



उत्तर प्रदेश UTTAR PRADESH

EK 175692




**AMENDED POWER PURCHASE AGREEMENT
BETWEEN
GALLANTT ISPAT LIMITED, GORAKHPUR, UP
AND
UP POWER CORPORATION LIMITED, LUCKNOW**

THIS AMENDED AGREEMENT is made this 13 day of SEP 18 (hereinafter called the Effective Date), by and between M/s Gallantt Ispat Limited registered under the Company's Act 1956 and having its registered office at 1, Crooked Lane, Room No. 222 & 223, 2nd Floor, Kolkata-700069 hereinafter called the "Generating Company", which expression shall, unless repugnant to the context or meaning thereof, include its successors and assignees as party of the first part and Purvanchal Vidyut Vitran Nigam Ltd., Vidyut Nagar, PO DLW, Varanasi-221004 a Company registered under the Company's Act, 1956, having its Registered Office at hereinafter called "DISCOM", which expression shall, unless repugnant to the context or meaning thereof, include its successors and assignees as party of the second part

WHEREAS DISCOM is a distribution licensee operating in the State of Uttar Pradesh and has license to supply power in earmarked part of the State.




(V.K. ASTHANA)
Chief Engineer (P.P.A)
U.P. Power Corporation Ltd.
Bhawan Extension
Lucknow

AND WHEREAS:

- A. Pursuant to authorization provided by DISCOM in its Board of Director Meeting held on 24-8-05 and subsequently on 20-7-10, A Power Purchase Agreement dated 06-03-2018 was signed by UP Power Corporation Ltd on behalf of DISCOM with M/s Gallantt Ispat Limited, for purchase of upto 12.5 MW surplus power from its Generating plants of 35 MW (22.5 MW +12.5 MW) biomass (Rice Husk) based plant (more particularly described in **Annexure-I** attached hereto and make a part here of) situated at Plot No. AL - 5, Sector-23, GIDA, Industrial Area, Tehsil- Sahjanwa, Distt. Gorakhpur (U.P.) for 20 years.
- B. The above instant PPA has been approved by UPERC by its order dated 05-04-2018 as below, *"Since UPPCL has opted for bidding for discovery of competitive tariff, the Commission has no objection in approving the instant PPA on the conditions mentioned in the submitted PPA".(Annexure-II)*
- C. The aforesaid PPA provides at Cl. (2.1) that DISCOM shall accept and purchase upto 12.5 MW from aggregate installed capacity of 35 MW (22.5 MW+12.5 MW) of power made available by the Generating Plant's Biomass (Rice Husk) based generation in accordance with the terms and conditions of this Agreement, at the tariff as given below :-
- i). "Tariff for the Biomass Plant shall provisionally be Rs. 5.56/kWh, while the final tariff applicable from the date of signing of PPA shall be L-1 (lowest) tariff discovered through competitive bidding process for Biomass energy, which shall be concluded by UPPCL before 30th June, 2018".
- ii). In case bidding is not conducted by June, 2018, both parties would have option to exit or continue at rate decided with mutual consent.
- iii). In the event of delay in commissioning due to power evacuation system on either end or due to any reason not attributable to UPPCL, UPPCL shall not be liable to pay any increased tariff or deemed energy to the generating company.
- D. Subsequently a tender (05-2018/UPPCL) was floated by UPPCL for purchase of biomass based power and financial bid was opened on dated 23-04-2018 but due to technical reasons, tender was annulled by UPPCL
- E. Consequent upon annulment of tender a negotiation was made with M/s Gallantt Ispat Limited, Gorakhpur in response to provision in PPA [Cl. 2.1(b)]. In furtherance to negotiation the Generating Company & UPPCL has mutually agreed to this agreement and also agreed to tariff for 12 years (as per table given in clause 2) in respect of company generating plant being setup at AL - 5, Sector-23, GIDA, Industrial Area, Tehsil- Sahjanwa, Distt. Gorakhpur (U.P.)



(Signature)
Chief Engineer (P.P.A)
U.P. Power Corporation Ltd.
Shakti Bhawan Extension
Lucknow

- F. Unless terminated by default this agreement shall be valid till the expiry of 12 years from the date of the commissioning of the plant.

