

# **Draft Supplementary Power Purchase Agreement**

**Between**

**Paschimanchal Vidyut Vitran Nigam Ltd.**

**(“Procurer 1”)**

**and**

**Poorvanchal Vidyut Vitran Nigam Ltd.**

**(“Procurer 2”)**

**and**

**Madhyanchal Vidyut Vitran Nigam Ltd.**

**(“Procurer 3”)**

**and**

**Dakshinanchal Vidyut Vitran Nigam Ltd.**

**(“Procurer 4”)**

**and**

**M/s Himavat Power Pvt. Ltd.**

**(“Seller”)**

**This Supplementary Power Purchase Agreement is made on the**

**---th day of -----, 2015**

Between

(1) **Paschimanchal Vidyut Vitran Nigam Ltd**, a company incorporated in India and registered under the Companies Act, 1956, having its registered office at Victoria Park Meerut-250001 (Hereinafter referred to as "**Procurer 1**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include their respective successors, nominees and permitted assigns); and

(2) **Poorvanchal Vidyut Vitran Nigam Ltd**, a company incorporated in India and registered under the Companies Act, 1956, having its registered office at Vidyut Nagar, P.O. DLW, Varanasi-2201010 (Hereinafter referred to as "**Procurer 2**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include their respective successors, nominees and permitted assigns); and

(3) **Madhyanchal Vidyut Vitran Nigam Ltd**, a company incorporated in India and registered under the Companies Act, 1956, having its registered office at 4A, Gokhale Marg, Lucknow-226001 (Hereinafter referred to as "**Procurer 3**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include their respective successors, nominees and permitted assigns); and

(4) **Dakshinanchal Vidyut Vitran Nigam Ltd**, a company incorporated in India and registered under the Companies Act, 1956, having its registered office at Urja Bhawan, NH2, Sikandra, Agra (Hereinafter referred to as **“Procurer 4”**, which expression shall, unless repugnant to the context or meaning thereof, be deemed to include their respective successors, nominees and permitted assigns)

**THROUGH**

**UTTAR PRADESH POWER CORPORATION LIMITED (“UPPCL”)** a company incorporated in India and registered under the Companies Act, 1956, having its registered office at Shakti Bhawan, 14, Ashok Marg, Lucknow, U.P duly authorised by each of the above Procurers to enter into this

Agreement on their behalf

(The **“Procurer1”**, **“Procurer 2”**, **“Procurer 3”** and **“Procurer 4”** are (hereinafter collectively referred to as the **“Procurers”** and individually as a **“Procurer”**)

And

M/s Himavat Power Private Limited (the **“Seller”**), a company incorporated in India and registered under the Companies Act, 1956, having its registered office at 397, Udyog Vihar Phase-3, Gurgaon-122016

(each of the **“Procurer 1”**, **“Procurer2”**, **“Procurer 3”**, **“Procurer4”** and or **“Procurers”** and **“Seller”** are individually referred as **“Party”** and collectively to as the **“Parties”**)

**WHEREAS:**

- A-** Power Purchase Agreement Dated 14-12-10 was signed between the aforesaid Parties for purchase of 90% Saleable Energy from 1320 MW Thermal Power Generating Plant situated at Bhognipur Phase-I, Distt. Kanpur Dehat (UP), in accordance with GoUP Energy Policy-2009 (as amended) issued by Department of Energy, GoUP.
- B-** In accordance with Article-3.1 under **“conditions subsequent to be satisfied by the seller and the procurers.”** of aforesaid PPA, the seller was required to perform and complete the various prescribed activities within 18 months from the effective date of PPA.
- C-** On the request of seller, GoUP vide order dated 8-6-12 have accorded permission on the extension of time limit for a period of 18 months or as requested by the seller (whichever is lesser) but with the condition that additional IDC on account of above extension shall not be admissible to the seller.
- D-** On the request of seller for extension of time to fulfill conditions subsequent mainly in respect of obtaining coal linkage and financial closure (the interlinked conditions), GoUP vide its order dated 09-12-13 giving last chance, have accorded permission on extension

of time limit for a further period of 18 months but with the conditions as stipulated therein as per said order.

