balance for each of the Loan and the CTF Loan, and the balance of the CTF Grant proceeds withdrawn from the CTF Grant account, do not exceed the total amount of Program Expenditures paid by the Borrower, exclusive of any such expenditures financed by any other financier or by the Bank or the Association under any other loan, credit or grant, the Borrower shall, promptly upon notice from the Bank, refund to the Bank such excess amount of the Withdrawn Loan Balance for each of the Loan and/or the CTF Loan and/or proceeds withdrawn from the CTF Grant account. Any such refunds will be first allocated to the Loan, then the CTF Loan and last to the CTF Grant. The Bank shall cancel the so refunded amounts from the Withdrawn Loan Balance of each of the Loan and/or CTF Loan, and/or the CTF Grant, as the case may be.

SCHEDULE 3

Disbursement-Linked Indicators, Disbursement-Linked Results and Allocated Amount(s) Applicable to the Program

DISBURSEMENT LINKED INDICATORS	DISBURSEMENT LINKED RESULTS								
	RESULTS TO BE ACHIEVED IN FY2016/17 (YEAR 1)		RESULTS TO BE ACHIEVED IN FY2017/18 (YEAR 2)		RESULTS TO BE ACHIEVED IN FY2018/19 (YEAR 3)		RESULTS TO BE ACHIEVED IN FY2019/20 (YEAR 4)		RESULTS TO BE ACHIEVED IN FY2020/21 (YEAR 5)
1. <i>Establishing GRPVs Program at SBI</i>	SBI has established its GRPv financing program.								
<i>Allocated Amount(s) & Source of Funding</i>	CTF	USD 5 million							
	IBRD	N/A							
2. <i>Aggregate amounts of loans signed by SBI for the financing of GRPVs power generation schemes</i>	SBI has signed loans for the financing of installation of solar (PV) rooftops for an aggregate amount of at least USD 50 million equivalent		SBI has signed loans for the financing of installation of solar (PV) rooftops for an additional aggregate amount of at least USD 10 million equivalent above Year 1.		SBI has originated loans for the financing of installation of solar (PV) rooftops for an additional aggregate amount of at least USD 10 million equivalent above Year 2.		SBI has originated loans for the financing of installation of solar (PV) rooftops for an additional aggregate amount of at least USD 10 million equivalent above Year 3.		
<i>Allocated Amount(s) & Source of Funding</i>	CTF	USD 500,000 per USD 1 million equivalent of loans originated	CTF	USD 400,000 per USD 1 million equivalent of loans originated	CTF	USD 200,000 per USD 1 million equivalent of loans originated	CTF	N/A	
	IBRD	USD 500,000, per USD 1 million equivalent of loans originated	IBRD	USD 150,000 per USD 1 million equivalent of loans originated	IBRD	USD 350,000 per USD 1 million equivalent of loans originated	IBRD	USD 550,000 per USD 1 million equivalent of loans originated	
3. <i>MW of solar (PV) rooftop power</i>			At least 25 MW of solar (PV) rooftop power generation capacity		At least 25 MW of solar (PV) rooftop power generation capacity		At least 25 MW of solar (PV) rooftop power generation capacity		At least 25 MW of solar (PV) rooftop power generation capacity

DISBURSEMENT LINKED INDICATORS	DISBURSEMENT LINKED RESULTS									
	RESULTS TO BE ACHIEVED IN FY2016/17 (YEAR 1)	RESULTS TO BE ACHIEVED IN FY2017/18 (YEAR 2)		RESULTS TO BE ACHIEVED IN FY2018/19 (YEAR 3)		RESULTS TO BE ACHIEVED IN FY2019/20 (YEAR 4)		RESULTS TO BE ACHIEVED IN FY2020/21 (YEAR 5)		
<i>generation installed and commissioned under SBI financing</i>		financed by SBI have been installed and commissioned		financed by SBI have been installed and commissioned over and above the capacity installed and commissioned up to Year 2.		financed by SBI have been installed and commissioned over and above the capacity installed and commissioned up to Year 3.		financed by SBI have been installed and commissioned over and above the capacity installed and commissioned up to Year 4.		
<i>Allocated Amount(s) & Source of Funding</i>		CTF	N/A	CTF	N/A	CTF	N/A	CTF	N/A	
		IBRD	USD750,000 per MW installed and commissioned	IBRD	USD750,000 per MW installed and commissioned	IBRD	USD750,000 per MW installed and commissioned	IBRD	USD750,000 per MW installed and commissioned	
4. Sustainability of GRP V program at SBI								SBI has launched the second phase of its GRPV financing program.		
<i>Allocated Amounts & Source of Funding</i>								CTF	USD 20 million	
								IBRD	N/A	

