
LOAN NUMBER 3917-IND

LOAN AGREEMENT
(Ordinary Operations)

(Maharashtra Rural High Voltage Distribution System Expansion Program)

between

INDIA

and

ASIAN DEVELOPMENT BANK

DATED 19 OCTOBER 2020

IND 50193

LOAN AGREEMENT (Ordinary Operations)

LOAN AGREEMENT dated 19 October 2020 between INDIA acting by its President ("Borrower") and ASIAN DEVELOPMENT BANK ("ADB").

WHEREAS

(A) the Borrower has applied to ADB for a loan for the purposes of the Program described in Schedule 1 to this Loan Agreement;

(B) the Program will be carried out by the State of Maharashtra ("State") acting through MSEDCL ("Program Executing Agency" or "EA"), and for this purpose the Borrower will make the proceeds of the Loan provided for herein available to the State, and the State will make available the proceeds of the Loan to the EA, upon terms and conditions mutually satisfactory to ADB and the Borrower; and

(C) ADB has agreed to make a loan to the Borrower from ADB's ordinary capital resources upon the terms and conditions set forth herein and in the Program Agreement of even date herewith between ADB on the one part, and the State and MSEDCL on the other part;

NOW THEREFORE the parties hereto agree as follows:

ARTICLE I

Loan Regulations; Definitions

Section 1.01. All the provisions of ADB's Ordinary Operations Loan Regulations, dated 1 January 2017 ("Loan Regulations"), are hereby made applicable to this Loan Agreement with the same force and effect as if they were fully set forth herein, subject, however, to the following modifications:

(a) Section 2.01(tt) is deleted and the following is substituted therefor:

The term "Program" means the program for which ADB has agreed to make the Loan, as described in the Loan Agreement and as such description may be amended from time to time by agreement between ADB and the Borrower.

(b) The term "Project" wherever it appears in the Loan Regulations shall be substituted by the term "Program".

(c) Section 2.01(uu) is deleted and the following is substituted therefor:

"Program Agreement" means the Program Agreement of even date herewith between ADB and the Program Executing Agency.

- (d) Section 2.01(vv) is deleted and the following is substituted therefor:

The term “Program Executing Agency” means the entity or entities responsible for the carrying out of the Program as specified in the Loan Agreement.

- (e) The term “Project Executing Agency” wherever it appears in the Loan Regulations shall be substituted by the term “Program Executing Agency”.

Section 1.02. Wherever used in this Loan Agreement, the several terms defined in the Loan Regulations have the respective meanings therein set forth unless modified herein or the context otherwise requires. Additional terms used in this Loan Agreement have the following meanings:

- (a) ADB Procurement Policy means the “ADB Procurement Policy – Goods, Works, Nonconsulting and Consulting Services (2017, as amended from time to time);
- (b) “Anticorruption Guidelines” means ADB’s Guidelines to Prevent or Mitigate Fraud, Corruption and Other Prohibited Activities in Results-Based Lending for Programs as set forth in Appendix 7 to ADB’s policy on Piloting Results-Based Lending for Programs (2013);
- (c) “Deposit Account” means the bank account into which all withdrawals from the Loan Agreement shall be deposited;
- (d) “DLI” means each disbursement-linked indicator as set forth in the DLI Matrix;
- (e) “DLI Matrix” means the DLI matrix for the Program as set forth in Attachment 2 of Schedule 3 to this Loan Agreement, as updated from time to time by the Borrower and ADB;
- (f) “DLI Verification Protocol” means the protocol for verifying the Borrower’s achievement of each DLI, as set forth in the PID;
- (g) “Eligible Expenditures” means the eligible expenditures referred to in paragraph 2 of Schedule 4 to this Loan Agreement;
- (h) “Environmental Safeguards” means the objectives and policy principles set forth in Chapter V of the SPS;
- (i) “Financing Arrangements” means the arrangements between the Borrower and the State as per the current policy of the Borrower, and acceptable to ADB;
- (j) “Fiscal Year” means the fiscal year of the Borrower which runs from 1 April to 31 March of each year;

