

**TRIPARTITE AGREEMENT**

THIS TRIPARTITE AGREEMENT made at **SHILLONG** on this 9<sup>th</sup> day of July, 2008

BETWEEN :

**MEGHALAYA STATE ELECTRICITY BOARD**, a Board constituted under Section 5 of the Electricity (Supply) Act, 1948 by the Government of Meghalaya vide notification no PE/304/74 dated 21.12.1974 and governed by guidelines of Electricity Act, 2003 and having its registered office at Lum Jingshai, Short Round Road, SHILLONG - 793 001, in the State of Meghalaya, represented by Member Finance hereinafter referred to as the "Board" or "MeSEB" (which expression shall, unless it be repugnant to the subject or context or meaning thereof be deemed to mean and include its successors and permitted assigns) of the **ONE PART**;

The **Governor of Meghalaya** represented by Power Department, **GOVERNMENT OF MEGHALAYA**, an Officer authorised under Article 299 (1) of Constitution of India, hereinafter referred to as "**GOMe**" (which expression shall unless it be repugnant to the subject or context or meaning thereof be deemed to mean and include its successors) of the **SECOND PART** ;

AND

**CANARA BANK**, a body corporate, constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at 112, J.C.Road, Bangalore - 560 002 and its Executor, Trustee & Taxation Section at 51, Stock Exchange Towers, 1<sup>st</sup> Cross, J.C.Road, Bangalore - 560 027, represented by Shri. A.K. Makhija, Chief Manager, (hereinafter referred to as "**BOND TRUSTEES**" or

*[Handwritten signatures and stamps]*

*[Signature]*  
G.M. - P  
Power Section  
11/07/08

*[Signature]*

"TRUSTEES", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns and the Trustee or Trustees for the time being) of the **THIRD PART**.

### **WHEREAS**

1. **MEGHALAYA STATE ELECTRICITY BOARD** is a body corporate constituted by the Government of Meghalaya under Section 5 of the Electricity (Supply) Act, 1948 vide notification no PE/304/74 dated 21.12.1974 and to generate, transmit and distribute Electricity in the State of Meghalaya.
2. MeSEB, in terms of section 65 of Electricity (Supply) Act 1948 is authorised to borrow money for its purposes including by the issue of the Bonds and MeSEB has obtained all necessary and requisite approval in terms of the applicable Act.
3. Requisite resolution is passed by the Members of the Board of MeSEB in their meeting held on 07 02 2007 by Board No. 1/2007.
4. For the purpose to exclusively finance the ongoing project 'Myntdu Leshka Hydro Electric Project' of the MeSEB, the Board decided to raise money by the issue of Bonds on private placement basis pursuant to the resolutions passed by the Members of the Board dated 07 02.2007.
5. MeSEB privately circulated Memorandum of Private Placement dated 28 09 2007, containing the terms of the issue of Unsecured Redeemable Non convertible Bonds of Rs. 10,00,000/- each for cash at par aggregating to Rs.120 Crores, Bond Series 1/2007, guaranteed by the Government of Meghalaya



Member Finance  
Meghalaya State Electricity Board  
Shillong

*[Signature]*

*[Signature]*  
(G. B. Dey)  
Under Secretary  
Govt. of Meghalaya  
Power & Energy

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6. MeSEB has pursuant to :


- (i) The approval of Members of the Board in terms of the resolution dated 07.02.2007, MeSEB has raised resources to the extent of Rs. 120 Crores, by way of Private Placement of Bond Series 1/2007 Unsecured Redeemable Non convertible Bonds and allotted to various subscribers on terms and conditions contained in the Memorandum of Private Placement, vide resolution passed by circulation by Members of the Board of MeSEB on 24.10.2007.
- (ii) The Government of Meghalaya, has by its order D.O.No.PE.122/94/219 dated Shillong, 21.08.2007 has unconditionally and irrevocably guaranteed the timely payment of Interest and repayment of the Principal till the said Bonds are redeemed fully.

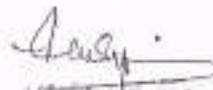
7. MeSEB has with a view to protect the interest of the Bondholders approached and requested Canara Bank to act as Trustees in relation thereto and Canara Bank has agreed to act as Trustees.

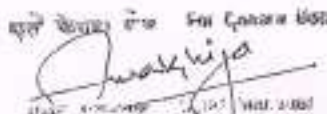
8. With a view to protect the rights and interest of the Bondholders and facilitate the timely payment of interest and principal to them, MeSEB has appointed Canara Bank as Trustees and Canara Bank has agreed to act as such Trustees and MeSEB and the Trustees have entered into a Trustee Agreement dated 9<sup>th</sup> July 2008

9. The Terms and conditions of the Bonds are as specified in the Trustee Agreement dated 9<sup>th</sup> July 2008 and the Memorandum of Private Placement dated 28.09.2007.

10. In order to provide adequate comfort to the investors regarding servicing of the said Bonds, MeSEB has proposed to enter into this Tripartite agreement with

  
Member Executive  
Meghalaya State Electricity Board  
Shillong

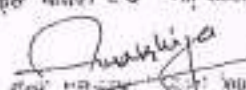
  
(Joint Secretary)  
Joint Secretary  
Govt. of Meghalaya  
Shillong

  
Joint Secretary  
Govt. of Meghalaya  
Shillong

GOMe and the Trustees and the parties being desirous of recording the terms and conditions of such arrangements have entered into this Tripartite Agreement as hereinafter appearing.

**NOW, THEREFORE, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS :**

1. The headings and sub-headings herein are inserted for convenience only and shall not affect the construction hereof and in these presents and the Schedules hereto, unless there be something in the subject or context inconsistent therewith. The following expressions shall have the meaning hereinafter mentioned (whether or not used in their capitalize form, but subject to the context), that is to say:
  - (a) "Appropriate Authority" shall mean the appropriate official of GOMe, being ---- of Power Department, Government of Meghalaya, or failing him or in case of re-designation any other official designated by GOMe as Appropriate Authority.
  - (b) "Annexure" or "Annexures" shall mean the Annexure or Annexures attached hereto.
  - (c) "Bonds" or "the Bonds" or "said bonds" means the Unsecured Redeemable Non convertible Bonds of Rs. 10,00,000/- each for cash at par aggregating to Rs.120 Crores Bond Series 1/2007 guaranteed by the Government of Meghalaya, issued by MeSEB on private placement basis being Option I Bonds aggregating to Rs. 7.5 crores and Option II Bonds aggregating to Rs. 112.5 crores.
  - (d) "Bondholder(s)" shall mean the holder/s of bond/s registered in the books of MeSEB.

सुप्रति निवेदन है कि  
  
 (C.M. Sylem)  
 Under Secretary  
 Govt. of Meghalaya  
 Power etc. Deptt.

Member Finance  
 Meghalaya State Electricity Board  
 Shillong

(C.M. Sylem)  
 Under Secretary  
 Govt. of Meghalaya  
 Power etc. Deptt.



- (e) **"Date of Allotment"** or **"Deemed Date of Allotment"** means the actual Date of Allotment of the Bonds, namely 17.10.2007 for the Option I and Option II Bonds of Rs. 120 Crores.
- (f) **"Designated Account"** or **"No Lien Escrow Account"** or **"Trust & Retention Account"** shall mean a no-lien Current Account No. 270010200003872, opened by MeSEB with Axis Bank, Shillong Branch.
- (g) **"Event of Eligibility to Call"** shall mean any of the events upon the occurrence of which MeSEB or the Trustees on behalf of MeSEB shall become entitled to call upon the GOME to provide for funds in terms of its guarantee and on the terms prescribed in this Agreement.
- (h) **"Financial Year"** shall mean the period of 12 months starting from the 1<sup>st</sup> day of April and ending on the 31<sup>st</sup> day of March of the next calendar year.
- (i) **"Funds Transfer Date"** shall mean in relation to each service date, date being 15 working days prior to the due date for payment of interest and/or repayment of principal amount, both days not being included, on which date the Company shall transfer requisite funds into the Designated Account. In case the Funds Transfer Date falls on a holiday, the prior working day shall be the Funds Transfer Date.
- (j) **"Notice"** (whether or not used in its capitalized form, but subject to the context) shall mean the notice to be issued by the Trustees to GOME in the form prescribed in **Annexure – II** hereto requiring GOME to put in funds in the designated account pursuant to the provisions of this agreement.

सह संस्थापक के रूप में

*[Signature]*  
 सह संस्थापक के रूप में  
 सह संस्थापक के रूप में

*[Signature]*  
 Member Finance  
 Meghalaya State Electricity Board  
 Shillong

*[Signature]*  
 (C. M. Syiem)  
 Under Secretary  
 Govt. of Meghalaya  
 Power etc. Dept.



- (k) **"Offer Document"** shall mean the Memorandum of Private Placement dated 28 09 2007 and other document(s) regarded as offer documents for the issue of the Bonds by MeSEB.
- (l) **"Preview Date"** shall mean in relation to each service date a date being 45 calendar days prior to the due date for payment of interest and principal amount, both days not being included. In case the "Preview Date" falls on a holiday, the prior working day shall be the "Preview Date".
- (m) **"Servicing of Bonds"** shall mean the repayment of principal amount of the Bonds and payment of interest thereon.
- (n) **"Service Date"** shall mean any or all dates during the term of the Bonds on which any payment of principal and/or interest in relation to the Bonds, falls due for payment by MeSEB to the Bondholders. In case the Service Date falls on a Sunday or a Holiday, the next working day shall be the effective date.
- (o) **"Trustees" or "Bond Trustees"** shall mean the Trustees for the Bondholders and shall in the first instance mean Canara Bank and in the event of any change or substitution of Trustees shall mean such substituted trustees.
- (p) **"Trustee Agreement"** shall mean the Trustee Agreement executed on the 9th July 2008 by and between MeSEB and the Trustees and any modifications thereto.
- (q) **"FITCH"** shall mean Fitch Ratings India Pvt. Ltd. who is entrusted with the credit ratings of the long term unsecured non-convertible bonds, of Meghalaya State Electricity Board.

*[Signature]*  
*[Signature]*

*[Signature]*  
 Member Finance  
 Meghalaya State Electricity Board  
 Shillong

*[Signature]*  
 Joint Secretary  
 Govt of Meghalaya  
 Power and Energy

*[Signature]*  
 Joint Secretary  
 Govt of Meghalaya  
 Power and Energy



## 2. CONSIDERATION:

In the circumstances recited above, MeSEB has requested GOME to enter into this agreement with a view to provide for contractual obligations of GOME to MeSEB as may be required for the purposes of facilitating and enabling, if necessary, MeSEB to make payments of or to service the payment and repayment of principal, interest and other charges and expenses in relation to the said Bonds. GOME in its capacity as the sole owner of MeSEB in its capacity as guarantor to the liabilities taken by MeSEB in issuing the Bonds has agreed to enter into and execute this Agreement.

## 3. SECURITY:

The Bonds are unconditionally and irrevocably guaranteed by the Government of Meghalaya.


## 4. INDEMNITY

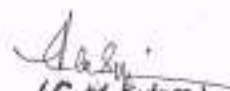
MeSEB and GOME hereby agree to indemnify and keep indemnified the Trustees from and against any loss or damage to any part as a result of the Trustees exercising reasonably and in good faith all powers and authorities conferred on them under this Agreement and / or the Trustee Agreement.

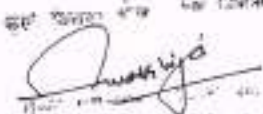
## 5 A. MeSEB's REPRESENTATIONS AND WARRANTIES :

MeSEB represents and warrants that:

- (a) All approvals, consents, permissions as are necessary for or in connection with the issue of the Bonds and the execution, performance, validity and enforceability of this Agreement and the Trustee Agreement have been obtained by MeSEB;

  
Member Finance  
Meghalaya State Electricity Board  
Shillong


  
(G. M. Syiem)  
Under Secretary  
Govt. of Meghalaya  
Power etc. Deptts.

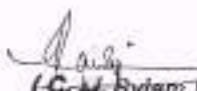
  
Under Secretary  
Govt. of Meghalaya  
Power etc. Deptts.

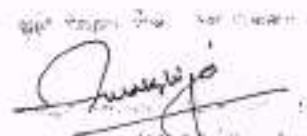




- (b) The MeSEB has full power to execute, deliver and enter this agreement and the Trustee Agreement and to the obligations expressed to be assumed by it herein and therein for the Bond Issue of Rs. 120 Crores;
- (c) The execution and delivery of this Agreement, the Trustee Agreement and other agreements in connection with the issue of the Bonds and the MeSEB's performance of and compliance with the obligations expressed to be assumed by it in and the conditions imposed on it by this Agreement, the Trustee Agreement and other Agreements in connection with the issue of Bonds do not and will not violate or result in any breach of any contract to which MeSEB is subject or party to or constitute a default or violation under any applicable law, regulation, judgement, injunction, decree, determination or award of any authority or any agency or court to which it is subject;
- (d) This Agreement and MeSEB's performance of and compliance with the obligation expressed to be assumed by it in, and the conditions imposed by this agreement are legal, binding on, valid and enforceable against MeSEB;
- (e) No action or proceedings before any court of authority has been pending against MeSEB or any of its assets which, if determined adversely, would in any way prevent due fulfillment by MeSEB of its obligations under this Agreement and other Agreements in connection with issue of Bonds; and
- (f) No Charge or encumbrance or lien of any nature has been created nor permitted to be created by MeSEB in respect of the guarantees/securities/assets as indicated in clause 3 herein above save the charge created in favour of the Bondholders represented by the Trustees referred to in the said clause. MeSEB undertakes to keep the guarantees, securities, assets free of all charges, encumbrances or lien of any nature whatsoever except prior written consent of the Trustees.

