

YSR Steel Corporation Limited
(Formerly known as AP High Grade Steels Limited)

ADDENDUM NO. 2

Date: December 4, 2020

YSR Steel Corporation Limited's ("YSRSCL") request for proposal No. 61/YSRSCL/RFP/2020 dated November 16, 2020, for selection of a JV Partner for development and operation of a steel plant in YSR (Kadapa) District, Andhra Pradesh, India ("RFP").

Pursuant to the provisions of the RFP including Clause 2.9.1 of the RFP, YSRSCl hereby further amends the RFP *vide* this Addendum No. 2, as under:

S No.	Clause Reference	Existing Provision (being amended)	Revised Provision
1.	1.5.4(a)(i)	compulsorily acquire, at least 51% (fifty one percent) of the subscribed and paid-up equity share capital (without accounting for quasi-equity instruments) of the JVC on or prior to the COD, at par ("Tranche 1 Purchase");	compulsorily acquire, at least 51% (fifty one percent) of the subscribed and paid-up equity share capital (without accounting for quasi-equity instruments) of the JVC on or prior to the COD, at par or the minimum price stipulated under Applicable Law, whichever is higher ("Tranche 1 Purchase");
2.	1.5.4(b)	To the extent that YSRSCl infuses capital into the JVC through quasi-equity instruments, based on the Proposal submitted by the JV Partner, the JV Partner shall ensure that the JVC redeems such quasi-equity instruments in cash (taking into account the principal along with any unpaid and/or accrued interest) any time prior to the 7th anniversary of COD (whether at once or in multiple tranches). In the event that the aforesaid quasi-equity instruments held by YSRSCl are not redeemed by YSRSCl in accordance with this Clause 1.5.4 (b), the JV Partner shall be required to acquire such quasi-equity held by YSRSCl at book value.	To the extent that YSRSCl infuses capital into the JVC through quasi-equity instruments, based on the Proposal submitted by the JV Partner, the JV Partner shall ensure that the JVC redeems such quasi-equity instruments in cash (taking into account the principal along with any unpaid and/or accrued interest) any time prior to the 7th anniversary of COD (whether at once or in multiple tranches). In the event that the aforesaid quasi-equity instruments held by YSRSCl are not redeemed by YSRSCl in accordance with this Clause 1.5.4 (b), the JV Partner shall be required to acquire such quasi-equity held by YSRSCl at book value or the minimum price stipulated under Applicable Law, whichever is higher.
3.	2.1.1 A (New Clause)	N.A.	For the avoidance of any doubt, it is clarified that the last date for completion of Project Registration shall be the same as the last date for receiving queries (as set out in Clause 1.3 of the RFP, as may be modified/amended by YSRSCl).
4.	Appendix-4 S No. 8 Note 1	It is considered that the redemption of the quasi-equity is done at par on COD+7 Years.	It is considered that the redemption of the quasi-equity is done at book value or the minimum price stipulated under Applicable Law, whichever is higher, on COD+7 Years.

5.	Appendix-5 Annexure H Note 1	It is considered that the redemption of the quasi-equity is done at par on COD+7 Years.	It is considered that the redemption of the quasi-equity is done at book value or the minimum price stipulated under Applicable Law, whichever is higher, on COD+7 Years.
6.	Appendix-8 4(A)(iv)(a)(I)	compulsorily acquire, at least 51% (fifty one percent) of the subscribed and paid-up equity share capital (without accounting for quasi-equity instruments) of the JVC on or prior to the COD, at par (“ Tranche 1 Purchase ”);	compulsorily acquire, at least 51% (fifty one percent) of the subscribed and paid-up equity share capital (without accounting for quasi-equity instruments) of the JVC on or prior to the COD, at par or the minimum price stipulated under Applicable Law, whichever is higher (“ Tranche 1 Purchase ”);
7.	Appendix-8 4(A)(iv)(b)	To the extent that YSR SCL infuses capital into the JVC through quasi-equity instruments, based on the Proposal submitted by the JV Partner, the JV Partner shall ensure that the JVC redeems such quasi-equity instruments in cash (taking into account the principal along with any unpaid and/or accrued interest) any time prior to the 7th anniversary of COD (whether at once or in multiple tranches). In the event that the aforesaid quasi-equity instruments held by YSR SCL are not redeemed by YSR SCL in accordance with this paragraph 4(A)(iv)(a)(II), the JV Partner shall be required to acquire such quasi-equity held by YSR SCL at book value.	To the extent that YSR SCL infuses capital into the JVC through quasi-equity instruments, based on the Proposal submitted by the JV Partner, the JV Partner shall ensure that the JVC redeems such quasi-equity instruments in cash (taking into account the principal along with any unpaid and/or accrued interest) any time prior to the 7th anniversary of COD (whether at once or in multiple tranches). In the event that the aforesaid quasi-equity instruments held by YSR SCL are not redeemed by YSR SCL in accordance with this paragraph 4(A)(iv)(b), the JV Partner shall be required to acquire such quasi-equity held by YSR SCL at book value or the minimum price stipulated under Applicable Law, whichever is higher.
8.	1.5.3 (g)	New Clause	The following documents are shared through the link https://aphighgradesteels-my.sharepoint.com/:f:/p/info/EsL8r6MZAIIFpElttXPixFcBr5tKuNBKuAMcfETRO5JICw?e=DPaah7 and will form the part of RFP <ol style="list-style-type: none"> 1. YSR SCL-ProjectSite_TopographicMap. 2. YSR SCL-Geotechnical Investigation Summary. 3. YSR SCL-Boundary. 4. MOU between NMDC and YSR SCL 5. AP Industrial Development Policy 2020 - 2023

For and on behalf of **YSR Steel Corporation Limited**

Sagili Shan Mohan, IAS
Managing Director