- (k) “High-Value Contracts” means (i) procurement of works, turnkey and supply and installation contracts that cost \$50 million equivalent or more per contract; (ii) procurement of goods contracts that cost \$30 million equivalent or more per contract; (iii) information technology or non-consulting services contracts that cost \$20 million equivalent or more per contract; and/or (iv) consulting services contracts that cost \$15 million equivalent or more per contract.
- (l) “HVDS” means high voltage distribution system;
- (m) “Indigenous Peoples Safeguards” means the objectives and policy principles set forth in Chapter V of the SPS;
- (n) “Involuntary Resettlement Safeguards” means the objectives and policy principles set forth in Chapter V of the SPS;
- (o) “Loan Disbursement Handbook” means ADB’s Loan Disbursement Handbook (2017, as amended from time to time);
- (p) “MSEDCL” means Maharashtra State Electricity Distribution Company Limited, or any successor thereto;
- (q) “PFA” means the 24x7 Power for All joint initiative of the Borrower and its States, which shall be supported by the Program;
- (r) “PID” means the program implementation document for the Program dated February 2020 and agreed between the Borrower, EA and ADB, as updated from time to time in accordance with the respective administrative procedures of the Borrower, EA and ADB;
- (s) “Program Action Plan” means the action plan for the Program as included in the PID and agreed between the Borrower, EA and ADB, as updated from time to time in accordance with the respective administrative procedures of the Borrower, EA and ADB;
- (t) “Program Actions” means the actions set out in the Program Action Plan;
- (u) “Program Completion Date” means the date set out in paragraph 3 of Schedule 1 to this Loan Agreement, or such other date as the Borrower, EA and ADB may agree;
- (v) “Program Executing Agency” or “EA” for the purposes of, and within the meaning of, the Loan Regulations means the State acting through MSEDCL, or any successor thereto, which is responsible for carrying out of the Program;
- (w) “SPS” means ADB’s Safeguard Policy Statement (2009);
- (x) “State” means the State of Maharashtra; and

- (y) "Table" means the table on the allocation and withdrawal of Loan proceeds set forth in Attachment 1 of Schedule 3 to this Loan Agreement.

ARTICLE II

The Loan

Section 2.01. (a) ADB agrees to lend to the Borrower from ADB's ordinary capital resources an amount of three hundred and forty-six million Dollars (\$346,000,000), as such amount may be converted from time to time through a Currency Conversion in accordance with the provisions of Section 2.06 of this Loan Agreement.

(b) The Loan has a principal repayment period of 15 years, and a grace period as defined in subsection (c) hereinafter.

(c) The term "grace period" as used in subsection (b) hereinabove means the period prior to the first Principal Payment Date in accordance with the amortization schedule set forth in Schedule 2 to this Loan Agreement.

Section 2.02. The Borrower shall pay to ADB interest on the principal amount of the Loan withdrawn and outstanding from time to time at a rate for each Interest Period equal to the sum of:

- (a) LIBOR; and
- (b) 0.60% as provided by Section 3.02 of the Loan Regulations less a credit of 0.10% as provided by Section 3.03 of the Loan Regulations.

Section 2.03. The Borrower shall pay a commitment charge of 0.15% per annum. Such charge shall accrue on the full amount of the Loan (less amounts withdrawn from time to time), commencing 60 days after the date of this Loan Agreement.

Section 2.04. Interest and other charges on the Loan shall be payable semiannually on 15 October and 15 April in each year.

Section 2.05. The Borrower shall repay the principal amount of the Loan withdrawn from the Loan Account in accordance with the provisions of Schedule 2 to this Loan Agreement.