  
Member Finance  
Meghalaya State Electricity Board  
Shillong

  
(C. M. Syiem)  
Under Secretary  
Govt. of Meghalaya  
Power etc. Depts.

  
Trustee




## 5 B. TRUSTEES TO ASSUME COMPLIANCE :

The Trustees would not be required to ascertain whether any internal procedures consents including permissions required from the Government of Meghalaya have been obtained by MeSEB. The Trustees would assume such compliance.

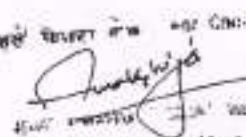
## 6. MeSEB CONFIRMATIONS :

MeSEB hereby agrees, declares and confirms that during the subsistence of the bonds and the Trustee Agreement –

- a) The proceeds of the Bonds shall be utilized for the purpose of carrying out its functions as stated in the Memorandum of Private Placement.
- b) MeSEB shall make payment to the Bondholders of all amounts of principal, interest and all other charges and expenses in respect of the Bonds on the service dates from out of its own funds and assets, as specified in the offer document and/or the Trustee Agreement.
- c) All amounts received by MeSEB from GOME under this Agreement towards servicing the Bonds shall be directly deposited only in the Designated Account as specified in the Memorandum of Private Placement and this Agreement.
- d) All withdrawals from the Designated Account except such withdrawals as may be required for servicing of Bonds as stated in this Agreement shall be made only after obtaining prior written approval of the Trustees.
- e) MeSEB shall not open any account other than the Designated Account or establish any other mode for the servicing of Bonds and shall not create or create any charge, encumbrance or lien of any nature whatsoever in favour of any

  
Member Finance  
Meghalaya State Electricity Board  
Shillong

  
(G-11 System)  
Under Secretary  
Govt. of Meghalaya  
Shillong

  
Under Secretary  
Govt. of Meghalaya  
Shillong



person on the Designated Account opened under the provisions of this Agreement until the tenure of the Bonds / clearance of dues on Bonds.

- f) MeSEB shall dispatch all cheques for interest and / or principal payments, 7 days prior to the Service Date and shall immediately send written confirmation to the Trustees.
- g) MeSEB shall comply with the covenants and conditions in the Trustee Agreement and this Agreement.
- h) MeSEB shall duly observe and perform all the terms and conditions and covenants and stipulations in respect of the said Bonds as applicable and shall not commit any fresh breach or default thereof.
- i) **Interest :** The Bonds shall carry interest at the rate of 9.90% per annum for Option I Bonds and 9.95% per annum for Option II Bonds payable half yearly from the Deemed Date of Allotment till maturity (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modification or re-enactment thereof, for which a certificate will be issued by the Company). Interest accruing upto every 6 months will be paid on 17th April and 17th October every year. The last interest payment will be on redemption.
- j) **Redemption :** The Bonds shall be redeemed at par at the end of the 10<sup>th</sup> year from the date of allotment. The end of the year will be calculated from the date of allotment of the Bonds.
- k) **Put Option:** An Option I Bondholder shall have the right to "Put" the Bonds, i.e. get them redeemed at par at the end of the 7th year from the Deemed Date of Allotment. For availing of the facility, the Bondholder shall forward the request in

Member Finance  
Meghalaya State Electricity Board  
Shillong

C. M. B. Singh  
Under Secretary  
Govt. of Meghalaya  
Power etc. Deptn.

For Secretary  
Meghalaya State Electricity Board  
Shillong





writing to the Company along with duly discharged Bond Certificate(s) at least 30 days prior to the put option date.

- 1) **Call Option:** The Company shall have the right to "Call" the Option I Bonds i.e. redeem them at par at the end of the 7th year from the Deemed Date of Allotment. For availing this facility the Company shall announce its intention to do so through a public notice in two All India English daily newspapers, atleast 30 days before the call option date. The notice will also be sent by ordinary post / courier to the sole/first Bondholder whose name appears on the Register of Bondholders as on record date to be fixed by the Company for this purpose.

The Service Date, Funds Transfer Date and the Preview Date for payment of interest and repayment of principal amount shall be as provided in Annexure -III

#### 7. GOME's REPRESENTATIONS AND WARRANTIES :

GOME represents and warrants that :

- (a) GOME has obtained all consents, approvals and permissions as are necessary for or in connection with the execution, performance, validity and enforceability of this Agreement;
- (b) GOME has full power to execute, deliver, and enter into this Agreement and to perform the obligations expressed to be assumed by it herein;
- (c) The execution and delivery of this Agreement and GOME's performance of and compliance with the obligations expressed to be assumed by it in and the conditions imposed on it by this Agreement do not and will not violate or result in any breach of or constitute a default under any contract to which GOME is subject or party or any applicable law, regulation, constitutional provision, judgement,


Member Finance  
Meghalaya State Electricity Board  
Shillong

(G. M. Sylam)  
Under Secretary  
Govt. of Meghalaya  
Power etc. Deptts.

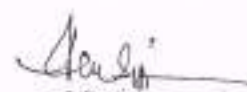
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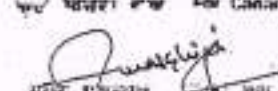
injunction, decree, determination or award of any authority, government or agency or court to which GOME is subject;

- (d) This agreement and the GOME's performance of and compliance with the obligations expressed to be assumed by it in, and the conditions imposed on it by this Agreement are legal, valid, binding on and enforceable against GOME;
- (e) This Agreement constitutes a direct, unconditional and general obligation of GOME;
- (f) This agreement constitutes an independent undertaking of GOME to the Trustees and is not contingent upon MeSEB fulfilling its undertaking nor void if MeSEB breaches its undertakings.
- (g) The execution and delivery of this Agreement by GOME and GOME's performance of and compliance with the obligations expressed to be assumed by it in and the conditions imposed on it by this Agreement are in furtherance of and for the purpose of assisting what is essentially a business or commercial activity and will constitute commercial acts done and performed for commercial purposes;
- (h) GOME shall not at any time claim, immunity from any suit, execution, attachment or other legal process in respect of any of its obligation hereunder;
- (i) The GOME, has by its order D.O.No.PE.122/94/219 dated Shillong, 21.08.2007 has unconditionally and irrevocably guaranteed the payment of interest and repayment of the Principal till the said Bonds are redeemed fully.
- (j) The liability and obligations of GOME under this agreement shall not be affected nor shall the guarantee given by these presents be discharged or diminished by reason of:

  
Member Finance  
Meghalaya State Electricity Board  
Shillong




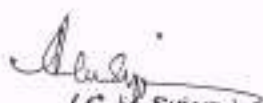
  
(G. S. Siam)  
Under Secretary  
Govt. of Meghalaya  
Power & C. Depts.

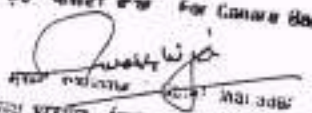
  
Secretary  
Meghalaya State Electricity Board  
Shillong



- (1) The GOME hereby agree that, without the concurrence or consent of GOME, MeSEB, FITCH and the Trustees shall be at the liberty to vary, alter or modify the terms and conditions of the Bonds and/or the Trustee Agreement and of security documents executed by MeSEB in favour of the Trustees on such terms and conditions as may be considered necessary by the Trustees in particular to defer, postpone or revise the repayment of the Bonds and /or payment of interest and other money payable by MeSEB to the Bondholders and/or the Trustees on such terms and conditions as may be considered necessary by the Trustees. Provided, however, the concurrence or consent of GOME shall be obtained for any variation, alteration or modification of the terms and conditions of the Bonds which shall result in change in redemption period and interest rate of the Bonds. The Trustees shall also be at the liberty to absolutely dispense with or release all or any of the security/securities furnished or required to be furnished by MeSEB to the Trustees to secure the Bonds. GOME agree that its liability under this agreement shall in no manner be affected by any such variations, alterations, modifications, waiver, dispensation with or release of security, and that no further consent of GOME is required for giving effect to any such variation, alteration, modification, waiver, dispensation with or release of security.
- (2) The granting of time or any indulgence to MeSEB by the Trustees and /or Bondholders; and/or
- (3) Any forbearance by the Trustees to sue MeSEB or to defer the recovery of the servicing of the Bonds from MeSEB; and/or
- (4) Any litigation / legal process / dispute /arbitration proceedings or claims of any nature between MeSEB and the Trustees and/or the Bondholders, their agents, employees or any persons acting on their behalf; and/or

  
Member Finance  
Meghalaya State Electricity Board  
Shillong

  
(G. M. Sengupta)  
Under Secretary  
GOVL of Meghalaya  
Power etc. Deptt.

  
For General Bank  
Shillong



- (5) Any partial payment or settlement or existence of credit balance in the collection account and/or Designated Account at any time; and/or
- (6) MeSEB had or has no power to issue the Bonus or that it has exceeded its powers in issuing the same; and/or
- (7) The discharge of MeSEB by operation of law or by the Bondholders and/or Trustees or any of them releasing MeSEB from any of its obligations under this agreement.
- (k) GOME declares and confirms that its obligations under this agreement shall continue without any interruption or modification and that it shall under no circumstances be discharged by any reason of MeSEB undergoing any reorganization, denationalisation, amalgamation, merger, demerge, unbundling, restructuring, or winding up or notwithstanding any change that takes place in the capital structure of MeSEB or notwithstanding that MeSEB at any stage ceases to be wholly owned undertaking of GOME, or any other event of similar nature of such other circumstances.
- (l) Till the bondholders are paid in full, GOME shall not permit MeSEB to close the Designated Account nor shall permit any charge, encumbrance or Lien of any nature whatsoever to be created by MeSEB in favour of any person on MeSEB's assets including the amounts received from GOME and the amounts deposited / to be deposited in the Designated Account.
- (m) GOME agree, declare and confirm that during the subsistence of this Agreement and the Trustee Agreement:-

Member Finance  
Meghalaya State Electricity Board  
Shillong

(C. M. Singh)  
Under Secretary  
Jr. VL of Meghalaya  
Power Co. Ltd.

For Secretary and For General Manager  
Meghalaya State Electricity Board  
Shillong





- (1) This Agreement shall cease at anytime on payment of GOME in full of all amounts required Principal, interest and all other money, if any, in respect of the Bonds.
- (2) GOME hereby expressly, irrevocably and unconditionally waive its rights under any law for the time being in force, including without limitation, under Section 80 of the Code of Civil Procedure, 1908, in so far as the same may be contrary to the provisions of the Agreement and to the extend the same to the Trustees and/or MeSEB.

**8. MeSEB AND GOME'S UNDERTAKINGS AND CONFIRMATIONS WITH REGARD TO STRUCTURED PAYMENT MECHANISM STIPULATED BY FITCH:**

MeSEB and GOME undertakes to comply unconditionally with the following Structured Payment Mechanism stipulated by FITCH, the Rating Agency vide its Rating Letter dated 28.09.2007, a copy of which is given as Annexure I

- (a) MeSEB shall make payment to the Bondholders of all amounts of principal, interest and all other charges and expenses as provided herein and as prescribed in the Offer Document / Trustee Agreement. MeSEB hereby agrees and declares that it shall duly discharge such obligations for the payment/repayment of the above sums and/or the outstandings, in relation to the said Bonds.
- (b) MeSEB has opened a Trust and Retention Account with Axis Bank, Shillong Branch. The said Designated Account will be used only for repayment of the principal amount and interest on the Bonds and any withdrawals by MeSEB from this account would be with the prior approval of the Trustees.

Member Finance  
Mizoram State Electricity Board  
Shillong

(C. S. J. J.)  
General Secretary  
Bureau of Mizoram  
Power & C. Logistics

For Secretary and For General Manager  
Mizoram State Electricity Board  
Shillong

that date, Trustees shall forthwith invoke the guarantee issued by GOMe and Inform FITCH.

(vi) On invocation of guarantee, GOMe shall promptly deposit clear funds to the extent required / shortfall, into the Trust & Retention Account, before 7 working day prior to the due date.

(vii) The interest and / or principal payment cheques shall be dispatched to the bondholders atleast 7 working days prior to the due date.

