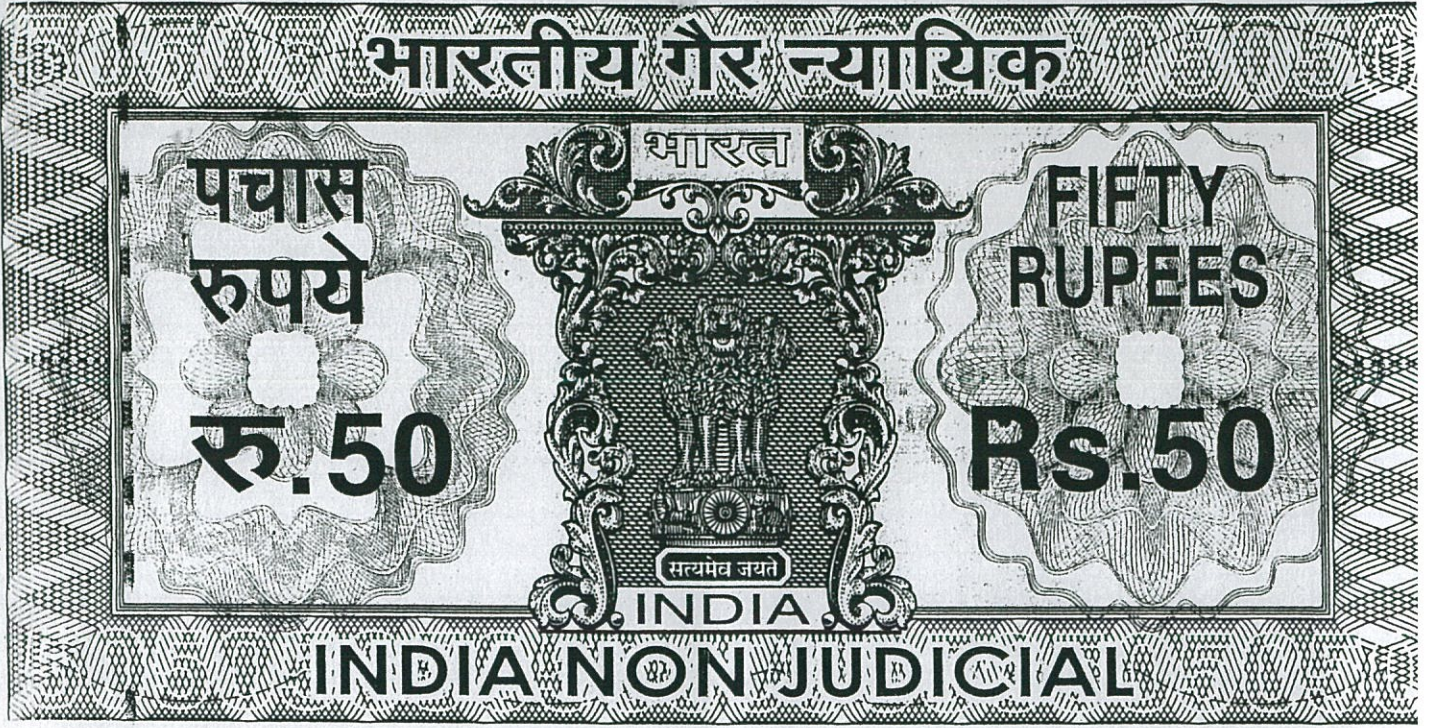


AE 816414

उत्तर प्रदेश UTTAR PRADESH

SUPPLEMENTARY POWER PURCHASE AGREEMENT
BETWEEN
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM LIMITED
AND
UTTAR PRADESH POWER CORPORATION LIMITED
For Anpara 'D' TPS

This supplementary Power Purchase Agreement (hereinafter referred to as "Agreement") entered into this 24th day of May 2012, between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd., a company incorporated under the Companies Act, 1956 having its Registered Office, at "Shakti Bhawan Extn", 14 - Ashok Marg, Lucknow - 226001 (hereinafter referred to as "UPRVUNL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns), as party of the FIRST PART which is the party selling the power, and Uttar Pradesh Power Corporation Limited, a company incorporated under the Companies Act, 1956 having its registered office at "Shakti Bhawan" 14 - Ashok Marg, Lucknow-226001 (hereinafter referred to as "UPPCL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns) as party of the SECOND PART, which is the party purchasing the power. This Agreement is subject to Uttar Pradesh Electricity Regulatory Commission's approval in terms of provisions, Section 10 (2) and (3), Section 86 (1) (a) and (b) of the Electricity Act, 2003 and Section 10 (1) (c) of the Uttar Pradesh Electricity Reforms Act, 1999 (U.P. Act no. 24 of 1999).



उत्तर प्रदेश UTTAR PRADESH

AE 827654

WHEREAS

- (A) A Power Purchase Agreement for Anpara 'D' TPS signed on 26th day of May 2011 between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. and Uttar Pradesh Power Corporation Ltd. for purchase of power generated is valid upto 31st March 2014.
- (B) Subsequently, as per directive issued by GOI, vide letter no. 23011/185/2011-CPD dated 4th April 2012, Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. intends to execute a long term Power Purchase Agreement (for more than 7 years) in order to obtain firm coal linkage/signing of FSAs with coal companies.