Section 2.06. (a) The Borrower may at any time request any of the following Conversions of the terms of the Loan in order to facilitate prudent debt management:

- (i) a change of the Loan Currency of all or any portion of the principal amount of the Loan, whether withdrawn and outstanding or unwithdrawn, to an Approved Currency;

- (ii) a change of the interest rate basis applicable to all or any portion of the principal amount of the Loan withdrawn and outstanding from a Floating Rate to a Fixed Rate, or vice versa; and
- (iii) the setting of limits on the Floating Rate applicable to all or any portion of the principal amount of the Loan withdrawn and outstanding by the establishment of an Interest Rate Cap or Interest Rate Collar on said Floating Rate.

(b) Any conversion requested pursuant to subsection (a) hereinabove that is accepted by ADB shall be considered a “Conversion”, as defined in Section 2.01(f) of the Loan Regulations, and shall be effected in accordance with the provisions of Article V of the Loan Regulations and the Conversion Guidelines.

ARTICLE III

Use of Proceeds of the Loan

Section 3.01. The Borrower shall make the proceeds of the Loan available to the EA upon terms and conditions mutually agreeable to ADB and the Borrower, and shall cause the EA to apply such proceeds to the financing of expenditures of the Program in accordance with the provisions of this Loan Agreement and the Program Agreement.

Section 3.02. The proceeds of the Loan shall be allocated and withdrawn in accordance with the provisions of Schedule 3 to this Loan Agreement, as such Schedule may be amended from time to time by agreement between the Borrower and ADB.

Section 3.03. The Loan Closing Date for the purposes of Section 9.02 of the Loan Regulations shall be 30 September 2022 or such other date as may from time to time be agreed between the Borrower and ADB.

ARTICLE IV

Particular Covenants

Section 4.01. In the carrying out of the Program, the Borrower shall perform, or cause to be performed by the State and the EA, all obligations set forth in this Loan Agreement and the Program Agreement.

Section 4.02. ADB shall disclose the annual audited financial statements for the Program and the opinion of the auditors on the financial statements within 14 days of the date of ADB's confirmation of their acceptability by posting them on ADB's website.

Section 4.03. As part of the information and reports referred to in Sections 7.01 and 7.04 of the Loan Regulations, the Borrower shall furnish, or cause to be furnished, to ADB (a) quarterly reports on the implementation of the Program, including the accomplishment of the DLIs, the carrying out of the Program Actions and the Eligible Expenditures; and (b) as ADB shall reasonably request, additional information in connection with the reports described in subsection (a) hereinabove and other information on Program implementation.

Section 4.04. The Borrower shall enable ADB's representatives to inspect the Program and any relevant records and documents.

Section 4.05. In so far as it relates to the Program, the Borrower shall take all actions or cause the State to take all actions, which shall be necessary on its part to enable the EA to perform its obligations under the Program Agreement, and shall not take or permit any action which would interfere with the performance of such obligations.

Section 4.06. (a) In so far as it relates to the Program, the Borrower shall exercise its rights under the Financing Arrangements in such a manner as to protect the interests of the Borrower and ADB and to accomplish the purposes of the Loan.

(b) In so far as it relates to the Program, no rights or obligations under the Financing Arrangements shall be assigned, amended, abrogated or waived without the prior notice to ADB.

ARTICLE V

Effectiveness

Section 5.01. A date 90 days after the date of this Loan Agreement is specified for the effectiveness of this Loan Agreement for the purposes of Section 10.04 of the Loan Regulations.

ARTICLE VI

Miscellaneous

Section 6.01. The Secretary, Additional Secretary, Joint Secretary, Director, or Deputy Secretary, in the Department of Economic Affairs of the Ministry of Finance of the Borrower is designated as representative of the Borrower for the purposes of Section 12.02 of the Loan Regulations.

Section 6.02. The following addresses are specified for the purposes of Section 12.01 of the Loan Regulations:

For the Borrower

The Secretary to the Government of India
Ministry of Finance
Department of Economic Affairs
North Block
New Delhi – 110001
India

Facsimile Number:

(91-11) 2309-4075

For ADB

Asian Development Bank
6 ADB Avenue
Mandaluyong City
1550 Metro Manila
Philippines

Facsimile Numbers:

(632) 8636-2444
(632) 8636-2338.