- E- UPPCL on behalf of Procurers and the Seller have mutually agreed to this Supplementary Agreement in respect of Generating Plant being set up and the same has been duly approved by UPERC vide its Order dated....., a copy of which is annexed hereto as Annexure-1

NOW, THEREFORE, in consideration of the foregoing and respective covenants and agreements set forth in this PPA and other consideration, the receipt, sufficiency and adequacy of which is hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

- 1- The time period for fulfillment of conditions subsequent under Article-3.1 of PPA is now extended and shall now be 18 months with effect from the date of expiry of the previously extended period (14-12-13) as per GO dated 08-06-12.
- 2- The additional IDC in the project cost due to this extension shall not be admissible in the cost.
- 3- The additional Bank guarantee equivalent to 50% of original Bank guarantee value shall be submitted. The validity of original Bank Guarantee earlier submitted and additional Bank guarantee shall kept equal to the presently extended period.
- 4- In case, the generation from power project is not started by the time power evacuation system becomes ready, the seller will be legally responsible and liable to pay entire transmission tariff to transmission contractor and a legal agreement will be signed with your company / promoter separately to this effect

All other terms and conditions of PPA dated 14-12-10 shall remain unaltered.

IN WITNESS WHEREOF the Parties have executed these presents through their authorized representatives at Lucknow.

For and on behalf of

For and on behalf of

[Procurers]

[THE Seller]

\_\_\_\_\_

\_\_\_\_\_

Signature with seal

Signature with seal

Witness:

1.

2.

Witness:

1.

2.

BEFORE THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION LUCKNOW

PETITION No.

In the matter of: Approval of Supplementary PPA for Bhognipur Phase-I Thermal Power Project (2x660 MW) under clause -126 of UPERC (Conduct of Business ) Regulation 2004.

In the matter of:

U.P Power Corporation Ltd

14 –Ashok Marg

Lucknow.....

Petitioner

M/s Himavat Power Private Limited

397 , Udyog Vihar Phase-3 ,..... Respondent

Gurgaon-122016

The undersigned is presently posted as Ex. Chief Engineer, Power Purchase Agreement Directorate, U.P Power Corporation Limited, Shakti Bhawan , Lucknow and has been authorized to file the present petition.

**It is most humbly prayed by the Petitioner :-**

- 1- That , in compliance to the GoUP Energy Policy -2009 , a MOU dated 25-08-10 was signed in between Promoter M/s Ianco Infrateck Ltd and GoUP for setting up 2x660 MW Thermal Project at Bhognipur in Distt.Kanpur Dehat. Subsequently as per the approval by UPERC vide its order dated 18-11-10, a Power Purchase Agreement for purchase of 90% power generated from this project was signed by UPPCL on behalf of DISCOM on 14-12-10
- 2- That , the Cl. No. (3.1.2 ) of the aforesaid PPA provides certain conditions which are required to be fulfilled by the Developer within 18 months from signing of PPA unless such completion is affected due to Procurers failure to comply with their obligations or by Force Majeure event or if any of the activities is specifically waived by the Procurers. This clause further provides at Cl (3.3.4) that any extension/ increase in time period shall lead equal increase in the period of Bank Guarantee and new scheduled COD will be decided with the approval of the Commission.
- 3- That, the developer vide their letter dated 07-10-13 stated that they have complied with all the conditions of Cl. 3.1.2 of PPA excepting the coal linkage & financial closure. As the time extension permitted vide GoUP order dated 08-06-12 was expiring by 14-12-13, they may be allowed further time upto Dec 15 for fulfillment of condition subsequent as per Cl 3.1.2.
- 4- That , GoUP vide its order dated 09-12-13 (copy enclosed ) have permitted the time extension for another 18 months with the conditions stipulated therein . The Developer have accepted the conditions and have also agreed to the draft supplementary PPA which is enclosed herewith.
- 5- That, GoUP in its order dated 09-12-13 have laid one of the condition that counting of COD will be with effect from achieving financial closure or from the date of coal linkage whichever is earlier. However UPERC while permitting the first time extension have mentioned at para-7 (d) of order dated 03-11-14 that the start date or zero date shall mean the date indicated in the investment approval for commencement of implementation of project and where no date has been indicated, the date of investment approval shall be deemed to be start date or zero date. Considering that the provisions of GoUP order are subject to approval by the Hon'ble commission, the aforesaid condition as laid in GoUP order has not been incorporated in the proposed supplementary PPA.
- 6- That , due to extreme delay in submission of additional BG of 50% of Rs 33 Cr. on dated 11-01-15, it is requested that delay in filing the Petition may kindly be condoned.

In view of the foregoing paragraphs, the Commission is requested to approve the draft supplementary PPA and /or otherwise pass the appropriate directions so that the same may be finally signed with the Company.

(S.P. Pandey)  
Ex.Chief Engineer (PPA)

**VERIFICATION**

I, the above deponent, do hereby verify that the contents of this affidavit are true to my knowledge and belief, no part of it is false and nothing material has been concealed.

Signed and verified this \_\_\_\_\_

(S.P. Pandey)  
Ex.Chief Engineer (PPA)