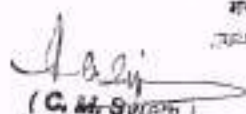
The above structure is supplementary and not complimentary to the duty of MeSEB to duly service the debt obligation, to anticipate shortfall in funds and to intimate separately to GOMe the needs for such funds to meet the bond obligation.

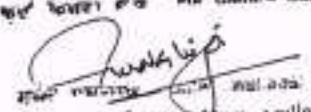
In the event of the mentioned day not being a business day as per the convention followed in the city where the transaction is executed, it would be taken to indicate the last business day prior to the mentioned day.

#### 9. GOMe's GUARANTEE AND ITS ENFORCEMENT:

- (a) GOMe agree and confirm that in the event of non-availability of adequate funds in the Designated Account by the Funds Transfer Date for payment of principal amount/maturity value of the Bonds and/or interest thereon, and /or in the event of default by MeSEB to make payment or principal amount/maturity value of the Bonds and/or interest thereon on the Service Date, GOMe, the Guarantor shall, upon demand, forthwith make payment to the Trustees without demur, of amount payable by MeSEB for Servicing of Bonds.

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Meghalaya State Electricity Board  
Shillong


(C. M. Syiem)   
Under Secretary  
Govt. of Meghalaya  
Power etc. Dept.

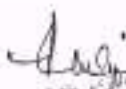
  
Under Secretary  
Govt. of Meghalaya  
Power etc. Dept.

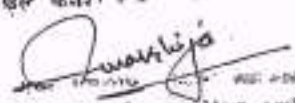




- (b) GOMe agree and confirm that it will make such payment either into the Designated Account or directly to the Trustees, as will be indicated by the Trustees and further, GOMe agrees not to recall and MeSEB agrees not to repay such disbursement which have been made to MeSEB during the subsistence of the Bonds.
- (c) The Trustees shall have full liberty, without notice to GOMe and without in any way affecting the guarantee given by these presents, to exercise at any time and from time to time and in any manner any power or powers reserved to the Trustees under this Agreement and/or the Trustee Agreement and/or the other Security documents, to enforce or forbear to enforce payment of the principal amount of the Bonds or any part thereof or interest due thereon to the Bondholders and /or the Trustees from MeSEB or any of the remedies or securities available to the Trustees, to enter into any composition or compound with or to grant time or any other indulgence or facility to MeSEB and GOMe shall not be released by the exercise by the Trustees of their liberty in regards to the matters referred to above or any act or omission on the part of the Trustees or by any other matter or thing whatever which under the law relating to the sureties would but for this provision have the effect of so releasing GOMe AND GOMe hereby waive in favour of the Trustees so far as may be necessary to give effect to any of the provisions of the guarantee given by these presents, all the suretyship and other rights which guarantors might otherwise be entitled to enforce.
- (d) The guarantee given by these presents shall be enforceable against GOMe notwithstanding that any security or securities comprised in any instrument (s) executed or to be executed by MeSEB in favour of the Trustees, shall, at the time when proceedings are taken against GOMe on the guarantee given by these presents, be outstanding or unrealized or lost.

  
 Member Finance  
 Meghalaya State Electricity Board  
 Shillong

  
 Under Secretary  
 Govt. of Meghalaya  
 Shillong

  
 Under Secretary  
 Govt. of Meghalaya  
 Shillong



- (e) GOMe hereby agree and declare that in the event MeSEB avails of further loans or other facilities and/or issues Bonds and Debentures and / or secures the same during the subsistence of this Agreement, the guarantee given by these presents will not be effected or vitiated in any way whatsoever but will remain in force and effect and binding on GOMe.
- (f) To give effect to the guarantee given by these presents, the Trustees may act as though GOMe was/is the principal debtor to the Bondholders and/or the Trustees.
- (g) GOMe hereby declare and agree that it has not received and shall not, without the prior consent in writing of the Trustees, receive any security from MeSEB for giving the guarantee by these presents so long as there are any monies due and payable by MeSEB to the Bondholders.
- (h) GOMe shall not in the event of the liquidation of MeSEB prove in competition with the Trustees and/or the Bondholders in the liquidation proceedings.
- (i) A certificate in writing signed by a duly authorized official of the Trustees shall be conclusive evidence against GOMe of the amount for the time being due to the Bondholders from MeSEB in any action or proceeding brought pursuant to this Agreement against GOMe.
- (j) The guarantee given by these presents shall be irrevocable and the obligations of GOMe hereunder shall not be conditional on the receipt of any prior notice by GOMe or by MeSEB and the demand or notice by the Trustees shall be sufficient notice or demand on GOMe.
- (k) The guarantee given by these presents shall be continuing one and shall remain in full force and effect till such time MeSEB and /or GOMe repay in full the



Member Finance  
Meghalaya State Electricity Board  
Shillong

(G.M. S. Jem)  
Under Secretary  
Govt. of Meghalaya  
Power etc. Deptts.

*[Signature]*  
Date: 10/10/2010



principal amount/ maturity value of the Bonds together with the interest thereon and / or the same are otherwise recovered in full.

- (l) In the event of non-availability of adequate funds in the Trust and Retention Account 15 days prior to the Service Date for payment of principal amount/maturity value of the Bonds and/or interest thereon, and/or any event of default by MeSEB to make payment of principal amount/maturity value of the Bonds and/or interest thereon on the Service Date, the Trustees shall be entitled to invoke the guarantee given by GOME.
- (m) In the event of default by MeSEB in fulfilling its obligations in respect of servicing of the Bonds, in terms of this Agreement and/or the Trustee Agreement, the Trustees are entitled to invoke GOME's guarantee given by these presents.
- (n) The Trustees confirm that in the event there are any money lying/to be deposited in the Designated Account, such money along with the money from the other investments shall be utilized for Servicing of Bonds and other amount in respect of the Bonds.
- (o) Provided, however, that nothing contained hereinabove shall affect the rights of the Trustees for protection/preservation of the Security and/or the interests of Bondholders and/or the Trustees.

#### 10. ADDITIONAL DOCUMENTATION:

MeSEB and GOME agree that they shall also enter into and execute such further documentation and arrangements as may be required for making provision for various covenants of positive and negative nature and to issue such further confirmations as may be deemed necessary by the Trustees for the better protection



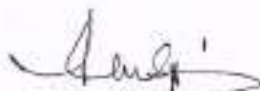
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Meghalaya State Electricity Board  
Shillong


Under Secretary  
Govt. of Meghalaya  
Power & Energy


of the interest of the Bondholders and for the due performance of the obligation by MeSEB and/or GOMe under this agreement.

**11. GOMe, MeSEB and TRUSTEES FURTHER COVENANTS THAT:**

- (a) It is also agreed that GOMe shall, in relation to the extent of amounts called for by the Trustees, be entitled to seek any clarification in respect of the mode of computation or any clarification or any other details in that behalf but, the pendency of such request or clarification shall not be a basis for withholding any disbursement prior to the Service Date or in any manner delay or postpone the provision of such amounts called for. It is further agreed that any pending dispute regarding one or more Service Dates shall not be a ground for withholding any further disbursement and it is an essential term of this Agreement that GOMe unconditionally agrees to make disbursement of the requisite amount in respect of each service date to the extent requested for by the Trustees from time to time in accordance with provisions of this agreement.
- (b) The notice shall be generally in accordance with the provisions of Annexure - II hereto and, shall be considered as having been properly communicated to the GOMe if the Notice is delivered to the Appropriate Authority.
- (c) It is expressly clarified that neither MeSEB nor the trustees shall be required or obliged in any manner to inquire into/or ascertain whether any internal procedures, resolutions or consents are required to be obtained or complied with by GOMe nor shall the pendency of such procedure be an excuse or ground for non-payment of the amounts called for from GOMe or any delay in making available the same to MeSEB and / or the Trustees as contained herein. MeSEB and Trustees shall presume all such compliance.

  
(C. M. Sylam)  
Under Secretary  
Govt. of Meghalaya  
Power etc. Depts.

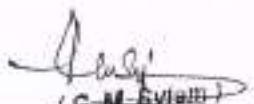
  
Member Finance  
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Shillong


  
Member Finance  
Meghalaya State Electricity Board  
Shillong

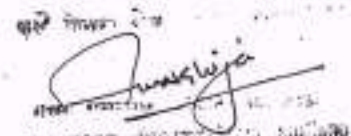




- (d) The Trustee shall, upon valid delivery of the notice as above, be entitled to assume that GOMe warrants that such notice has been validly delivered and that all internal compliances, approvals and procedures have been complied with and in any event, there is no material requirement outstanding for compliance in that behalf.
- (e) The Notice issued by the Trustees upon GOMe shall be binding on GOMe. Upon the issuance of the Notice by the Trustees, all further modalities in relation to the obtaining of the amounts from GOMe, including entering into of any arrangements or execution of any documents shall be done, entered into and executed by the Trustees as the Attorneys for MeSEB who are hereby irrevocably and unconditionally authorised to do so. GOMe agrees to comply with all such actions of the Trustees and shall punctually perform their obligation in that behalf.
- (f) MeSEB and GOMe hereby also agree to indemnify and keep indemnified the Trustees from and against any loss or damage caused to any party as a result of the Trustees exercising all such powers and authorities referred to above or otherwise for any reason whatsoever.
- (g) On or before each Preview Date, MeSEB shall on the assumption that an "Event of Eligibility to Call" may occur on that date, pass all corporate resolutions including Board Resolutions and, shall comply with all necessary formalities and issue all necessary authorizations as may be required by the Trustees in that behalf to enable MeSEB by itself and/or the Trustees to issue Notice and all such corporate resolutions and procedures shall be complied with and intent that in the event of an "Eligibility to Call" occurring by then, MeSEB and/or the Trustees can forthwith proceed to issue the Notice upon GOMe without any delay, or having to comply with any fresh formalities or modalities in order to seek Additional Funding from GOMe prior to the Service Date. All such formalities and compliances shall be

  
(G.M. Gylam)  
Under Secretary  
Govt. of Meghalaya  
Power etc. Dep'ts.

  
Member Finance  
Meghalaya State Electricity Board  
Shillong

  
Member Finance  
Meghalaya State Electricity Board  
Shillong



carried out and implemented to the satisfaction of the Trustees, on or before the Preview Date and any requirement in that behalf indicated by the Trustees shall be final and binding upon MeSEB and GOMe.

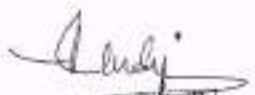
- (h) MeSEB shall also pass all such resolutions and comply with all procedures and formalities as may be required by the Trustees, to enable in that behalf or for submitting to the order or direction of any court or other appropriate authority to the extent that the exercise of any remedies by the Trustees against MeSEB and/or GOMe shall be expeditiously undertaken if necessary by the Trustees under such authority.

## 12. TRUSTEES REPRESENTATIONS AND WARRANTIES:


- (a) The Trustees shall be guided by and adhere to the conditions and covenants incorporated in the Trustee Agreement and this Agreement.
- (b) The Trustees shall hold office at the pleasure of the Bondholder (s) and shall not be removed from the office without the prior approval of the Bondholder (s) in a manner provided in the Trustee Agreement.

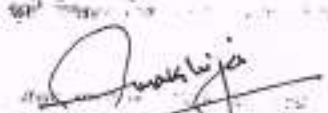
## 13. REMEDIES:

In the event of GOMe, failing to provide amounts to the Trust and Retention Account as stated above, then, in addition to any remedies which the Trustees may be entitled to pursue against MeSEB, the Trustees shall also be entitled to invoke the guarantee for the full amount of principal and interest outstanding and also entitled to the specific performance by GOMe of its obligations in an appropriate court of law and in relation thereto require and to also claim such damages as they may be entitled to in that behalf under law.

  
M. Syam  
Under Secretary  
Ministry of Meghalaya  
Electricity Deptt.



  
Member Finance  
Meghalaya State Electricity Board  
Shillong

  
Under Secretary  
Meghalaya State Electricity Board  
Shillong





#### 14. APPROPRIATION:

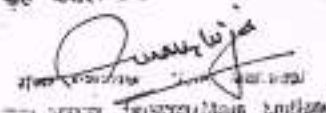
The amounts received pursuant to the aforesaid remedies, payments or credits made in the Trust and Retention Account shall be applied in the first instance to payment of all costs, Trusteeship remuneration, taxes, charges and expenses if any, of recovery or realisation by the Trustees. In the second instance to all payments of interest and other charges of a revenue nature falling due on the relevant Service Date and in the third instance to the payment of all amounts of a principal or capital nature falling due on the relevant Service Date.

#### 15. IT IS HEREBY FURTHER AGREED BY AND AMONG THE PARTIES HERETO AS FOLLOWS :-

- (a) MeSEB shall duly observe and perform all the terms, conditions covenants and stipulations in respect of the Bonds and shall not commit any default thereof.
- (b) The Trustees shall have all powers, authorities and discretions as are provided for in the Trustee Agreement and elsewhere under this Agreement.
- (c) MeSEB shall pay all such stamp duties (including any additional stamp duty) other duties, cesses, taxes, charges and penalties which MeSEB may be required to pay according to the laws for the time being in force in the State in which its properties are situated and as applicable from time to time. In the event of MeSEB failing to pay such stamp duties, other duties, cesses, taxes, charges and penalties as aforesaid, which failure in the opinion of the Trustees is likely to prejudice interest of the Bondholders, the Trustees will be at the liberty ( but shall not be bound) to pay the same or arrange for payment of the same and MeSEB shall repay the same to the Trustees on demand without demur with interest

  
 Secretary  
 G. V. of the State  
 Power Co.