IN WITNESS WHEREOF the parties hereto, acting through their representatives thereunto duly authorized, have caused this Loan Agreement to be signed in their respective names as of the day and year first above written and to be delivered at the principal office of ADB.

INDIA

By 

Sameer Kumar Khare
Additional Secretary (Fund Bank & ADB)
Department of Economic Affairs

ASIAN DEVELOPMENT BANK

By 

Takeo Konishi
Country Director

SCHEDULE 1

Description of the Program

1. The objective of the Program is to support PFA implementation through improving access to reliable, good quality and efficient power supply for agricultural customers in the rural areas of the State.
2. The Program shall comprise the following components:
 - (a) approximately 156,000 new agriculture electricity connections in rural Maharashtra through metered HVDS electricity distribution network through provision of
 - (i) approximately 132,600 customized low capacity distribution transformers based on the expected power consumption;
 - (ii) approximately 46,800 kilometers of 11 kilo Volt (kV) high voltage line extensions to connect new customers to the existing distribution grid; and
 - (iii) approximately 121 new 33/11kV substations, and augmentation/upgradation of existing 33/11 kV substations and associated distribution lines to improve upstream distribution network capacity;
 - (b) improving the institutional capacity of MSEDCL through development of
 - (i) knowledge and skills of at-least 1,000 MSEDCL staff (including all eligible and interested women) in respect of capital investments, operation, maintenance, and monitoring for HVDS, including safeguards and gender sensitization;
 - (ii) functional systems for 100% metering for agricultural customers on HVDS, enabling improved planning, metering, billing, collection and enforcement; and
 - (iii) functional systems for 100% physical verification of HVDS assets with information recorded in MSEDCL's enterprise resource planning system; and
 - (c) enhancing customer awareness on HVDS, and efficient use of electricity in the rural areas through
 - (i) establishment of an operational HVDS monitoring dashboard which records information on the Program related to agriculture customer connections, sales, meter data, voltage variations, and transformer failure rates; and

- (ii) provision of periodic updates on processing of HVDS connections to approximately 156,000 customers (including women).

3. The Program is expected to be completed by 31 March 2022.

SCHEDULE 2**Amortization Schedule**

1. The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date (Installment Share). If the proceeds of the Loan shall have been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined by ADB by multiplying (a) the total principal amount of the Loan withdrawn and outstanding as of the first Principal Payment Date; by (b) the Installment Share for each Principal Payment Date, such repayment amount to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.

Date Payment Due	Installment Share (Expressed as a %)
15 October 2025	3.333333
15 April 2026	3.333333
15 October 2026	3.333333
15 April 2027	3.333333
15 October 2027	3.333333
15 April 2028	3.333333
15 October 2028	3.333333
15 April 2029	3.333333
15 October 2029	3.333333
15 April 2030	3.333333
15 October 2030	3.333333
15 April 2031	3.333333
15 October 2031	3.333333
15 April 2032	3.333333
15 October 2032	3.333333
15 April 2033	3.333333
15 October 2033	3.333333
15 April 2034	3.333333
15 October 2034	3.333333
15 April 2035	3.333333
15 October 2035	3.333333
15 April 2036	3.333333
15 October 2036	3.333333
15 April 2037	3.333333
15 October 2037	3.333333

Date Payment Due	Installment Share (Expressed as a %)
15 April 2038	3.333333
15 October 2038	3.333333
15 April 2039	3.333333
15 October 2039	3.333333
15 April 2040	3.333343
Total	100.000000

2. If the proceeds of the Loan shall not have been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined as follows:

- (a) to the extent that any proceeds of the Loan shall have been withdrawn as of the first Principal Payment Date, the Borrower shall repay the amount withdrawn and outstanding as of such date in accordance with paragraph 1 of this Schedule;
- (b) any withdrawal made after the first Principal Payment Date shall be repaid on each Principal Payment Date falling after the date of such withdrawal in amounts determined by ADB by multiplying the amount of each such withdrawal by a fraction, the numerator of which shall be the original Installment Share specified in the table in paragraph 1 of this Schedule for said Principal Payment Date (the Original Installment Share) and the denominator of which shall be the sum of all remaining Original Installment Shares for Principal Payment Dates falling on or after such date, such repayment amounts to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.

