SUPPLEMENTARY PROJECT AGREEMENT

By and Among

INDIA

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

and

STATE OF MIZORAM

for

NORTH EASTERN REGION POWER SYSTEM IMPROVEMENT PROJECT

as of

November 28, 2016
SUPPLEMENTARY PROJECT AGREEMENT

This Supplementary Project Agreement ("SPA") is entered into by and among INDIA, the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (the "BANK") and the STATE OF MIZORAM ("MIZORAM") (INDIA, the BANK, and MIZORAM, collectively referred to as the "Parties"), as of the date indicated on the cover page hereof. The Parties hereto intend for this SPA to coordinate the support to be provided by MIZORAM in the implementation of the North Eastern Region Power System Improvement Project (the "Project"), as defined in Schedule I to the Loan Agreement of even date herewith entered into by and between INDIA and the BANK (the "Loan Agreement").

GENERAL PRINCIPLES – DEFINITIONS

1. Articles I, V, VII, VIII, IX (except Section 9.02), and X of the "International Bank for Reconstruction and Development General Conditions for Loans, dated March 12, 2012," as modified in the Appendix to the Loan Agreement (the "General Conditions"), constitute an integral part of this SPA. To this end:

(a) all references in the above Articles of the General Conditions to the "Legal Agreements" of the "Project Agreement" shall be construed as references to this SPA; and

(b) all references in the above Articles of the General Conditions to the "Project Implementing Entity" shall be construed as references to MIZORAM.

PROJECT COMMITMENT & UNDERTAKINGS

2. MIZORAM, in its capacity as beneficiary of the North Eastern Region Power System Improvement Project, declares its commitment to the objective of the Project, and hereby undertakes the obligations and responsibilities set forth in this SPA.

3. MIZORAM shall facilitate the carrying out of Project activities in its territory by providing, and/or ensuring that its POWER AND ELECTRICITY DEPARTMENT (the "Power Department") provides to POWER GRID CORPORATION OF INDIA LIMITED ("POWERGRID") all necessary assistance required by POWERGRID in the execution of its obligations and responsibilities under:

(a) the Implementation/Participation Agreement entered into by and between POWERGRID and the Power Department on July 3, 2015 for the
implementation of Project activities in the territory of MIZORAM (the "Implementation/Participation Agreement"); and

(b) the Project Agreement entered into by and between the BANK and POWERGRID on the same date herewith, for the implementation of the Project (the "Project Agreement").

4. MIZORAM shall refrain from taking any action which would prevent POWERGRID and/or the Power Department to comply with their obligations under the Implementation/Participation Agreement and/or the Project Agreement, as the case may be.

5. MIZORAM shall:

(a) carry out its responsibilities, under: (i) IEARs, RAPs, EMPs, CPTDs, and/or TPDPs (the "Safeguard Documents") prepared, or to be prepared, pursuant to MIZORAM’s state-specific environmental and social policy and procedures framework dated July 7, 2015 (the "SS-ESPPF"); and (ii) the Implementation/Participation Agreement;

(b) facilitate POWERGRID’s and/or the Power Department’s processing and obtaining all permits, clearances and/or certificates required for the carrying out of civil works for transmission lines, substations and/or distribution networks;

(c) refrain from taking any action which would prevent or interfere with POWERGRID’s or the Power Department’s implementation of any mitigation measures set forth in the Safeguard Documents prepared, or to be prepared, pursuant to the SS-ESPPF; and

(d) provide adequate budget at the state level for expenditures to be financed by MIZORAM, which include the reimbursement/exemption of state-level taxes and costs of state government personnel working on the Project (other than the ones on deputation to POWERGRID).

6. MIZORAM shall ensure that the Power Department promptly receives, and properly operates and maintains the assets built by POWERGRID (i.e. transmission line, substation and/or distribution networks) soon after the commissioning thereof, in accordance with the terms and conditions set forth in the Implementation/Participation Agreement.

**PROJECT COORDINATION MONITORING AND EVALUATION – COMMUNICATIONS**

7. MIZORAM shall nominate, promptly upon request by INDIA’s Ministry of Power, the State representative to the Project Steering Committee referred to in
Section 1.B of Schedule 2 to the Loan Agreement, in order to: (a) monitor the implementation and progress achieved in carrying out the Project; and (b) take part and provide guidance in the coordination of Project activities jointly with INDIA, POWERGRID and other participating States of India.

8. All communications hereunder will be directed to the following representatives:

(a) for INDIA:

The Secretary
Department of Economic Affairs
Ministry of Finance
Government of India
North Block
New Delhi 100 001
India

(b) for the BANK:

The Country Director
International Bank for Reconstruction and Development
70 Lodi Estate
New Delhi, 110 003
India

(c) For MIZORAM:

Commissioner & Secretary to the Government of Mizoram
Power & Electricity Department
Treasurry Square
Aizawl
State of Mizoram
India

9. The Parties hereto may modify their respective contact information, set forth in paragraph 8 above, by simple written notice to the other Parties to this SPA.

**DURATION OF THIS SPA**

10. This SPA will remain in effect until the latest of: (a) POWERGRID’s completion of Project activities in the territory of MIZORAM and the successful assignment/handover of the assets built/developed under the Project to the Power
Department; or (b) the closing date for the BANK's financing, set forth in Section IV.B.2 of Schedule 2 to the Loan Agreement.

**DISCLOSURE AND PUBLICITY**

11. This SPA, and any ancillary information hereto, may be publicly disclosed by the Parties hereto in accordance with their respective access to information/disclosure policies.

The Parties hereto, acting through their duly authorized representatives, have caused this SPA to be signed in their respective names, in New Delhi, India, as of the day and year first indicated above.

**INDIA**

By: ________________________________

(Authorized Representative)

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT**

By: ________________________________

(Authorized Representative)

**STATE OF MIZORAM**

By: ________________________________

(C. LALHMACHHUANA, I.T.S,

(Authorized Representative)

Power & Electricity Deptt.

Govt. of Mizoram)