  
 Member Finance  
 Meghalaya State Electricity Board  
 Shillong

  
 Chairman  
 The Board, Meghalaya State Electricity Board  
 Shillong

thereon at 20% p.a. compounded quarterly, from the date on which the amount is required to be paid till the payment is made to the Trustees.

- (d) The Trustees may, from time to time or at any time waive on such terms and conditions as to them shall be seen expedient, and without any reference to the Bondholders and breach by MeSEB or GOME of any of the covenants and provisions in these presents contained but without prejudice to the rights of the Trustees in respect of any subsequent breach thereof.
- (e) The provisions of this Agreement and the Obligations contained thereunder shall be binding upon GOME notwithstanding that MeSEB at any stage ceases to be a Government Company or, notwithstanding any reorganization, amalgamation, or winding up of MeSEB or any other event of similar nature.
- (f) This Agreement shall be effective on and from the date first herein above written and shall be in force till all the monies in respect of the Bonds have been fully paid and discharged.
- (g) It is hereby expressly agreed that any modification, alteration and/or variation in the terms of this Agreement shall be made only after obtaining the written consent of all the parties to this Agreement.


#### 16. NOTICES:

All notices or communication required to be given by a party to any other party by virtue of this agreement shall be in writing to that other party/ies, at its/their respective addresses as follows:

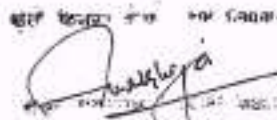
Board:

#### MEGHALAYA STATE ELECTRICITY BOARD,

Regd. Office : Lum Jingshai, Short Round Road,  
SHILLONG - 793 001

  
(C.M. Syiem)  
Under Secretary  
Govt. of Meghalaya  
Shillong

  
Member Finance  
Meghalaya State Electricity Board  
Shillong

  
Member Technical  
Meghalaya State Electricity Board  
Shillong





Marked for the attention of The Chairman

GOMe

**GOVERNMENT OF MEGHALAYA,**  
Power Department

Shillong -793001

Marked to the attention of the

**CANARA BANK**

ETT Section, 51, BgSE Towers

1<sup>st</sup> Cross, J C Road

BANGALORE - 560 027

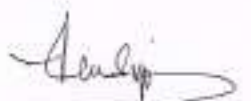
Marked to the attention of the Senior Manager


TRUSTEES

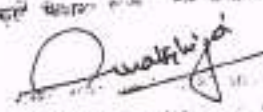
#### 17. GOVERNING LAWS AND ARBITRATION:

The Bonds are governed by and shall be construed in accordance with the Indian Laws.

The High Court of Meghalaya, Shillong alone shall have the jurisdiction in connection with any matter arising under these precincts.

  
(C.M. Sylem)  
Under Secretary  
Govt. of Meghalaya  
Power etc. Deptt.

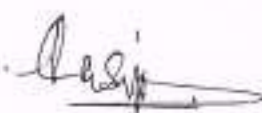
  
Member Finance  
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Shillong

  
Member Finance  
Meghalaya State Electricity Board  
Shillong



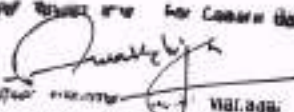
**ANNEXURE - I**

( Copy of FITCH Letter)

  
 ( C. M. Sylam )  
 Under Secretary  
 Govt. of Meghalaya  
 Power etc. Deptts.



Member Finance,  
 Me. S.E.U., Jorhat

For Secretary to Govt. of Meghalaya  
  
 For Secretary, Government of Meghalaya



Accordingly, we hereby declare that an Event of Eligibility to call has occurred and as such have become entitled to call upon the Government of Meghalaya to provide funds in accordance with the provisions of the guarantee and the Tripartite Agreement.

Accordingly, the Government of Meghalaya is hereby called upon to forthwith provide an amount of Rs. \_\_\_\_\_ /- In terms of its guarantee.

In accordance with the Tripartite Agreement, you are required to credit the aforesaid amounts to the Trust and Retention Account No. \_\_\_\_\_ at \_\_\_\_\_ Bank, \_\_\_\_\_ Branch, under advice to us. Please note that aforesaid amount should be credited on or before \_\_\_\_\_ being 15 working days prior to the Service Date i.e. \_\_\_\_\_ to enable payment to the Bond holders.

Yours Sincerely,

SENIOR MANAGER

*[Signature]*  
Member Finance  
Meghalaya State Electricity Board  
Shillong

*[Signature]*  
(C. M. Syiem)  
Under Secretary  
Govt. of Meghalaya  
Power and Depts.

*[Signature]*  
For the Secretary  
Meghalaya State Electricity Board  
Shillong




**ANNEXURE - III**

A: (Preview Date and Funds Transfer Date relevant to each Service Date on Rs.120 crores for payment of interest, Redemption instalment and exercise of Put / Call Option )


Year	Service Date	Funds Transfer Date	Preview Date
<b>Payment of Interest</b>			
2008	17 04 2008	29 03 2008	02 03 2008
2008	17 10 2008	29 09 2008	01 09 2008
2009	17 04 2009	29 03 2009	02 03 2009
2009	17 10 2009	29 09 2009	01 09 2009
2010	17 04 2010	29 03 2010	02 03 2010
2010	17 10 2010	29 09 2010	01 09 2010
2011	17 04 2011	29 03 2011	02 03 2011
2011	17 10 2011	29 09 2011	01 09 2011
2012	17 04 2012	29 03 2012	02 03 2012
2012	17 10 2012	29 09 2012	01 09 2012
2013	17 04 2013	29 03 2013	02 03 2013
2013	17 10 2013	29 09 2013	01 09 2013
2014	17 04 2014	29 03 2014	02 03 2014
2014	17 10 2014	29 09 2014	01 09 2014
2015	17 04 2015	29 03 2015	02 03 2015
2015	17 10 2015	29 09 2015	01 09 2015
2016	17 04 2016	29 03 2016	02 03 2016
2016	17 10 2016	29 09 2016	01 09 2016
2017	17 04 2017	29 03 2017	02 03 2017
2017	17 10 2017	29 09 2017	01 09 2017
<b>Payment of Redemption Instalments</b>			
2017	17 10 2017	29 09 2017	01 09 2017
<b>Exercise of Put/Call Option (for Option I Bonds of Rs.7.5 cr.only)</b>			
2014	17 10 2014	29 09 2014	01 09 2014


**NOTE:**

Date of Allotment : 17.10.2007 (for Rs.120 crores)  
 Interest Payment : 17<sup>th</sup> April and 17<sup>th</sup> October every year (last interest payment with redemption only)

  
 (C. M. Sylem)  
 Under Secretary  
 Govt. of Meghalaya  
 Power & Electricity



  
 Member Finance  
 Meghalaya State Electricity Board  
 Shillong

  
 Secretary  
 Meghalaya State Electricity Board  
 Shillong



( C. M. Syiem, )  
Under Secretary  
Govt. of Meghalaya  
Shwar etc, Dst


Member Finance  
Meghalaya State Electricity Board  
Shillong

*[Handwritten signature]*



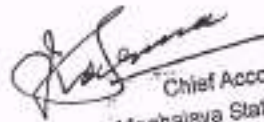
IN WITNESS WHEREOF the parties have caused this Agreement to be executed in triplicate and the other parties hereto have caused to be executed the same by their respective officials/Constituted Attorneys on the day, month and year first above written as herein after appearing.

SIGNED AND DELIVERED by the within-named **MEGHALAYA STATE ELECTRICITY BOARD** by the hand of Shri D. P. Marlaog its duly authorised Official

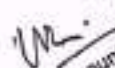
  
 Member Finance  
 Meghalaya State Electricity Board  
 Shillong

Witnesses:

1. Shri J. Sarma

  
 Chief Accounts Officer,  
 Meghalaya State Electricity Board

2. Shri C. Rani

  
 Deputy Chief Accounts Officer,  
 Meghalaya State Electricity Board  
 Shillong.

SIGNED AND DELIVERED BY

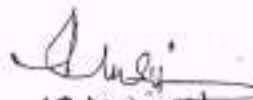
Shri C. M. Syiem,  
Under Secretary, POWER

**GOVERNMENT OF MEGHALAYA,**

who is duly authorized

Witnesses:

1. Shri J. Sarma

  
 (C. M. Syiem)  
 Under Secretary  
 Govt. of Meghalaya;  
 Power etc. Depts.

2. Shri C. Rani

  
 Chief Accounts Officer,  
 Meghalaya State Electricity Board  
  
 Deputy Chief Accounts Officer,  
 Meghalaya State Electricity Board  
 Shillong.





SIGNED AND DELIVERED by within  
named **CANARA BANK** by the hand  
of Shri A K Makhija  
its duly authorized official.

Witnesses:

1. Shri R. Shullai
2. Shri T. Kharnaior

for Shri A K Makhija  
for Shri A K Makhija  
for Shri A K Makhija  
for Shri A K Makhija

for Shri A K Makhija  
for Shri A K Makhija  
for Shri A K Makhija  
for Shri A K Makhija

for Shri A K Makhija  
for Shri A K Makhija  
for Shri A K Makhija  
for Shri A K Makhija



(C. M. Syleti)  
Under Secretary  
Govt. of Meghalaya  
Shillong etc. Den.

Member Finance  
Meghalaya State Electricity Board  
Shillong

for Shri A K Makhija  
for Shri A K Makhija  
for Shri A K Makhija  
for Shri A K Makhija

DATED THIS DAY OF 9<sup>th</sup> July 2008

BETWEEN

MEGHALAYA STATE  
ELECTRICITY BOARD,

..... THE BOARD  
(MeSEB)

AND

GOVERNMENT OF  
MEGHALAYA

..... GOMe

AND

CANARA BANK

..... TRUSTEES

### TRIPARTITE AGREEMENT

SUNITA & SURI,

Advocates

"Swathi",

No.123, 6<sup>th</sup> Main,

Between 12<sup>th</sup> & 13<sup>th</sup> Cross,

Malleswaram,

BANGALORE - 560 003,

Telefax : 91 80 4128 0595

Email: sunita\_srinivas@airtelbroadband.in

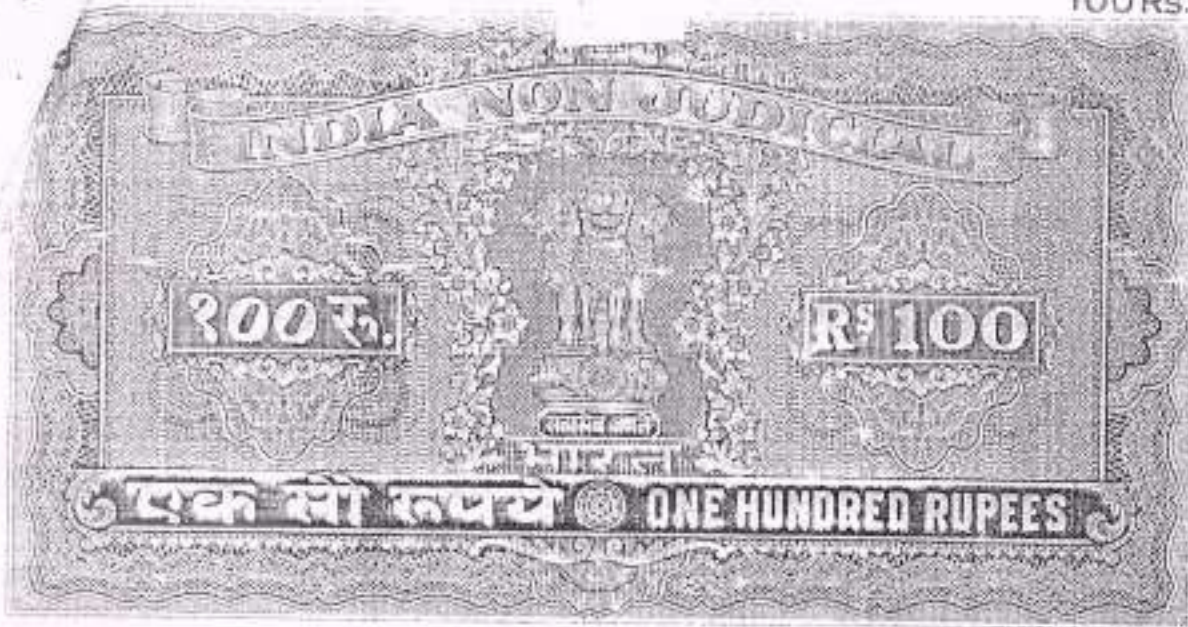
*[Signature]*  
Member Finance  
Meghalaya State Electricity Board  
Shillong

*[Signature]*  
( C. M. Sylem )  
Under Secretary  
Govt. of Meghalaya  
etc. etc. Depts.