3. Withdrawals made within 2 calendar months prior to any Principal Payment Date shall, for the purposes solely of calculating the principal amounts payable on any Principal Payment Date, be treated as withdrawn and outstanding on the second Principal Payment Date following the date of withdrawal and shall be repayable on each Principal Payment Date commencing with the second Principal Payment Date following the date of withdrawal.

4. Notwithstanding the provisions of paragraphs 1 and 2 of this Schedule, upon a Currency Conversion of all or any portion of the withdrawn principal amount of the Loan to an Approved Currency, the amount so converted in said Approved Currency that shall be repayable on any Principal Payment Date occurring during the Conversion Period, shall be determined by ADB by multiplying such amount in its currency of denomination immediately prior to said Conversion by either: (a) the exchange rate that reflects the amounts of principal in said Approved Currency payable by ADB under the Currency Hedge Transaction relating to said Conversion; or (b) if ADB so determines in accordance with the Conversion Guidelines, the exchange rate component of the Screen Rate.

5. If the principal amount of the Loan withdrawn and outstanding from time to time shall be denominated in more than one Loan Currency, the provisions of this Schedule shall apply separately to the amount denominated in each Loan Currency, so as to produce a separate amortization schedule for each such amount.

SCHEDULE 3

Allocation and Withdrawal of Loan Proceeds

General

1. Except as set out in this Schedule or as ADB may otherwise agree, the Loan proceeds shall be disbursed in accordance with the Loan Disbursement Handbook, and detailed arrangements agreed upon between ADB and the Borrower.

Deposit Account

2. Prior to submitting the first application to ADB for withdrawal from the Loan Account, the Borrower shall cause the EA to establish the Deposit Account for the Program into which all withdrawals from the Loan Account shall be deposited.

3. The Borrower shall cause the EA to maintain separate records in respect of the Deposit Account in accordance with accounting principles acceptable to ADB.

Basis for Withdrawal from the Loan Account

4. (a) The Table sets out the Loan amounts allocated for withdrawal in respect of a DLI upon the Borrower's achievement of the corresponding DLI targets as set out in the DLI Matrix. The years set out in the Table are indicative. They do not restrict withdrawal on account of any DLI targets achieved whether ahead of, or later than, the indicated year, provided that such DLI targets are achieved on or before the Program Completion Date.

(b) ADB may, in consultation with and by notice to the Borrower and the EA, reallocate the Loan amounts set out in the Table within the same DLI or from one DLI to any other DLI.

5. Prior to submitting any application for withdrawal from the Loan Account in respect of a DLI, the Borrower shall cause the EA to submit to ADB in accordance with the DLI Verification Protocol satisfactory evidence showing that: (a) such DLI has been fully achieved; or (b) for a DLI for which partial disbursement is allowed, such DLI has been achieved to the extent required for partial disbursement under the DLI Verification Protocol. Upon ADB's confirmation that the DLI has been achieved in full or in part, the Borrower may submit to ADB an application for withdrawal of the corresponding Loan amount for such DLI.

Advance Financing and Financing for Prior Results

6. (a) Prior to the achievement of the DLIs, the Borrower may withdraw from the Loan Account an advance financing amount for the purposes of meeting the Program's financing requirements and supporting the achievement of such DLIs, provided that the outstanding advance financing amount shall not, at any time, exceed 20% of the Loan amount. ADB shall deduct the outstanding advance financing amount, or any portion thereof, from the Loan proceeds to be disbursed upon achievement of the DLIs.