SCHEDULE 4

Amortization Schedule

The Borrower shall repay the principal amount of the Loan in full on May 1, 2036.

APPENDIX

Section I. Definitions

1. "Allocated Amount(s)" means the amount allocated to each individual DLR, or determined for each DLR pursuant to the formula detailed in Schedule 3 to this Agreement, as such amount might be increased, reallocated and/or cancelled (whether partially or in its entirety) by the Bank, from time to time as the case may be, in accordance with the provisions of Section IV.B.3 of Schedule 2 to this Agreement.
2. "Anti-Corruption Guidelines" means the Bank's "*Guidelines on Preventing and Combating Fraud and Corruption in Program-for-Results Financing*," dated February 1, 2012, and revised July 10, 2015.
3. "Category" means a category set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement.
4. "CEA" means the Guarantor's Central Electric Authority established pursuant to Section 70 of the Guarantor's Electricity Act, 2003 (Act No 36 of 2003), or any successor thereto.
5. "CTF" means the fund established by approval of the World Bank Executive Directors on July 1, 2008, and governed under the Governance Framework for the Clean Technology Fund.
6. "CTF Grant" means the grant in the amount of five million United States Dollars (USD 5,000,000) provided by the CTF for the co-financing of the Program pursuant to the CTF Grant Agreement.
7. "CTF Grant Agreement" means the agreement, of the same date as this Agreement, between the Borrower and the International Bank for Reconstruction and Development, acting as an implementing entity of the CTF, for purposes of providing the CTF Grant for the co-financing the Program, as such agreement may be amended from time to time.
8. "CTF Guarantee Agreement" means the agreement of the same date as this Agreement, between India and the International Bank for Reconstruction and Development, acting as an implementing entity of the CTF, as the same may be amended from time to time, and such term includes all schedules and agreements supplemental to the CTF Guarantee Agreement.
9. "CTF Loan" means the loan in the amount of one hundred and twenty million United States Dollars (USD 120,000,000) provided by the CTF for the co-financing of the Program pursuant to the CTF Loan Agreement.
10. "CTF Loan Agreement" means the agreement, of the same date as this Agreement, between the Borrower and the International Bank for Reconstruction and Development, acting as an implementing entity of the CTF, for purposes of providing the CTF Loan for the co-financing the Program, as such agreement may be amended from time to time.

11. “CTF Standard Conditions” means the “*Standard Conditions for Loans Made by the World Bank Out of the Climate Investment Fund*”, dated February 18, 2014, with the modification set forth in Section II of the Appendix to the CTF Loan Agreement.
12. “DISCOMs” means electric power distribution companies, licensed and operating in the territory of the Guarantor.
13. “Disbursement Linked Indicator” or “DLI” means each of the disbursement-linked indicators set forth in the first column of the table provided in Schedule 3 to this Agreement.
14. “Disbursement Linked Result” or “DLR” means each of the disbursement-linked targets/results set forth in Schedule 3 to this Agreement in the columns entitled “Results to be Achieved in FY2016/17 (Year 1)”, “Results to be Achieved in FY2017/18 (Year 2)”, “Results to be Achieved in FY2018/19 (Year 3)”, “Results to be Achieved in FY2019/20 (Year 4)” or “Results to be Achieved in FY2020/21 (Year 5)”, as applicable.
15. “ESSA” means the Environmental and Social Systems Assessment dated February 9, 2016, and applicable to the Program setting forth the description of the Program’s activities, assessing SBI’s environmental and social management systems, detailing the Program’s environmental and social benefits, risks and impacts, and recommending remedial measures to strengthen SBI’s social and environmental systems performance.
16. “ERCs” means the State Electricity Regulatory Commissions established pursuant to Section 82 of the of the Guarantor’s Electricity Act, 2003 (Act No 36 of 2003), or the successors thereto.
17. “Fiscal Year” or “FY” means the Borrower’s fiscal year which begins on April 1 of each calendar year and ends on March 31 of the next calendar year.
18. “General Conditions” means the “*International Bank for Reconstruction and Development General Conditions for Loans*”, dated March 12, 2012, with the modifications set forth in Section II of this Appendix.
19. “Governance Framework for the Clean Technology Fund” means the framework adopted on November 18, 2008 by the CTF trust fund committee, as amended from time to time.
20. “Grant Standard Conditions” means the “*Standard Conditions for Grants Made by the World Bank Out of Various Funds*”, dated February 15, 2012, with the modifications set forth in Section II of the Appendix to the CTF Grant Agreement.
21. “GRPV” means a grid-connected rooftop solar photovoltaic system meeting the technical requirements of the Program Operations Manual.
22. “IBRD” means the International Bank for Reconstruction and Development, acting on its own behalf.