*[Signature]*  
for Canara Bank  
Shillong  
for the purpose of the agreement  
Shillong







**TRIPARTITE AGREEMENT**

THIS TRIPARTITE AGREEMENT made at SHILLONG on this 10<sup>th</sup> day of August, 2010

BETWEEN :

MEGHALAYA STATE ELECTRICITY BOARD, a Board constituted under Section 5 of the Electricity (Supply) Act, 1948 by the Government of Meghalaya vide notification no PE/304/74 dated 21.12.1974 and now as MEGHALAYA ENERGY CORPORATION LIMITED a corporation registered and incorporated under the Companies Act, 1956 (No. 1 of 1956) with Ministry of Corporate Affairs and governed by guidelines of Electricity Act, 2003 and having its registered office at Lum Jingshai, Short Round Road, SHILLONG - 793 001, in the State of Meghalaya, represented by Director Finance hereinafter referred to as the "Corporation" or "MeECL" (which expression shall, unless it be repugnant to the subject or context or meaning thereof be deemed to mean and include its successors and permitted assigns) of the **ONE PART**;

The Governor of Meghalaya represented by Power Department, GOVERNMENT OF MEGHALAYA, an Officer authorised under Article 299 (1) of Constitution of India, hereinafter referred to as "GOME" (which expression shall unless it be repugnant to the subject or context or meaning thereof be deemed to mean and include its successors) of the **SECOND PART**;

AND

CANARA BANK, a body corporate, constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and having its Head Office at 112, J.C.Road, Bangalore - 560 002 and its Executor, Trustee & Taxation Section at 51, Stock Exchange Towers, 1<sup>st</sup> Cross, J.C.Road, Bangalore - 560027, represented by Mr. V.R. Pattabhi Ramaiah, Chief Manager (hereinafter referred to as "BOND TRUSTEES" or

*[Signature]*

*[Signature]*

"TRUSTEES", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns and the Trustee or Trustees for the time being) of the **THIRD PART**.

#### WHEREAS

1. **MEGHALAYA STATE ELECTRICITY BOARD**, a Board constituted under Section 5 of the Electricity (Supply) Act, 1948 by the Government of Meghalaya vide notification no PE/304/74 dated 21.12.1974 and now as **MEGHALAYA ENERGY CORPORATION LIMITED** a corporation registered and incorporated under the companies Act, 1956 (No. 1 of 1956) with Ministry of Corporate Affairs and to generate, transmit and distribute Electricity in the State of Meghalaya.
2. The then MeSEB (now MeECL), in terms of section 65 of Electricity (Supply) Act 1948 was authorised to borrow money for its purposes including by the issue of the Bonds and MeECL has obtained all necessary and requisite approval in terms of the applicable Act.
3. The requisite resolution is passed by the then Members of the Board of the MeSEB (now MeECL) in their meeting held on 07.02.2007 and 25.04.2008.
4. For the purpose to exclusively finance the ongoing project 'Myntdu Lashka Hydro Electric Project' of the then MeSEB (now MeECL), the Corporation decided to raise money by the issue of Bonds on private placement basis pursuant to the resolutions passed by the Members of the Board dated 07.02.2007 and 25.04.2008.
5. The then MeSEB (now MeECL) privately circulated Memorandum of Private Placement dated 11.11.2008, containing the terms of the issue of Unsecured Redeemable Non Convertible Bonds of Rs. 10,00,000/- each for cash at par aggregating to Rs. 30 Crores, with an option to retain over-subscription upto Rs. 100 crores, Bond Series 1/2008, guaranteed by the Government of Meghalaya.



Director Finance,  
MeECL, Shillong

For: ANARA DANE

Chief Manager  
Shillong Main

*[Signature]*  
Principal  
Director Finance  
Shillong Main  
2008-09



6. The then MeSEB (now MeECL) has pursuant to :

- (i) The approval of Members of the Board in terms of the resolution dated 07.02.2007 and 25.04.2008, The then MeSEB (now MeECL) has raised resources to the extent of Rs. 50 Crores, by way of Private Placement of Bond Series 1/2008 Unsecured Redeemable Non convertible Bonds and allotted to various subscribers on terms and conditions contained in the Memorandum of Private Placement and the addendum to the Memorandum of Private Placement dated 18.11.2008, vide resolution passed by circulation by the then Members of the Board of MeECL on 19.11.2008, effective Date of Allotment being 18.11.2008.
- (ii) The Government of Meghalaya, has by its order D.O.No.PE.122/94/219 dated Shillong, 21.08.2007 has unconditionally and irrevocably guaranteed the timely payment of interest and repayment of the Principal till the said Bonds are redeemed fully.

7. MeSEB (now MeECL) has with a view to protect the interest of the Bondholders approached and requested Canara Bank to act as Trustees in relation thereto and Canara Bank has agreed to act as Trustees.
8. With a view to protect the rights and interest of the Bondholders and facilitate the timely payment of interest and principal to them, MeSEB (now MeECL) has appointed Canara Bank as Trustees and Canara Bank has agreed to act as such Trustees and the MeSEB (now MeECL) and the Trustees have entered into a Trustee Agreement dated 10<sup>th</sup> August, 2010.
9. The Terms and conditions of the Bonds are as specified in the Trustee Agreement dated 10<sup>th</sup> August, 2010 and the Memorandum of Private Placement dated 11.11.2008 and the addendum to the Memorandum of Private Placement dated 18.11.2008.
10. In order to provide adequate comfort to the investors regarding servicing of the said Bonds, MeSEB (now MeECL) has proposed to enter into this Tripartite agreement with

Director Finance,  
MeECL, Shillong.

for CANARA BANK

Chief Manager  
Billing & Sec



For and on behalf of  
Director of Meghalaya  
Public Works Deptt.  
Shillong, Dist. Office

GOME and the Trustees and the parties being desirous of recording the terms and conditions of such arrangements have entered into this Tripartite Agreement as hereinafter appearing.


**NOW, THEREFORE, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS :**

1. The headings and sub-headings herein are inserted for convenience only and shall not affect the construction hereof and in these presents and the Schedules hereto, unless there be something in the subject or context inconsistent therewith. The following expressions shall have the meaning hereinafter mentioned (whether or not used in their capitalize form, but subject to the context), that is to say:

- (a) **"Appropriate Authority"** shall mean the appropriate official of GOME, being----- of Power Department, Government of Meghalaya, or failing him or in case of re-designation any other official designated by GOME as Appropriate Authority.
- (b) **"Annexure"** or **"Annexures"** shall mean the Annexure or Annexures attached hereto.
- (c) **"Bonds"** or **"the Bonds"** or **"said bonds"** means the Unsecured Redeemable Non convertible Bonds of Rs. 10,00,000/- each for cash at par aggregating to Rs.50 Crores, Bond Series 1/2008 guaranteed by the Government of Meghalaya, issued by the MeSEB (now MeECL) on private placement basis.
- (d) **"Bondholder(s)"** shall mean the holder/s of bond/s registered in the books of MeECL.

  
  
**Director Finance,  
MeECL, Shillong.**

**for CANARA BANK**  
  
**Chief Manager,  
Shillong Main**


  
**(G.M. Blythe)  
Under Secretary  
Govt. of Meghalaya  
Power Etc. Deptt**



GOME and the Trustees and the parties being desirous of recording the terms and conditions of such arrangements have entered into this Tripartite Agreement as hereinafter appearing.

**NOW, THEREFORE, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS :**

1. The headings and sub-headings herein are inserted for convenience only and shall not affect the construction hereof and in these presents and the Schedules hereto, unless there be something in the subject or context inconsistent therewith. The following expressions shall have the meaning hereinafter mentioned (whether or not used in their capitalize form, but subject to the context), that is to say:
  - (a) **"Appropriate Authority"** shall mean the appropriate official of GOME, being----- of Power Department, Government of Meghalaya, or failing him or in case of re-designation any other official designated by GOME as Appropriate Authority.
  - (b) **"Annexure" or "Annexures"** shall mean the Annexure or Annexures attached hereto.
  - (c) **"Bonds" or "the Bonds" or "said bonds"** means the Unsecured Redeemable Non convertible Bonds of Rs. 10,00,000/- each for cash at par aggregating to Rs.50 Crores, Bond Series 1/2008 guaranteed by the Government of Meghalaya, issued by the MeSEB (now MeECL) on private placement basis.
  - (d) **"Bondholder(s)"** shall mean the holder/s of bond/s registered in the books of MeECL.



*[Signature]*  
Director Finance,  
MeECL, Shillong.

for CANARA BANK  
*[Signature]*  
Chief Manager  
Shillong Branch

*[Signature]*  
(C.M. Bynoe)  
Under Secretary  
Govt. of Meghalaya  
Power Etc. Deptt.

- (e) "Date of Allotment" or "Deemed Date of Allotment" means the actual Date of Allotment of the Bonds, namely 18.11.2008 for the Bonds of Rs. 50 Crores.
- (f) "Designated Account" or "No Lien Escrow Account" or "Trust & Retention Account" shall mean a no-lien Current Account No. 270010200003872, opened by the MeSEB (now MeECL) with Axis Bank, Shillong Branch.
- (g) "Event of Eligibility to Call" shall mean any of the events upon the occurrence of which the MeSEB (now MeECL) or the Trustees on behalf of the MeSEB (now MeECL) shall become entitled to call upon the GOME to provide for funds in terms of its guarantee and on the terms prescribed in this Agreement.
- (h) "Financial Year" shall mean the period of 12 months starting from the 1<sup>st</sup> day of April and ending on the 31<sup>st</sup> day of March of the next calendar year.
- (i) "FITCH" shall mean Fitch Ratings India Pvt. Ltd. who is entrusted with the credit ratings of the long term unsecured non-convertible bonds, of Meghalaya Energy Corporation Limited.
- (j) "Funds Transfer Date" shall mean in relation to each service date, date being 15 working days prior to the due date for payment of interest and/or repayment of principal amount, both days not being included, on which date the Company shall transfer requisite funds into the Designated Account. In case the Funds Transfer Date falls on a holiday, the prior working day shall be the Funds Transfer Date.
- (k) "Notice" (whether or not used in its capitalized form, but subject to the context) shall mean the notice to be issued by the Trustees to GOME in the form prescribed in Annexure - II hereto requiring GOME to put in funds in the designated account pursuant to the provisions of this agreement.




Director Finance,  
MeECL, Shillong.


For CANARA BANK

Chief Manager  
Shillong Branch


(C.M. Bynwal)  
Under Secretary  
Govt. of Meghalaya  
Power Etc. Deptt.

- (l) "Offer Document" shall mean the Memorandum of Private Placement dated 11.11.2008 and the addendum to the Memorandum of Private Placement dated 18.11.2008 and other document(s) regarded as offer documents for the issue of the Bonds by MeSEB (now MeECL).
- (m) "Preview Date" shall mean in relation to each service date a date being 45 calendar days prior to the due date for payment of interest and principal amount, both days not being included. In case the "Preview Date" falls on a holiday, the prior working day shall be the "Preview Date".
- (n) "Servicing of Bonds" shall mean the repayment of principal amount of the Bonds and payment of interest thereon.
- (o) "Service Date" shall mean any or all dates during the term of the Bonds on which any payment of principal and/or interest in relation to the Bonds, falls due for payment by MeSEB (now MeECL) to the Bondholders. In case the Service Date falls on a Sunday or a Holiday, the next working day shall be the effective date.
- (p) "Trustees" or "Bond Trustees" shall mean the Trustees for the Bondholders and shall in the first instance mean Canara Bank and in the event of any change or substitution of Trustees shall mean such substituted trustees.
- (q) "Trustee Agreement" shall mean the Trustee Agreement executed on the 10<sup>th</sup> August 2010 by, and between MeECL and the Trustees and any modifications thereto.



  
Director Finance,  
MeECL, Shillong.

for CANARA BANK  
  
Chief Manager  
Shillong Head

  
(C. M. Bhatnagar)  
Under Secretary  
Govt. of Meghalaya  
Power Etc. Deptt.



#### 4. CONSIDERATION:

In the circumstances recited above, MeSEB (now MeECL) MeECL has requested GOME to enter into this agreement with a view to provide for contractual obligations of GOME to MeECL as may be required for the purposes of facilitating and enabling, if necessary, MeSEB (now MeECL) to make payments of or to service the payment and repayment of principal, interest and other charges and expenses in relation to the said Bonds. GOME in its capacity as the sole owner of MeSEB (now MeECL) in its capacity as guarantor to the liabilities taken by MeSEB (now MeECL) in issuing the Bonds has agreed to enter into and execute this Agreement.

#### 3. SECURITY:

The Bonds are unconditionally and irrevocably guaranteed by the Government of Meghalaya.