(b) The Borrower may withdraw from the Loan Account for DLIs achieved prior to the Effective Date but not earlier than 12 months before the date of this Loan

Agreement, provided that the aggregate of such withdrawals for prior results shall not exceed 20% of the Loan amount.

(c) The aggregate of the outstanding advance financing amount and the amount withdrawn for financing for prior results under subparagraphs (a) and (b) hereinabove shall not, at any time, exceed 30% of the Loan amount.

Reconciliation

7. If any DLI has not been achieved by the Program Completion Date, the Borrower shall, within 6 months of the Program Completion Date, provide a refund to ADB for any outstanding advance financing amount or part thereof for such DLI.

8. If the total Eligible Expenditures amount to less than the Loan amount withdrawn by the Borrower, the Borrower shall provide a refund to ADB for an amount equal to the extent of the shortfall within 6 months of the Program Completion Date.

TABLE

ALLOCATION AND WITHDRAWAL OF LOAN PROCEEDS (\$ million)									
Disbursement -Linked Indicators (DLI)	Total ADB Financing Allocation	Target Values of Results Indicators							
		Financing for Prior Results	Apr. 2020 – Jun. 2020	Jul. 2020 - Sep. 2020	Oct. 2020 - Dec. 2020	Jan. 2021 – Mar. 2021	Apr. 2021 – Jun. 2021	Jul. 2021 – Sep.2021	Oct.2021- Dec 2021
DLI 1	69.2	0	17.300	17.300	17.300	17.300	0	0	0
DLI 2	51.9	0	12.975	12.975	12.975	12.975	0	0	0
DLI 3	51.9	0	12.975	12.975	12.975	12.975	0	0	0
DLI 4	69.2	28.833	13,308	4.436	8.872	8.872	4.879	0	0
DLI 5	34.6	14.047	6.654	2.218	4.436	2.957	4.288	0	0
DLI 6	17.3	0	1.430	1.430	2.860	2.860	2.860	2.145	3.717
DLI 7	17.3	0	4.325	4.325	4.325	4.325	0	0	0
DLI 8	34.6	0	34.600	0	0	0	0	0	0
Total	346.0	42.880	103.566	55.659	63.742	62.264	12.027	2.145	3.717

DLI MATRIX

Results Indicators	DLI (yes/no)	Baseline Value & Unit	Baseline Year	Target Values of Results Indicators							Oct.2021-Dec 2021
				Prior Results	Apr 20 -Jun 20	Jul 20 - Sep 20	Oct 20 - Dec 20	Jan 21 -Mar 21	Apr 21 - Jun 21	Jul 21 - Sep 21	
Outcome											
1. Agricultural customers are effectively metered and billed a usage-based energy charge for utilization of the HVDS network ¹ (%).	DLI1	NA%	2018		>60%	>60%	>70%	>70%			
2. Improved power reliability for agricultural customers with less interruptions. Distribution failure rate for HVDS lower than 8%.	DLI2	12%	2018		<8%	<8%	<8%	<8%			
3. Improved power quality for agricultural customers. Voltage drop for HVDS-connected agricultural customers not more than 6% (MERC voltage regulation) ² .	DLI3	15%	2018		<+/-6%	<+/-6%	<+/-6%	<+/-6%			
4. Reduction in greenhouse gas emissions by 130,000 tCO ₂ equiv./year compared to conventional low voltage distribution grid.	No	0 tCO ₂ equ/year	2018							130,000 (FY 21-22)	
Output											
5. Increase in number of new agriculture electricity connections in rural Maharashtra through metered HVDS by 156,000 by 2021.	DLI4	0 / nos	2018	65,000	30,000	10,000	20,000	20,000	11,000		
6. Increase in number of commissioned HVDS distribution transformers by 132,600 for farmers' electricity consumption in rural Maharashtra.	no	0 / nos	2018	54,600	25,000	9,000	16,500	16,500	11,000		
7. Increase in length of 11kV distribution lines for new agriculture electricity connections in rural Maharashtra through metered HVDS by 46,800 km. by 2021.	DLI5	0 / km	2018	19,000	9,000	3,000	6,000	4,000	5,800		

¹ No. of connections metered and billed a usage-based energy charge at least once during the 3-month period out of the total no. of pump set connections issued under the HVDS program.