23. "IBRD Guarantee Agreement" means the agreement between India and the Bank of even date herewith, as the same may be amended from time to time, and such term includes all schedules and agreements supplemental to the IBRD Guarantee Agreement.
24. "INR" means Indian Rupees.
25. "IT" means information technology.
26. "IUFR" means the interim unaudited financial reports to be prepared by the Borrower pursuant to Section III.B2 of Schedule 2 to this Agreement.
27. "Lender's Engineer" means the independent engineer(s) to be hired by SBI for monitoring and quality assurance, and the assessment of safety issues during GRPV construction and operation phases, pursuant to Section I.C of Schedule 2 to this Agreement.
28. "MNRE" means the Guarantor's Ministry of New and Renewable Energy, or any successor thereto.
29. "MW" means megawatt.
30. "PIU" means the Program Implementation Unit to be established by the Borrower pursuant to DLI #1 and the provisions of the Program Operations Manual.
31. "Program Action Plan" means the plan dated March 23, 2016, setting forth priority actions between by the Borrower and the Bank for the strengthening of the Program Fiduciary and Environmental and Social Systems, and referred to in Section I.G of the Schedule 2 to this Agreement, as the same may be amended from time to time with the prior written concurrence of the Bank.
32. "Program Fiduciary and Environmental and Social Systems" means the Borrower's systems for the Program referred to in Section I.A of Schedule 2 to this Agreement.
33. "Program Operations Manual" and the acronym "POM" mean the Program Operational Manual", to be prepared by the Borrower in a manner and substance satisfactory to the Bank for purposes of carrying out the Program, which manual shall comprise, inter alia: (i) the definition of the contours of the Program, including Program activities, results framework, overall budget and list of Program Expenditures; (ii) the Program implementation arrangements, including the setup of a dedicated PIU, identification of key relevant staff, and the allocation of functions and responsibilities within SBI's cadres; (iii) the format of the Program's IUFRs; (iv) the technical specification of GRPV equipment eligible for financing, the various financing modalities therefor, and loan pricing; (v) the screening protocols and procedures for the assessment of clients and the evaluation of their GRPV financing application, including social compliance, safety and environmental standards set forth in the ESSA; (vi) the pro-forma Sub-loan, setting forth the terms and conditions for GRPV financing, including the applicable procurement

thresholds, the Bank's Anti-Corruption Guidelines, and environmental, social and safety requirements consistent with the Program Fiduciary and Environmental and Social Systems and the ESSA; (vii) the DLIs/DLRs verification protocols and arrangements, and the terms of reference for the verification agents to be hired pursuant to Section III.C of Schedule 2 to this Agreement; (viii) the procedure for the preparation of annual work plans and budgets; (ix) the terms of reference for the external auditor preparing the Program's Financial Statements, and the Lender's Engineer; (x) the protocols and procedures for the grievance redress mechanism set forth in Section I.A.2 of Schedule 2 to this Agreement; and (xi) the Program monitoring and evaluation, and reporting requirements, as the same might be amended from time to time with the prior concurrence of the Bank.