#### 4. INDEMNITY

MeSEB (now MeECL) and GOME hereby agree to indemnify and keep indemnified the Trustees from and against any loss or damage to any part as a result of the Trustees exercising reasonably and in good faith all powers and authorities conferred on them under this Agreement and / or the Trustee Agreement.

#### 5 A. MeSEB (now MeECL) REPRESENTATIONS AND WARRANTIES:

MeSEB (now MeECL) represents and warrants that:

- (a) All approvals, consents, permissions as are necessary for or in connection with the issue of the Bonds and the execution, performance, validity and enforceability of this Agreement and the Trustee Agreement have been obtained by MeSEB (now MeECL);




*[Signature]*  
Director Finance,  
MeECL, Shillong.

for CANARA BANK  
*[Signature]*  
Chief Manager  
Shillong branch

*[Signature]*  
(C.M. Byam)  
Under Secretary  
Govt. of Meghalaya  
Power Etc. Deptts

- (b) The MeSEB (now MeECL) has full power to execute, deliver and enter this agreement and the Trustee Agreement and to the obligations expressed to be assumed by it herein and therein for the Bond issue of aggregating to Rs. 50 Crores;
- (c) The execution and delivery of this Agreement, the Trustee Agreement and other agreements in connection with the issue of the Bonds and the MeSEB (now MeECL) performance of and compliance with the obligations expressed to be assumed by it in and the conditions imposed on it by this Agreement, the Trustee Agreement and other Agreements in connection with the issue of Bonds do not and will not violate or result in any breach of any contract to which MeECL is subject or party to or constitute a default or violation under any applicable law, regulation, judgement, injunction, decree, determination or award of any authority or any agency or court to which it is subject;
- (d) This Agreement and MeSEB (now MeECL) performance of and compliance with the obligation expressed to be assumed by it in, and the conditions imposed by this agreement are legal, binding on, valid and enforceable against MeSEB (now MeECL);
- (e) No action or proceedings before any court of authority has been pending against MeSEB (now MeECL) or any of its assets which, if determined adversely, would in any way prevent due fulfillment by MeSEB (now MeECL) of its obligations under this Agreement and other Agreements in connection with issue of Bonds; and
- (f) No Charge or encumbrance or lien of any nature has been created nor permitted to be created by MeSEB (now MeECL) in respect of the guarantees/securities/assets as indicated in clause 3 herein above save the charge created in favour of the Bondholders represented by the Trustees referred to in the said clause. MeSEB (now MeECL) undertakes to keep the guarantees, securities, assets free of all charges, encumbrances or lien of any nature whatsoever except prior written consent of the Trustees.



*[Signature]*  
Director Finance,  
MeECL, Shillong.

For CANARA BANK  
*[Signature]*  
Chief Manager  
Shillong Main

*[Signature]*  
(C.M. Syiem) Under Secretary  
Govt. of Meghalaya  
Power Etc. Deptt.

# **TRUSTEES TO ASSUME COMPLIANCE :**

The Trustees would not be required to ascertain whether any internal procedures consents including permissions required from the Government of Meghalaya have been obtained by MeSEB (now MeECL). The Trustees would assume such compliance.

## **6. MeSEB (now MeECL) CONFIRMATIONS :**

MeSEB (now MeECL) hereby agrees, declares and confirms that during the subsistence of the bonds and the Trustee Agreement –

- a) The proceeds of the Bonds shall be utilized for the purpose of carrying out its functions as stated in the Memorandum of Private Placement.
- b) MeSEB (now MeECL) shall make payment to the Bondholders of all amounts of principal, interest and all other charges and expenses in respect of the Bonds on the service dates from out of its own funds and assets, as specified in the offer document and/or the Trustee Agreement.
- c) All amounts received by MeSEB (now MeECL) from GOME under this Agreement towards servicing the Bonds shall be directly deposited only in the Designated Account as specified in the Memorandum of Private Placement and this Agreement.
- d) All withdrawals from the Designated Account except such withdrawals as may be required for servicing of Bonds as stated in this Agreement shall be made only after obtaining prior written approval of the Trustees.
- e) MeSEB (now MeECL) shall not open any account other than the Designated Account or establish any other mode for the servicing of Bonds and shall not close or create any charge, encumbrance or lien of any nature whatsoever in favour of any person on the



*[Signature]*  
Director Finance,  
MeECL, Shillong.



for CANARA BANK  
*[Signature]*  
Chief Manager  
Shillong Head

*[Signature]*  
Joint Secretary  
Govt. of Meghalaya  
Power Div. Deptt.




Designated Account opened under the provisions of this Agreement until the tenure of the Bonds / clearance of dues on Bonds.

- f) MeSEB (now MeECL) shall credit adequate funds in the designated account for servicing the Bonds on forthcoming due date.
- g) As and when funds are credited in the designated account, MeSEB (now MeECL) and / or the designated bank shall send to the Trustees an intimation regarding the balance of funds in the designated account.
- h) MeSEB (now MeECL) shall dispatch all cheques for interest and / or principal payments, 7 days prior to the Service Date and shall immediately send written confirmation to the Trustees.
- i) MeSEB (now MeECL) shall comply with the covenants and conditions in the Trustee Agreement and this Agreement.
- j) MeSEB (now MeECL) shall duly observe and perform all the terms and conditions and covenants and stipulations in respect of the said Bonds as applicable and shall not commit any fresh breach or default thereof.
- k) **Interest:** The Bonds shall carry interest at the rate of 11.40% per annum payable half yearly from the Deemed Date of Allotment till maturity (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modification or re-enactment thereof, for which a certificate will be issued by the Company). Interest accruing upto every 6 months will be paid on 18th May and 18th November every year. The last interest payment will be on redemption.

  
  
Director, MeECL,  
Dispur, Shillong.

For CANARA BANK  
  
Chinmoy Nath  
Branch Manager,  
Shillong Area.

  
(C.M. Syton)  
Under Secretary  
Govt. of Meghalaya  
Power Etc. Deptt.

- o **Redemption:** The Bonds shall be redeemed at par at the end of the 10<sup>th</sup> year from the date of allotment, i.e., on 18.11.2018. The end of the year will be calculated from the date of allotment of the Bonds.

m) **Put / Call Option:** There is no Put/ Call Option available for this series of Bonds.

The Service Date, Funds Transfer Date and the Preview Date for payment of interest and repayment of principal amount shall be as provided in Annexure -III

## 7. GOME's REPRESENTATIONS AND WARRANTIES :

GOME represents and warrants that :

- (a) GOME has obtained all consents, approvals and permissions as are necessary for or in connection with the execution, performance, validity and enforceability of this Agreement;
- (b) GOME has full power to execute, deliver, and enter into this Agreement and to perform the obligations expressed to be assumed by it herein;
- (c) The execution and delivery of this Agreement and GOME's performance of and compliance with the obligations expressed to be assumed by it in and the conditions imposed on it by this Agreement do not and will not violate or result in any breach of or constitute a default under any contract to which GOME is subject or party or any applicable law, regulation, constitutional provision, judgement, injunction, decree, determination or award of any authority, government or agency or court to which GOME is subject;




*[Signature]*  
**Director Finance,  
 M&ECI, Shillong.**

*[Signature]*  
**For CANARA BANK**  
**Chief Manager**  
**Shillong Main**

*[Signature]*  
**(C. D. D. G. S. S. S.)**  
**Under Secretary**  
**Govt. of Nagaland**  
**Public Fin. Dept.**

- (d) This agreement and the GOME's performance of and compliance with the obligations expressed to be assumed by it in, and the conditions imposed on it by this Agreement are legal, valid, binding on and enforceable against GOME;
- (e) This Agreement constitutes a direct, unconditional and general obligation of GOME;
- (f) This agreement constitutes an independent undertaking of GOME to the Trustees and is not contingent upon MeSEB (now MeECL) fulfilling its undertakings, obligations and commitments towards GOME nor void if MeSEB (now MeECL) breaches its undertakings, obligations and commitments towards GOME.
- (g) The execution and delivery of this Agreement by GOME and GOME's performance of and compliance with the obligations expressed to be assumed by it in and the conditions imposed on it by this Agreement are in furtherance of and for the purpose of assisting what is essentially a business or commercial activity and will constitute commercial acts done and performed for commercial purposes;
- (h) GOME shall not at any time claim, immunity from any suit, execution, attachment or other legal process in respect of any of its obligation hereunder;
- (i) The GOME, has by its order D.O.No.PE.122/94/219 dated Shillong, 21.08.2007 has unconditionally and irrevocably guaranteed the payment of interest and repayment of the Principal till the said Bonds are redeemed fully.
- (j) The liability and obligations of GOME under this agreement shall not be affected nor shall the guarantee given by these presents be discharged or diminished by reason of:



Director Finance,  
MeECL, Shillong.

For CANARA BANK  
Chief Manager  
Shillong 770016

(C.M. Syiemthang)  
Under Secretary  
Govt. of Meghalaya  
Power Etc. Deptts



- (1) The GOMe hereby agree that, without the concurrence or consent of GOMe, MeSEB (now MeECL), FITCH and the Trustees shall be at the liberty to vary, alter or modify the terms and conditions of the Bonds and/or the Trustee Agreement and of security documents executed by MeSEB (now MeECL) in favour of the Trustees on such terms and conditions as may be considered necessary by the Trustees in particular to defer, postpone or revise the repayment of the Bonds and /or payment of interest and other money payable by MeSEB (now MeECL) to the Bondholders and/or the Trustees on such terms and conditions as may be considered necessary by the Trustees. Provided, however, the concurrence or consent of GOMe shall be obtained for any variation, alteration or modification of the terms and conditions of the Bonds which shall result in change in redemption period and interest rate of the Bonds. The Trustees shall also be at the liberty to absolutely dispense with or release all or any of the security/securities furnished or required to be furnished by MeSEB (now MeECL) to the Trustees to secure the Bonds. GOMe agree that its liability under this agreement shall in no manner be affected by any such variations, alterations, modifications, waiver, dispensation with or release of security, and that no further consent of GOMe is required for giving effect to any such variation, alteration, modification, waiver, dispensation with or release of security.
- (2) The granting of time or any indulgence to MeSEB (now MeECL) by the Trustees and /or Bondholders; and/or
- (3) Any forbearance by the Trustees to sue MeSEB (now MeECL) or to defer the recovery of the servicing of the Bonds from MeECL; and/or
- (4) Any litigation / legal process / dispute / arbitration proceedings or claims of any nature between MeSEB (now MeECL) and the Trustees and/or the Bondholders, their agents, employees or any persons acting on their behalf; and/or



Director Finance,  
MeECL, Shillong.

For CANARA BANK

Chief Manager  
Shillong Sub

For  
Director, Govt. of Karnataka  
Shillong

- (5) Any partial payment or settlement of existence of credit balance in the collection account and/or Designated Account at any time; and/or
- (6) MeSEB (now MeECL) had or has no power to issue the Bonds or that it has exceeded its powers in issuing the same; and/or
- (7) The discharge of MeSEB (now MeECL) by operation of law or by the Bondholders and/or Trustees or any of them releasing MeSEB (now MeECL) from any of its obligations under this agreement.
- (k) GOME declares and confirms that its obligations under this agreement shall continue without any interruption or modification and that it shall under no circumstances be discharged by any reason of MeSEB (now MeECL) undergoing any reorganization, denationalisation, amalgamation, merger, demerge, unbundling, restructuring, or winding up or notwithstanding any change that takes place in the capital structure of MeSEB (now MeECL) or notwithstanding that MeSEB (now MeECL) at any stage ceases to be wholly owned undertaking of GOME, or any other event of similar nature of such other circumstances.
- (l) Till the bondholders are paid in full, GOME shall not permit MeSEB (now MeECL) to close the Designated Account nor shall permit any charge, encumbrance or Lien of any nature whatsoever to be created by MeSEB (now MeECL) in favour of any person on MeSEB (now MeECL) assets including the amounts received from GOME and the amounts deposited / to be deposited in the Designated Account.
- (m) GOME agree, declare and confirm that during the subsistence of this Agreement and the Trustee Agreement:-



Director, Public Works,  
Maharashtra.

for CANARA BANK

Chief Manager,  
Sahyadri Nat.