² Maharashtra Electricity Regulatory Commission (Standards of performance of distribution licensee, period for giving supply and determination of compensation), Regulation 2014. Measured at customer end at the day after commissioning of distribution transformer (DTR). The measured voltage would be then compared against system voltage of 440 voltage as stipulated in the Regulation. It would be done on a sample no. of HVDS customers in each circle. (10 customers/circle every quarter).

Attachment 2 to Schedule 3

8. Addition of new 33/11kV substations, augmentation/upgradation of existing 33/11 kV distribution substations by 121 in rural Maharashtra to improve upstream network capacity for agriculture HVDS.	DLI6	0 / nos	2018		10	10	20	20	20	15	26
9. Increase in institutional capacity with number of MSEDCL staff (including all interested and eligible women) that demonstrate knowledge and skills on operations, maintenance and monitoring of HVDS for agriculture customers by 1,000.	DLI7	0 / nos.	2018		250	250	250	250			
10. E-procurement audits conducted annually.	no	no	2018	yes			yes			yes	
11. 100% physical fixed asset verification for HVDS program.	no	no	2018	yes	yes	yes	yes	yes	yes	yes	
12. 100% metering of agricultural customers on HVDS.	no	0	2018	yes	yes	yes	yes	yes			
13. HVDS monitoring dashboard to monitor farmer supply parameters created and operational Monitoring of performance indications (No. of connections, Sales in MU, voltage variations, transformer failure, staff trained, safeguard reports prepared etc.)	DLI8	no	2018		yes						
14. At least 1 agricultural feeder with 100% HVDS and energy efficient irrigation equipment pilot tested in rural Maharashtra.	no	0	2018					yes			
15. At least 500 agriculture customers (including all interested and eligible women) on the feeder reported increased awareness on HVDS with efficient use of electricity and water in rural Maharashtra.	no	0	2018		125	125	125	125			
16. Customers who have applied for HVDS receive periodic updates on their connection status, billing.	no			yes	yes	yes	yes	yes	yes	yes	

SCHEDULE 4

Execution of Program

Implementation Arrangements

1. The Borrower, the State and the EA shall ensure that the Program is implemented in accordance with the detailed arrangements set forth in the PID. Any subsequent change to the PID shall become effective only after approval of such change by the Borrower, the State, EA and ADB. In the event of any discrepancy between the PID and this Loan Agreement, the provisions of this Loan Agreement shall prevail.

2. (a) The Borrower shall ensure or cause the EA to ensure towards smooth implementation of the Program, that grievances if any from stakeholders, relating to Program implementation or use of funds are addressed effectively and efficiently.

(b) The Borrower shall ensure or cause the State and the EA to ensure compliance with all the requirements and obligations in their part as included in this Loan Agreement and the Program Agreement to meet the objectives of the Program in a timely and efficient manner.

3. The Borrower shall cause the EA to ensure that the amount of Eligible Expenditures under the Program for any Fiscal Year is equal to or exceeds the Loan proceeds withdrawn by the Borrower in the same Fiscal Year. Such Eligible Expenditures are part of the expenditures incurred under PFA, but they exclude any expenditures for (a) procurement of works, goods and services from countries which are not members of ADB; (b) procurement of works, goods and services from persons or entities debarred or suspended by ADB; (c) procurement involving High-Value Contracts; (d) any activities which are classified as category A for environmental impact under the SPS; and (e) any activities which are prohibited investment activities provided in Appendix 5 of the SPS.