34. "PV" means photo-voltaic.
35. "Relevant Institutions" means collectively the SNAs, ERCs, Power Departments of the States of the Guarantor, the distribution companies licensed and operating in the territory of the Guarantor, media companies and other consumer education channels, and/or any other stakeholder that the Borrower and the Association shall agree from time to time.
36. "Reserve Bank of India" means the Guarantor's central bank.
37. "SBI" means the State Bank of India, a statutory corporation bank, incorporated pursuant to the State Bank of India Act, 1955 (Act No. 23 of 1955), and operating under the SBI Act and SBI General Regulations.
38. "SNAs" means, collectively, the State Nodal Agencies of the States of the Guarantor, responsible for coordination of all renewable energy activities of the respective States, including channeling of central sector subsidies, or any successor thereto.
39. "SBI Act and SBI General Regulations" means the State Bank of India Act, 1955 (Act No. 23 of 1955) along with the Reserve Bank of India's: (i) State Bank of India General Regulation, 1955; (ii) State Bank (Compensation on Imperial Bank Shares) Rules, 1955; (iii) State Bank of India (appointment of employee Directors) Rules, 1974; (iv) State Bank of India Administrator (Salary and Allowances) Rules, 2013; and (v) State Bank of India Committee (Procedure) Rules, 2013, as the same might have been amended and supplemented to the date of this Agreement.
40. "Steering Committee" means the committee established and chaired by a representative of MNRE for the purposes set out in Section 3.01 of the IBRD Guarantee Agreement and Section 3.01 of the CTF Guarantee Agreement.
41. "Sub-loan" means each of the loans (to be) made available by the Borrower to one of its clients out of the proceeds of the Loan, the CTF Loan and/or the CTF Grant, under the respective Sub-loan Agreement, for the financing of the acquisition, installation, operation and maintenance of GRPV pursuant to Section I.F of Schedule 2 to this Agreement and the eligibility criteria and technical specification set forth in the Program Operations Manual.

42. "Sub-loan Agreement" means each of the agreements (to be) entered by the Borrower with a client for purposes of extending a Sub-loan, pursuant to Section I.F.2 of Schedule 2 to this Agreement and the additional terms and conditions set forth in the Program Operations Manual.
43. "Year" means any of the Years 1 through 5 of Program implementation, and the context shall determine.
44. "Year 1" means the first year of implementation of Program activities, expected to take place in Fiscal Year 2016/17 in order to achieve the results shown in the second column of the table in Schedule 3 to this Agreement.
45. "Year 2" means the second year of implementation of Program activities, expected to take place in Fiscal Year 2017/18 in order to achieve the results shown in the third column of the table in Schedule 3 to this Agreement.
46. "Year 3" means the third year of implementation of Program activities, expected to take place in Fiscal Year 2018/19 in order to achieve the results shown in the fourth column of the table in Schedule 3 to this Agreement.
47. "Year 4" means the fourth year of implementation of Program activities, expected to take place in Fiscal Year 2019/20 in order to achieve the results shown in the fifth column of the table in Schedule 3 to this Agreement.
48. "Year 5" means the fifth year of implementation of Program activities, expected to take place in Fiscal Year 2020/21 in order to achieve the results shown in the sixth column of the table in Schedule 3 to this Agreement.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. Wherever used throughout the General Conditions, the term "the Project" is modified to read "the Program", the term "the Project Agreement" is modified to read "the Program Agreement", the term "Project Implementing Entity" is modified to read "the Program Implementing Entity", the term "Project Report" is modified to read "Program Report"; and the term "Eligible Expenditures" is modified to read "Program Expenditures".
2. In the **Table of Contents**, the references to Sections, Section names and Section numbers are modified to reflect the amendments set forth below.
3. Section 2.02, *Special Commitment by the Bank*, is deleted in its entirety, and the subsequent Sections in Article II are renumbered accordingly.