(C. H. D. D. D.)  
Under Secretary  
Govt. of Maharashtra  
Power Etc. Deptts

- (1) This Agreement shall cease at anytime on payment of GOME in full of all amounts required Principal, interest and all other money, if any, in respect of the Bonds.
- (2) GOME heruby expressly, irrevocably and unconditionally waive its rights under any law for the time being in force, including without limitation, under Section 80 of the Code of Civil Procedure, 1908, in so far as the same may be contrary to the provisions of the Agreement and to the extend the same to the Trustees and/or MeSEB (now MeECL).
8. **MeSEB (now MeECL) AND GOME'S UNDERTAKINGS AND CONFIRMATIONS WITH REGARD TO STRUCTURED PAYMENT MECHANISM STIPULATED BY FITCH:**

MeSEB (now MeECL) and GOME undertakes to comply unconditionally with the following Structured Payment Mechanism stipulated by FITCH, the Rating Agency vide its Rating Letter dated 12.11.2008, a copy of which is given as Annexure I

- a. MeSEB (now MeECL) shall make payment to the Bondholders of all amounts of principal, interest and all other charges and expenses as provided herein and as prescribed in the Offer Document / Trustee Agreement. MeSEB (now MeECL) heraby agrees and declares that it shall duly discharge such obligations for the payment/repayment of the above sums and/or the outstandings, in relation to the said Bonds.
- b. MeSEB (now MeECL) has opened a Trust and Retention Account with Axis Bank, Shillong Branch. The said Designated Account will be used only for repayment of the principal amount and interest on the Bonds and any withdrawals by MeSEB (now MeECL) from this account would be with the prior approval of the Trustees. The bondholders shall have exclusive charge on any amount credited in the account.



Director Finance,  
MeECL, Shillong.

for CANARA BANK

Chakrabarti  
Shillong Branch

for  
GOVERNMENT OF MEGHALAYA  
Shillong Branch  
Public Fin. Deptt.



- c. MeSEB (now MeECL) shall follow the following Structured Payment Mechanism for every payment of interest / redemption instalment :

(i) At least 45 days prior to the Service Date, MeSEB (now MeECL) shall transfer the requisite funds into the Trust and Retention Account for servicing the Bond obligations or put them in a Fixed deposit (FD) with a designated bank rated at least 'AA' or equivalent and ensure that the FDs are liened to the Trustees and confirm to the GOME and the Trustee. The Trustees shall confirm the same to FITCH.

(ii) If the requisite funds are not deposited as envisaged, MeSEB (now MeECL), at least 45 calendar days prior to the due date, will inform in writing, to the Finance Secretary or other designated officer of GOME with a copy to the Trustee and FITCH, regarding the forthcoming Service Date and the amounts payable to the bondholders.

(iii) MeSEB (now MeECL) shall also request GOME to ensure that adequate funds are made available in the Trust and Retention Account as on the Funds Transfer Date, for fulfilling Bond obligations on Service Date.

(iv) In case MeSEB (now MeECL) fails to intimate as above, and the conditions as detailed in clause (i) and (ii) above are not met, at least 40 days prior to every due date of payment of interest and / or principal instalment, the Trustees shall intimate the GOME regarding the forthcoming due date.

(v) At least 15 days prior to the due date of each debt servicing, proceeds from maturity of Fixed Deposits shall be transferred to the Trust & Retention Account, and in the event of MeSEB (now MeECL) / GOME failing to transfer clear funds in the Trust and Retention Account / make up the shortfall by that date, Trustees shall forthwith invoke the guarantee issued by GOME and inform FITCH.



Director Finance,  
MeECL, Shillong.

For CANARA BANK

Chief Manager,  
Shillong Main

*[Signature]*  
12.12.2014

(vi) On invocation of guarantee, GOME shall promptly deposit clear funds to the extent required / shortfall, into the Trust & Retention Account, before 7 working day prior to the due date.

(vii) The interest and / or principal payment cheques shall be dispatched to the bondholders atleast 7 working days prior to the due date.

The above structure is supplementary and not complimentary to the duty of MeSEB (now MeECL) to duly service the debt obligation, to anticipate shortfall in funds and to intimate separately to GOME the needs for such funds to meet the bond obligation.

In the event of the mentioned day not being a business day as per the convention followed in the city where the transaction is executed, it would be taken to indicate the last business day prior to the mentioned day.

#### 9. GOME's GUARANTEE AND ITS ENFORCEMENT:

- (a) GOME agree and confirm that in the event of non-availability of adequate funds in the Designated Account by the Funds Transfer Date for payment of principal amount/maturity value of the Bonds and/or interest thereon, and /or in the event of default by MeSEB (now MeECL) to make payment of principal amount/maturity value of the Bonds and/or interest thereon on the Service Date, GOME, the Guarantor shall, upon demand, forthwith make payment to the Trustees without demur, of amount payable by MeSEB (now MeECL) for Servicing of Bonds.



*[Signature]*  
Director Finance,  
MeECL, Shillong.

*[Signature]*  
for CANARA BANK  
Chief Manager  
Shillong Main

*[Signature]*  
(C.H. Bysani)  
Under Secretary  
Govt. of Meghalaya  
Power Etc. Deptts



- (b) GOME agree and confirm that it will make such payment either into the Designated Account or directly to the Trustees, as will be indicated by the Trustees and further, GOME agrees not to recall and MeSEB (now MeECL) agrees not to repay such disbursement which have been made to MeSEB (now MeECL) during the subsistence of the Bonds.
- (c) The Trustees shall have full liberty, without notice to GOME and without in any way affecting the guarantee given by these presents, to exercise at any time and from time to time and in any manner any power or powers reserved to the Trustees under this Agreement and/or the Trustee Agreement and/or the other Security documents, to enforce or forbear to enforce payment of the principal amount of the Bonds or any part thereof or interest due thereon to the Bondholders and /or the Trustees from MeSEB (now MeECL) or any of the remedies or securities available to the Trustees, to enter into any composition or compound with or to grant time or any other indulgence or facility to MeSEB (now MeECL) and GOME shall not be released by the exercise by the Trustees of their liberty in regards to the matters referred to above or any act or omission on the part of the Trustees or by any other matter or thing whatever which under the law relating to the sureties would but for this provision have the effect of so releasing GOME AND GOME hereby waive in favour of the Trustees so far as may be necessary to give effect to any of the provisions of the guarantee given by these presents, all the suretyship and other rights which guarantors might otherwise be entitled to enforce.
- (d) The guarantee given by these presents shall be enforceable against GOME notwithstanding that any security or securities comprised in any instrument (s) executed or to be executed by MeSEB (now MeECL) in favour of the Trustees, shall, at the time when proceedings are taken against GOME on the guarantee given by these presents, be outstanding or unrealized or lost.



Director (Finance),  
Shillong.

for C.M. & B. BANK  
Chief Manager  
Shillong Main

K. D. Singh  
Under Secretary  
Govt. of Meghalaya  
Power & Irr. Deptt.



- (e) GOMe hereby agree and declare that in the event MeSEB (now MeECL) avails of further loans or other facilities and/or issues Bonds and Debentures and / or secures the same during the subsistence of this Agreement, the guarantee given by these presents will not be effected or vitiated in any way whatsoever but will remain in force and effect and binding on GOMe.
- (f) To give effect to the guarantee given by these presents, the Trustees may act as though GOMe was/is the principal debtor to the Bondholders and/or the Trustees.
- (g) GOMe hereby declare and agree that it has not received and shall not, without the prior consent in writing of the Trustees, receive any security from MeSEB (now MeECL) for giving the guarantee by these presents so long as there are any monies due and payable by MeSEB (now MeECL) to the Bondholders.
- (h) GOMe shall not in the event of the liquidation of MeSEB (now MeECL) prove in competition with the Trustees and/or the Bondholders in the liquidation proceedings.
- (i) A certificate in writing signed by a duly authorized official of the Trustees shall be conclusive evidence against GOMe of the amount for the time being due to the Bondholders from MeSEB (now MeECL) in any action or proceeding brought pursuant to this Agreement against GOMe.
- (j) The guarantee given by these presents shall be irrevocable and the obligations of GOMe hereunder shall not be conditional on the receipt of any prior notice by GOMe or by MeSEB (now MeECL) and the demand or notice by the Trustees shall be sufficient notice or demand on GOMe.
- (k) The guarantee given by these presents shall be continuing one and shall remain in full force and effect till such time MeSEB (now MeECL) and /or GOMe repay in full the principal amount/ maturity value of the Bonds together with the interest thereon and / or the same are otherwise recovered in full.



**Director Finance,  
MeECL, Shillong.**

**SHILLONG BANK**  
Chief Manager  
Shillong Main

**(C.M. Bykhu)**  
Under Secretary  
Govt. of Meghalaya  
Power Elec. Depts

- (l) In the event of non-availability of adequate funds in the Trust and Retention Account 15 days prior to the Service Date for payment of principal amount/maturity value of the Bonds and/or interest thereon, and/or any event of default by MeSEB (now MeECL) to make payment of principal amount/maturity value of the Bonds and/or interest thereon on the Service Date, the Trustees shall be entitled to invoke the guarantee given by GOMe.
- (m) In the event of default by MeSEB (now MeECL) in fulfilling its obligations in respect of servicing of the Bonds, in terms of this Agreement and/or the Trustee Agreement, the Trustees are entitled to invoke GOMe's guarantee given by these presents.
- (n) The Trustees confirm that in the event there are any money lying/to be deposited in the Designated Account, such money along with the money from the other investments shall be utilized for Servicing of Bonds and other amount in respect of the Bonds.
- (o) Provided, however, that nothing contained hereinabove shall affect the rights of the Trustees for protection/preservation of the Security and/or the interests of Bondholders and/or the Trustees.

#### 10. ADDITIONAL DOCUMENTATION:

MeSEB (now MeECL) and GOMe agree that they shall also enter into and execute such further documentation and arrangements as may be required for making provision for various covenants of positive and negative nature and to issue such further confirmations as may be deemed necessary by the Trustees for the better protection of the interest of the Bondholders and for the due performance of the obligation by MeSEB (now MeECL) and/or GOMe under this agreement.



Director Finance,  
MeECL, Shillong.

for MHA BANK  
Chief Manager  
Shillong Main

(C. M. Jyoti)  
Under Secretary  
Govt. of Meghalaya  
Power Etc. Deptts

**GOMe, MeECL and TRUSTEES FURTHER COVENANTS THAT:**

- (a) It is also agreed that GOMe shall, in relation to the extent of amounts called for by the Trustees, be entitled to seek any clarification in respect of the mode of computation or any clarification or any other details in that behalf but, the pendency of such request or clarification shall not be a basis for withholding any disbursement prior to the Service Date or in any manner delay or postpone the provision of such amounts called for. It is further agreed that any pending dispute regarding one or more Service Dates shall not be a ground for withholding any further disbursement and it is an essential term of this Agreement that GOMe unconditionally agrees to make disbursement of the requisite amount in respect of each service date to the extent requested for by the Trustees from time to time in accordance with provisions of this agreement.
- (b) The notice shall be generally in accordance with the provisions of Annexure - II hereto and, shall be considered as having been properly communicated to the GOMe if the Notice is delivered to the Appropriate Authority.
- (c) It is expressly clarified that neither MeSEB (now MeECL) nor the trustees shall be required or obliged in any manner to inquire into or ascertain whether any internal procedures, resolutions or consents are required to be obtained or complied with by GOMe nor shall the pendency of such procedure be an excuse or ground for non-payment of the amounts called for from GOMe or any delay in making available the same to MeSEB (now MeECL) and / or the Trustees as contained herein. MeSEB (now MeECL) and Trustees shall presume all such compliance.
- (d) The Trustee shall, upon valid delivery of the notice as above, be entitled to assume that GOMe warrants that such notice has been validly delivered and that all internal compliances, approvals and procedures have been complied with and in any event, there is no material requirement outstanding for compliance in that behalf.



Director Planner,  
MeECL, Shillong.

for NALBA BANK  
Chief Manager  
Shillong State

*[Signature]*  
AC J. S. S. S. S.  
Under Secretary  
Govt. of Nagaland  
Dis. - 11-11-2012



The Notice issued by the Trustees upon GOME shall be binding on GOME. Upon the issuance of the Notice by the Trustees, all further modalities in relation to the obtaining of the amounts from GOME, including entering into of any arrangements or execution of any documents shall be done, entered into and executed by the Trustees as the Attorneys for MeSEB (now MeECL) who are hereby irrevocably and unconditionally authorised to do so. GOME agrees to comply with all such actions of the Trustees and shall punctually perform their obligation in that behalf.


- (f) MeSEB (now MeECL) and GOME hereby also agree to indemnify and keep indemnified the Trustees from and against any loss or damage caused to any party as a result of the Trustees exercising all such powers and authorities referred to above or otherwise for any reason whatsoever.
- (g) On or before each Preview Date, MeSEB (now MeECL) shall on the assumption that an "Event of Eligibility to Call" may occur on that date, pass all corporate resolutions including Board Resolutions and, shall comply with all necessary formalities and issue all necessary authorizations as may be required by the Trustees in that behalf to enable MeSEB (now MeECL) by itself and/or the Trustees to issue Notice and all such corporate resolutions and procedures shall be complied with and intent that in the event of an "Eligibility to Call" occurring by then, MeSEB (now MeECL) and/or the Trustees can forthwith proceed to issue the Notice upon GOME without any delay, or having to comply with any fresh formalities or modalities in order to seek Additional Funding from GOME prior to the Service Date. All such formalities and compliances shall be carried out and implemented to the satisfaction of the Trustees, on or before the Preview Date and any requirement in that behalf indicated by the Trustees shall be final and binding upon MeSEB (now MeECL) and GOME.



Director Finance  
MeECL, Shillong.