DLI Compliance and Program Dialogue

4. The Borrower shall ensure, or cause the State and the EA to ensure, that all DLIs achieved under the Program continue to be complied with for the duration of the Program.

5. The Borrower and State shall keep ADB informed of discussions with other multilateral or bilateral aid agencies that may have implications for the implementation of PFA and shall provide ADB with an opportunity to comment on any resulting proposals. The Borrower shall give due consideration to ADB's views before finalizing and implementing any such proposal.

Technical Requirements

6. The Borrower shall ensure, or cause the EA to ensure, that all Program Actions in the area of technical requirements are implemented in a timely and efficient manner.

Financial Management

7. The Borrower shall ensure, or cause the EA to ensure, that all Program Actions in the area of financial management are implemented in a timely and efficient manner.

Procurement

8. The Borrower shall ensure, or cause the EA to ensure, that each contract under the Program is awarded on the basis of the Program's procurement system, consistent with procurement principles of ADB Procurement Policy, having due regard for principles of competition, economy and efficiency, transparency, and fairness and equal opportunity.

9. The Borrower shall ensure, or shall cause the EA to ensure, that all Program Actions in the area of procurement are implemented in a timely and efficient manner.

Environmental and Social Safeguards

10. The Borrower shall ensure or cause the EA to ensure that all Program Actions in the area of environmental and social safeguards are implemented in a timely and efficient manner.

11. (a) The Borrower shall ensure, or cause the EA to ensure, that no construction or rehabilitation works under the Program involve environmental impacts that may be classified as category A under the SPS. Prior to commencing any construction or rehabilitation works under the Program, the Borrower shall conduct, or cause the EA to conduct, a screening to ensure that any works that may be classified as category A for environment impacts within the meaning of SPS are excluded from the Program.

(b) The Borrower shall ensure, or cause the EA to ensure, that the preparation, design, construction, implementation, operation and decommissioning of all activities under the Program comply with (i) all applicable laws, regulations and guidelines of the Borrower and the State relating to environment, health and safety; (ii) the Environmental Safeguards; and (iii) all measures and requirements, including monitoring requirements set forth in the Program Action Plan.

12. The Borrower shall ensure, or cause the EA to ensure, that the preparation, design, construction, implementation, operation and decommissioning of all activities under the Program comply with (a) all applicable laws and regulations of the Borrower and the State relating to resettlement; (b) Involuntary Resettlement Safeguards; and (c) all measures and requirements, including monitoring requirements set forth in the Program Action Plan.

13. The Borrower shall ensure or cause the EA to ensure that the Program does not involve any indigenous people risks or impacts within the meaning of the SPS. If due to unforeseen circumstances, the Program involves any such impacts, the Borrower shall ensure or cause the EA to ensure that the Program complies with (a) all applicable laws and regulations of the Borrower and State relating to indigenous peoples; (b) Indigenous Peoples Safeguards; and (c) all measures and requirements, including monitoring requirements set forth in the Program Action Plan.

Gender and Social Equality

14. The Borrower shall ensure, or cause the EA to ensure, that all Program Actions in the area of gender equality and social inclusion are implemented in a timely and efficient manner.

Governance and Anticorruption

15. The Borrower shall ensure and cause the State and EA to ensure that the Program complies with the Anticorruption Guidelines and that all appropriate and timely measures are taken to prevent, detect and respond to allegations of fraud, corruption or any other prohibited activities relating to the Program in accordance with the Anticorruption Guidelines.

16. The Borrower shall cause the State and EA to (a) promptly inform ADB of any allegations of fraud, corruption or any other prohibited activities relating to the Program; and (b) cooperate fully with any investigation by ADB on such allegations and extend all necessary assistance, including providing access to all relevant records, for satisfactory completion of such investigation, and as included in the PID.

17. The Borrower shall cause the EA to update, within 90 days of the Effective Date, its public website to (a) provide information on progress of the Program; (b) post the annual audited financial statements for the Program, as such financial statements become available; and (c) disseminate other relevant information on Program implementation.