Now therefore, in view of foregoing premises and mutual agreements, covenants and conditions set forth herein, it is hereby agreed by and between the parties as follows:

- 1- DISCOM shall accept and purchase upto 12.5 MW from aggregate installed capacity of 35 MW (22.5 MW+12.5 MW) of power made available by the Generating Plant's Biomass (Rice Husk) based generation in accordance with the terms and conditions of this Agreement and at the rate pattern mutually agreed by both parties has confirmed and consented that they are giving its acceptance for the first year tariff Rs. 5.56 per unit and Levelised tariff rate of Rs. 6.19 per unit for supply of power, from its Biomass based power plant of 35 MW, from its exportable capacity of 12.5 MW and shall make it operational by October 2018. Initial term of PPA shall be 12 years and the tariff stream is given below for the levelised tariff of Rs. 6.19 per unit for a period of 12 years. Upon mutual consent between the parties the PPA may be further extended for total term of 20 years at tariff decided mutually by both the parties.

- 2- The tariff stream mutually agreed by both parties is described here as below:-

Levelised Tariff stream													
Per Unit Cost of Generation	Unit	1	2	3	4	5	6	7	8	9	10	11	12
Fixed COG	Rs/kWh	2.15	2.04	1.94	1.84	1.74	1.65	1.57	1.49	1.41	1.34	1.27	1.21
Variable COG	Rs/kWh	3.41	3.61	3.81	4.03	4.26	4.51	4.77	5.04	5.33	5.64	5.96	6.31
Total COG	Rs/kWh	5.56	5.65	5.75	5.87	6.00	6.16	6.34	6.53	6.74	6.98	7.23	7.52

- 3- In the event of delay in commissioning due to power evacuation system on either end or due to any reason not attributable to UPPCL, UPPCL shall not be liable to pay any increased tariff or deemed energy to the generating company. In other words, the 1st year tariff shall remain Rs. 5.56 per unit irrespective of any delay in commissioning of plant.
- 4- The Generating plant shall ensure installation of ABT meters at the grid substation of STU and the submission of DC on the regular basis through login UPSLDC website (www.esss.upsldc.org).



(V.K.ASTHANA)
Chief Engineer (P.P.A.)
U.P. Power Corporation Ltd.
Shakti Bhawan Extension
14, Ashok Marg, Lucknow

- 5- It is mutually agreed that both the parties shall have the right to terminate the Agreement by serving three month notice on the other.
- 6- In case of no power supplied, there will be no penalty applicable subject to condition that the supply of electricity by the Generating plant shall be governed by instructions from the SLDC as per the provisions of the UP Electricity Grid Code as amended from time to time. Consequent upon no power supply by generating company then there shall be no financial liability upon UPPCL.

All other Terms and conditions of PPA dated 06-03-2018 followed by this amendment (collectively called "Agreement") alongwith UPERC/ UPPCL order from time to time shall apply.

The above Amended PPA is subject to approval by UPERC.

IN WITNESS:

WHEREOF, UPPCL and the Generating Plant have executed this Amended Power Purchase Agreement as of the 13 Day of Sept in the year 2018.

FOR THE GENERATING PLANT:

NAME: Navneet Jindal

DESIGNATION: Manager (Com)

ADDRESS: Gallantt Ispat Limited
8th floor, Gallantt landmark,
Bank Road,
Distt. Gorakhpur (U.P)

WITNESSED BY:

NAME: Sanjay Sharma

DESIGNATION: GM Technical (ES)

ADDRESS: Gorakhpur

FOR DISCOM:

NAME: V. K. Asthana
(V.K. ASTHANA)
Chief Engineer (P.P.A)
U.P. Power Corporation Ltd.
Shakti Bhawan, Lucknow
14, Ashok Marg, Lucknow

ADDRESS: UPPCL, Shakti Bhawan

WITNESSED BY:

NAME:

DESIGNATION:

ADDRESS:

ANNEXURE- I**THE GENERATING COMPANY'S GENERATION FACILITIES****1. THE GENERATING PLANT:**


a. NAME:	M/s Gallantt Ispat Limited
b. LOCATION:	Gorakhpur, Uttar Pradesh
c. CHIEF EXECUTIVE:	Mr. Mayank Agarwal
d. CONTACT PERSON:	Mr. Navneet Jindal
e. MAILING ADDRESS:	AL-5 Sector 23, GIDA Industrial Area, Sahjanwa, District- Gorakhpur, Uttar Pradesh-273209
f. TELEPHONE NUMBER:	0551-2205175
g. FAX NUMBER:	0551-2205175
h. EMERGENCY TELEPHONE NUMBER:	9936213000

2. GENERATING EQUIPMENT:

a. BOILERS:	50 TPH AFBC Boiler
b. TURBO-GENERATOR SETS:	Stream Turbine set of 12.5 MW
c. CO-GENERATION VOLTAGE:	11 KV
d. SPEED:	9410/1500
e. TYPE OF GOVERNOR:	Electrical & Hydraulic (Make-Woodward)
f. TRANSFORMER:	15/17.5 MVA, ONAN Type (Make-RIMA)
g. FIRST SYNCHRONISATION (INITIAL OPERATION DATE)	October 2018
h. COMMERCIAL OPERATION DATE	October 2018

* Transmission Line 132 KV line connecting with 132 KV Sub-station GIDA, Gorakhpur of STU.