2

in VIVA RABH  
Chief Manager  
Shillong Metro

  
(C. M. Sanyal)  
Under Secretary  
Govt. of Meghalaya  
Power Etc. Depts

- (h) MeSEB (now MeECL) shall also pass all such resolutions and comply with all procedures and formalities as may be required by the Trustees, to enable in that behalf or for submitting to the order or direction of any court or other appropriate authority to the extent that the exercise of any remedies by the Trustees against MeSEB (now MeECL) and/or GOME shall be expeditiously undertaken if necessary by the Trustees under such authority.
- (i) Notwithstanding anything to the contrary contained in this Agreement and or any of the other documents related to Bonds, MeSEB (now MeECL), GOME and Trustees agree to comply with all terms and conditions mentioned in FITCH rating letter dated 12.11.2008

## 12. TRUSTEES REPRESENTATIONS AND WARRANTIES:

- (a) The Trustees shall be guided by and adhere to the conditions and covenants incorporated in the Trustee Agreement and this Agreement.
- (b) The Trustees shall hold office at the pleasure of the Bondholder (s) and shall not be removed from the office without the prior approval of the Bondholder (s) in a manner provided in the Trustee Agreement.

## 13. REMEDIES:

In the event of GOME, failing to provide amounts to the Trust and Retention Account as stated above, then, in addition to any remedies which the Trustees may be entitled to pursue against MeSEB (now MeECL), the Trustees shall also be entitled to invoke the guarantee for the full amount of principal and interest outstanding and also entitled to the specific performance by GOME of its obligations in an appropriate court of law and in relation thereto require and to also claim such damages as they may be entitled to in that behalf under law.



For the Ministry  
(M.F.C.), Kathmandu

FOR THE BANK  
Joint Manager  
Kathmandu

*[Signature]*  
K. S. Sharma  
Under Secretary  
Govt. of Nepalaya  
P.O. No. 1000



#### APPROPRIATION:

The amounts received pursuant to the aforesaid remedies, payments or credits made in the Trust and Retention Account shall be applied in the first instance to payment of all costs, Trusteeship remuneration, taxes, charges and expenses if any, of recovery or realisation by the Trustees. In the second instance to all payments of interest and other charges of a revenue nature falling due on the relevant Service Date and in the third instance to the payment of all amounts of a principal or capital nature falling due on the relevant Service Date.

#### 15. IT IS HEREBY FURTHER AGREED BY AND AMONG THE PARTIES HERETO AS FOLLOWS: -

- (a) MeSEB (now MeECL) shall duly observe and perform all the terms, conditions covenants and stipulations in respect of the Bonds and shall not commit any default thereof.
- (b) The Trustees shall have all powers, authorities and discretions as are provided for in the Trustee Agreement and elsewhere under this Agreement.
- (c) MeSEB (now MeECL) shall pay all such stamp duties (including any additional stamp duty) other duties, cesses, taxes, charges and penalties which MeSEB (now MeECL) may be required to pay according to the laws for the time being in force in the State in which its properties are situated and as applicable from time to time. In the event of MeSEB (now MeECL) failing to pay such stamp duties, other duties, cesses, taxes, charges and penalties as aforesaid, which failure in the opinion of the Trustees is likely to prejudice interest of the Bondholders, the Trustees will be at the liberty (but shall not be bound) to pay the same or arrange for payment of the same and MeSEB (now MeECL) shall repay the same to the Trustees on demand without demur with interest thereon at 20% p.a. compounded quarterly, from the date on which the amount is required to be paid till the payment is made to the Trustees.



*[Signature]*  
Director Finance,  
MeECL, Shillong.

INDIAN BANK  
*[Signature]*  
Chief Manager  
Shillong Main

*[Signature]*  
(C.M. Dytum)  
Under Secretary  
Govt. of Meghalaya  
Power Etc. Deptts



- (d) The Trustees may, from time to time or at any time waive on such terms and conditions as to them shall be seen expedient, and without any reference to the Bondholders and breach by MeSEB (now MeECL) or GOME of any of the covenants and provisions in these presents contained but without prejudice to the rights of the Trustees in respect of any subsequent breach thereof.
- (e) The provisions of this Agreement and the Obligations contained thereunder shall be binding upon GOME notwithstanding that MeSEB (now MeECL) at any stage ceases to be a Government Company or, notwithstanding any reorganization, amalgamation, or winding up of MeSEB (now MeECL) or any other event of similar nature.
- (f) This Agreement shall be effective on and from the date first herein above written and shall be in force till all the monies in respect of the Bonds have been fully paid and discharged.
- (g) It is hereby expressly agreed that any modification, alteration and/or variation in the terms of this Agreement shall be made only after obtaining the written consent of all the parties to this Agreement.

#### 16. NOTICES:

All notices or communication required to be given by a party to any other party by virtue of this agreement shall be in writing to that other party/ies, at its/their respective addresses as follows:

Board:

#### MEGHALAYA ENERGY CORPORATION LIMITED,

Regd. Office : Lum Jingshal, Short Round Road,  
SHILLONG - 793 001



*[Signature]*  
Director Finance,  
MeECL, Shillong.

*[Signature]*  
NARA BANK  
Chief Manager  
Shillong Main

*[Signature]*  
PC 23 System  
Treasurer Secretary  
GOVT of Meghalaya  
Power Div. Shillong

Marked for the attention of The Chairman

GOMe

**GOVERNMENT OF MEGHALAYA,**

Power Department

Shillong -793001

Marked to the attention of the Under Secretary  
Government of Meghalaya, Power Department

TRUSTEES

**CANARA BANK**

ETT Section, 51, BgSE Towers

1<sup>st</sup> cross, J C Road

BANGALORE - 560 027

Marked to the attention of the Senior Manager

**17. GOVERNING LAWS AND ARBITRATION:**

The Bonds are governed by and shall be construed in accordance with the Indian Laws. The High Court of Meghalaya, Shillong alone shall have the jurisdiction in connection with any matter arising under these precepts.



*[Signature]*  
Director Planning,  
Meg. Cl., Shillong.

*[Signature]*  
CANARA BANK  
Chief Manager  
Shillong Metro

*[Signature]*  
[Illegible text]

ANNEXURE - I

( Copy of FITCH Letter)



*Secretary*  
 Secretary to Government  
 W. 2, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000

THABA BANG  
 CHIEF MANAGER  
 Bhabani Mohan

*(Signature)*  
 (C. M. Bhabani)  
 Under Secretary  
 Govt. of Meghalaya  
 Power Etc. Dep'ts



ANNEXURE - I

( Copy of FITCH Letter)



*Secretary*  
 Secretary  
 Government of Meghalaya  
 Shillong

*U. B. B. B. B.*  
 U. B. B. B. B.  
 U. B. B. B. B.  
 U. B. B. B. B.

*C. M. B. B. B.*  
 (C. M. B. B. B.)  
 Under Secretary  
 Govt. of Meghalaya  
 Power Etc. Dep'ts

# ANNEXURE - III

A: (Preview Date and Funds Transfer Date relevant to each Service Date on Rs.120 crores for payment of interest, Redemption instalment and exercise of Put / Call Option )

Year	Service Date	Funds Transfer Date[by MeECL]	Funds Transfer Date[by GOME]	Preview Date
<b>Payment of Interest</b>				
2009	18/05/2009	29/04/2009	08/05/2009	02/04/2009
2009	18/11/2009	30/10/2009	08/11/2009	03/10/2009
2010	18/05/2010	29/04/2010	08/05/2010	02/04/2010
2010	18/11/2010	30/10/2010	08/11/2010	03/10/2010
2011	18/05/2011	29/04/2011	08/05/2011	02/04/2011
2011	18/11/2011	30/10/2011	08/11/2011	03/10/2011
2012	18/05/2012	29/04/2012	08/05/2012	02/04/2012
2012	18/11/2012	30/10/2012	08/11/2012	03/10/2012
2013	18/05/2013	29/04/2013	08/05/2013	02/04/2013
2013	18/11/2013	30/10/2013	08/11/2013	03/10/2013
2014	18/05/2014	29/04/2014	08/05/2014	02/04/2014
2014	18/11/2014	30/10/2014	08/11/2014	03/10/2014
2015	18/05/2015	29/04/2015	08/05/2015	02/04/2015
2015	18/11/2015	30/10/2015	08/11/2015	03/10/2015
2016	18/05/2016	29/04/2016	08/05/2016	02/04/2016
2016	18/11/2016	30/10/2016	08/11/2016	03/10/2016
2017	18/05/2017	29/04/2017	08/05/2017	02/04/2017
2017	18/11/2017	30/10/2017	08/11/2017	03/10/2017
2018	18/05/2018	29/04/2018	08/05/2018	02/04/2018
2018	18/11/2018	30/10/2018	08/11/2018	03/10/2018
<b>Payment of Redemption Instalments</b>				
2018	18/11/2018	30/10/2018	08/11/2018	03/10/2018

## NOTE:

Date of Allotment : 18.11.2008 (for Rs.50 crores)

Interest Payment : 18<sup>th</sup> May and 18<sup>th</sup> November every year (last interest payment with redemption only)



Director Finance,  
Nagaland, Shillong.

for ANARA BANK  
Chief Manager  
Shillong Branch

*[Signature]*  
C. M. S. Jaiswal  
Under Secretary  
Government of Meghalaya  
Shillong

Redemption : End of the 10<sup>th</sup> year from the date of allotment.  
 Funds Transfer Date : 15 working days prior to due Date of payment of Interest/Redemption  
 Preview Date : 45 calendar days prior to due date of Payment of Interest/Redemption  
 Put/Call Option : Nil



*[Signature]*  
 Director Finance,  
 MeECL, Shillong.

IN BANK OF BARODA BANK  
*[Signature]*  
 Chief Manager  
 Shillong Main

*[Signature]*  
 (C.M. Tykum)  
 Under Secretary  
 Govt. of Meghalaya  
 Power Etc. Deptt



IN WITNESS WHEREOF the parties have caused this Agreement to be executed in triplicate and the other parties hereto have caused to be executed the same by their respective officials/Constituted Attorneys on the day, month and year first above written as herein after appearing.

SIGNED AND DELIVERED by the within-named **MEGHALAYA ENERGY CORPORATION LIMITED** by the hand of Sanjiv D. P. Wahlang, IAS its duly authorised Official

[Signature]  
Director Finance,  
MeECL, Shillong.

Witnesses:

1. [Signature]  
Chief Accounts Officer,  
MeECL, Shillong
2. Sanjiv T. S. Khamaier A.O. [Signature]  
Accounts Officer,  
MeECL, Shillong.

SIGNED AND DELIVERED BY  
Shri C. M. Gyieon

GOVERNMENT OF MEGHALAYA,  
who is duly authorized

Witnesses:

1. [Signature]  
Deputy Chief Accounts Officer,  
MeECL, Shillong
2. [Signature]  
Senior Accounts Officer,  
MeECL, Shillong.

For CANARA BANK  
[Signature]  
Chief Manager  
Shillong Main

[Signature]  
Under Secretary  
Govt. of Meghalaya  
Power Ele. Deptt



[Signature]  
Director Finance,  
MeECL, Shillong.

For CANARA BANK  
[Signature]  
Chief Manager  
Shillong Main

[Signature]  
Under Secretary  
Govt. of Meghalaya  
Power Ele. Deptt

SIGNED AND DELIVERED by within  
named **CANARA BANK** by the hand  
of Shri V. R. LAKSHMI  
its duly authorized official.  
Witnesses:

for **CANARA BANK**  
Chief Manager  
Shillong Main

1. Shri. J. Serna, C.A.O.

Chief Accounts Officer  
MeECL, Shillong

2. Shri. T. S. Kharmair, A.O.

Accounts Officer,  
Me ECL, Shillong.



Director Finance,  
MeECL, Shillong.

for **CANARA BANK**  
Chief Manager  
Shillong Main

(C.W. Wynd)  
Under Secretary  
Govt. of Mughalaya  
... Sec. Deptts

DATED THIS 10<sup>th</sup> DAY OF August 2010

BETWEEN

**MEGHALAYA ENERGY  
CORPORATION LIMITED,**

..... THE CORPORATION  
(MeECL)

AND

**GOVERNMENT OF  
MEGHALAYA**

..... GOME

AND

**CANARA BANK**

..... TRUSTEES

### TRIPARTITE AGREEMENT

**SUNITA & SURI,**

Advocates

"Swathi",

No.123, 6<sup>th</sup> Main,


Between 12<sup>th</sup> & 13<sup>th</sup> Cross,

Malleswaram,

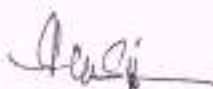
BANGALORE - 560 003.

Telefax : 91 80 4128 0595

Email: sunita\_srinivas@airtelbroadband.in

  
**Director Finance,  
MeECL, Shillong.**

  
**CANARA BANK**  
Chief Manager  
Shillong Main

  
**Under Secretary  
Govt. of Meghalaya  
Disaster Pre. Deptt.**