4. In Section 2.02 (originally numbered as Section 2.03), the heading “*Applications for Withdrawal or for Special Commitment*” is replaced with “*Applications for Withdrawal*”, and the phrase “or to request the Bank to enter into a Special Commitment” is deleted.
5. The section originally numbered as Section 2.04, *Designated Accounts* is deleted in its entirety, and the subsequent Sections in Article II are renumbered accordingly.
6. Paragraph (a) of Section 2.03 (originally numbered as Section 2.05), *Eligible Expenditures* (renamed “Program Expenditures” in accordance with paragraph 1 of this Section II), is modified to read: “(a) the payment is for the financing of the reasonable cost of expenditures required for the Program and to be financed out of the proceeds of the Loan in accordance with the provisions of the Legal Agreements;”.
7. The last sentence of Section 2.04 (originally numbered as Section 2.06), *Financing Taxes*, is modified to read: “To that end, if the Bank at any time determines that the amount of any such Tax is excessive, or that such Tax is discriminatory or otherwise unreasonable, the Bank may, by notice to the Borrower, exclude such amount or such Tax from the Program Expenditures to be financed out of the proceeds of the Loan, as required to ensure consistency with such policy of the Bank.”
8. Section 2.06 (originally numbered as Section 2.08), *Reallocation*, is modified to read:

“Notwithstanding any allocation of an amount of the Loan to a withdrawal category under the Loan Agreement, the Bank may, by notice to the Borrower, reallocate any other amount of the Loan to such category if the Bank reasonably determines at any time that such reallocation is appropriate for the purposes of the Program”.
9. Section 3.01. (*Front-end Fee*) is modified to read as follows:

“Section 3.01. *Front-end Fee; Commitment Charge*

(a) The Borrower shall pay the Bank a front-end fee on the Loan amount at the rate specified in the Loan Agreement (the “Front-end Fee”).

(b) The Borrower shall pay the Bank a commitment charge on the Unwithdrawn Loan Balance at the rate specified in the Loan Agreement (the “Commitment Charge”). The Commitment Charge shall accrue from a date sixty days after the date of the Loan Agreement to the respective dates on which amounts are withdrawn by the Borrower from the Loan Account or cancelled. The Commitment Charge shall be payable semi-annually in arrears on each Payment Date.”
10. Section 7.01, *Cancellation by the Borrower*, is modified to read: “The Borrower may, by notice to the Bank, cancel any amount of the Unwithdrawn Loan Balance.”
11. Paragraph (d) of Section 7.03, *Cancellation by the Bank*, entitled “*Misprocurement*”, is deleted, and subsequent paragraphs are relettered accordingly.

12. Section 7.04, *Amounts Subject to Special Commitment not Affected by Cancellation or Suspension by the Bank*, is deleted in its entirety, and subsequent Sections in Article VII and references to such Sections are renumbered accordingly.
13. In the Appendix, **Definitions**, all references to Section numbers and paragraphs are modified, as necessary, to reflect the modifications set forth above.
14. A new paragraph 19 is inserted with the following definition of “Commitment Charge”, and the remaining paragraphs are renumbered accordingly:

“19. “Commitment Charge” means the commitment charge specified in the Loan Agreement for the purpose of Section 3.01(b).”
15. In the renumbered paragraph 49 (originally paragraph 48) of the Appendix, the definition of “Front-end Fee” is modified by replacing the reference to Section 3.01 with Section 3.01 (a).
16. In the renumbered paragraph 68 (originally paragraph 67) of the Appendix, the definition of the term “Loan Payment” is modified to read as follows:

“68. “Loan Payment” means any amount payable by the Loan Parties to the Bank pursuant to the Legal Agreements or these General Conditions, including (but not limited to) any amount of the Withdrawn Loan Balance, interest, the Front-end Fee, the Commitment Charge, interest at the Default Interest Rate (if any), the Exposure Surcharge (if any), any prepayment premium, any transaction fee for a Conversion or early termination of a Conversion, the Variable Spread Fixing Charge (if any), any premium payable upon the establishment of an Interest Rate Cap or Interest Rate Collar, and any Unwinding Amount payable by the Borrower.”
17. In the renumbered paragraph 73 (originally paragraph 72) of the Appendix, the definition of “Payment Date” is modified by deleting the word “is” and inserting the words “Commitment Charge and Exposure Surcharge (if any) are” after the word “interest”.
18. Renumbered paragraph 88 (originally paragraph 87) of the Appendix, setting forth the definition of “Special Commitment” is deleted in its entirety, and all subsequent paragraphs are renumbered accordingly.