(V. K. RASTHANA)
Chief Engineer (P.P.A.)
U.P. Power Corporation Ltd.
Shakti Bhawan Extension
14, Ashok Marg, Lucknow



Uttar Pradesh Electricity Regulatory Commission

Kisan Mandi Bhawan, II Floor, Gomti Nagar, Lucknow-226010 Phone 2720426 Fax 2720423 E-mail secretary@uperc.org

Ref: UPERC/Secy/JD (G)/2018-007

Date: 05 April, 2018

1. M/s Gallant Ispat Limited,
Plot No. AL- 5, Sector – 23,
GIDA, Industrial Area,
Tehsil- Sahjanwa,
Distt. Gorakhpur (U.P.)
2. Chief Engineer (PPA),
UP Power Corporation Ltd.,
14th Floor, Shakti Bhawan Extn.,
14-Ashok Marg,
Lucknow

Please find enclosed herewith copy of the Commission's order dated 04.04.2018 in petition no. 1306 of 2018.

866

9.4.18

SE-II - R

Yours Sincerely,

(Sanjay Srivastava)
Secretary



[Handwritten signature]
9/4/18

[Handwritten signature]
(V.K. ASTHANA)
Chief Engineer (P.P.A)
U.P. Power Corporation Ltd.
Shakti Bhawan Extension
14 Ashok Marg, Lucknow



BEFORE
THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
LUCKNOW

Petition No.1306 of 2018

PRESENT:

1. Sri Suresh Kumar Agarwal, Chairman
2. Sri Kaushal Kishore Sharma, Member

IN THE MATTER OF : Approval of PPA for purchase of Rice Husk based power plant situated
in GIDA, Tehsil Sahajanwa, Distt. Gorakhpur

Petitioners:

The Chief Engineer (PPA),
U.P. Power Corporation Ltd.
14th Floor, Shakti Bhawan Extn.
14-Ashok Marg,
Lucknow

Respondents:

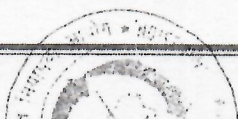
M/s Gallant Ispat Limited,
Plot No. AL-5, Sector-23,
GIDA, Industrial Area,
Tehsil-Sahjanwa,
Distt. Gorakhpur (U.P.)

In the presence of:

1. Sri C.P. Agarwal, M.D. Gallent Ispat Ltd.

ORDER
(Date of hearing 04.04.2018)

U.P. Power Corporation Ltd (UPPCL) has filed a Petition no.1306/2018 for approval of PPA for procurement of biomass power from Rice husk based 12.5 MW power plant situated Sahjanwa, Distt. Gorakhpur.

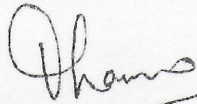


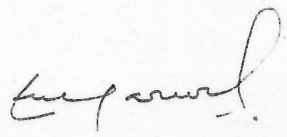
(Signature)
(V.K. ASTHANA)
Chief Engineer (P.P.A.)
U.P. Power Corporation Ltd.



3. The PPA submitted before the Commission provides that the tariff for the electricity supplied shall be Rs.5.56 per unit provisionally and the final tariff shall be the L-1 tariff discovered in the ongoing bidding process for procurement of biomass energy. The bidding is scheduled to be concluded by 30 June 2018. The PPA provides that if the bidding is not concluded within the given time frame both the parties have the option to exit from the PPA or renegotiate the tariff.


4. Since UPPCL has opted for bidding for discovery of competitive tariff the Commission has no objection in approving the instant PPA on the conditions mentioned in the submitted PPA. The Petition is disposed of accordingly.


(K.K. Sharma) 1/4/18
Member


(Suresh Kumar Agarwal)
Chairman

Place: Lucknow
Date: 10/04/2018




(V.K. ASTHANA)
Chief Engineer (P.P.A)
U.P. Power Corporation Ltd.
Shakti Bhawan Extension
14, Ashok Marg, Lucknow