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

1. The clause no. 2.0 (Term of agreement) of the Power Purchase Agreement for for Anpara 'D' TPS signed on 26th day of May 2011 is modified to the extent as follows:

"The term of agreement shall be for a period of twenty five(25) years from the date of commercial operation of last unit of for Anpara 'D' TPS, extendable/ renewable by mutual consent between UPPCL and UPRVUNL. In case UPPCL continue to get power from the for Anpara 'D' TPS even after expiry of this agreement without further renewal or formal extension thereof, then all the provisions of this agreement shall continue to operate till this Agreement is formally renewed, extended or replaced except the Tariff, which will be applicable as per order of the UPERC and as per provision of clause 6.3 of this agreement. This agreement shall be terminable even from any earlier date from which the PPA with different DisComs has been made effective."

[Handwritten signatures]

U#7, 18-11-2012
CoD, 18-11-2012
PPA upto 18-11-2012

26
21
51

2. All other conditions of Power Purchase Agreement signed on 26th day of May, 2011 read with this supplementary Power Purchase Agreement shall remain unaltered and in the event of any inconsistency between provisions of agreement and UPERC regulation (applicable from time to time during the term of agreement), the later shall prevail upon.

This supplementary Power Purchase Agreement is subject to approval by UPERC.

IN WITNESS WHEREOF the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names as on the date first above written.

SIGNED AND DELIVERED by UPRVUNL (Seller)
by the hand of its authorized official.

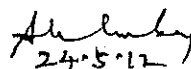
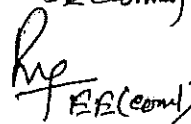
Name: 

Title: Er. Ramesh Chandra
Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

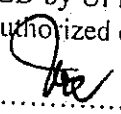
In the presence of:

1. Witness Name

2. Witness Name


24.5.12
SR (Comm)

EE (Comm)

SIGNED AND DELIVERED by UPPCL (Purchaser)
by the hand of its authorized official.

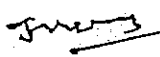

Name: 

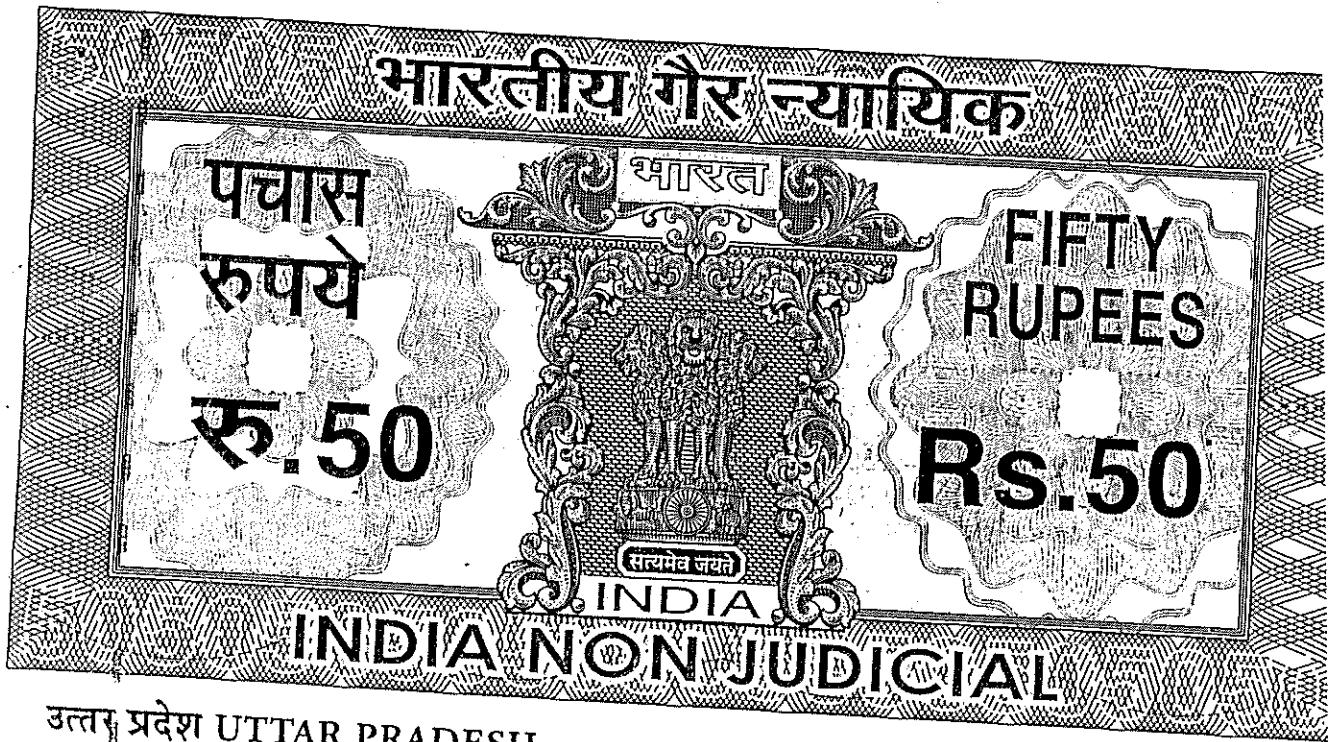
Title: (A.P. MISHRA)
DIRECTOR (COMMERCIAL)

In the presence of:

1. Witness Name

2. Witness Name

 (Tengat Narsing), EE (PPA)
 Anubhava Ganesh (CE/PPA) A.K. GANDHI

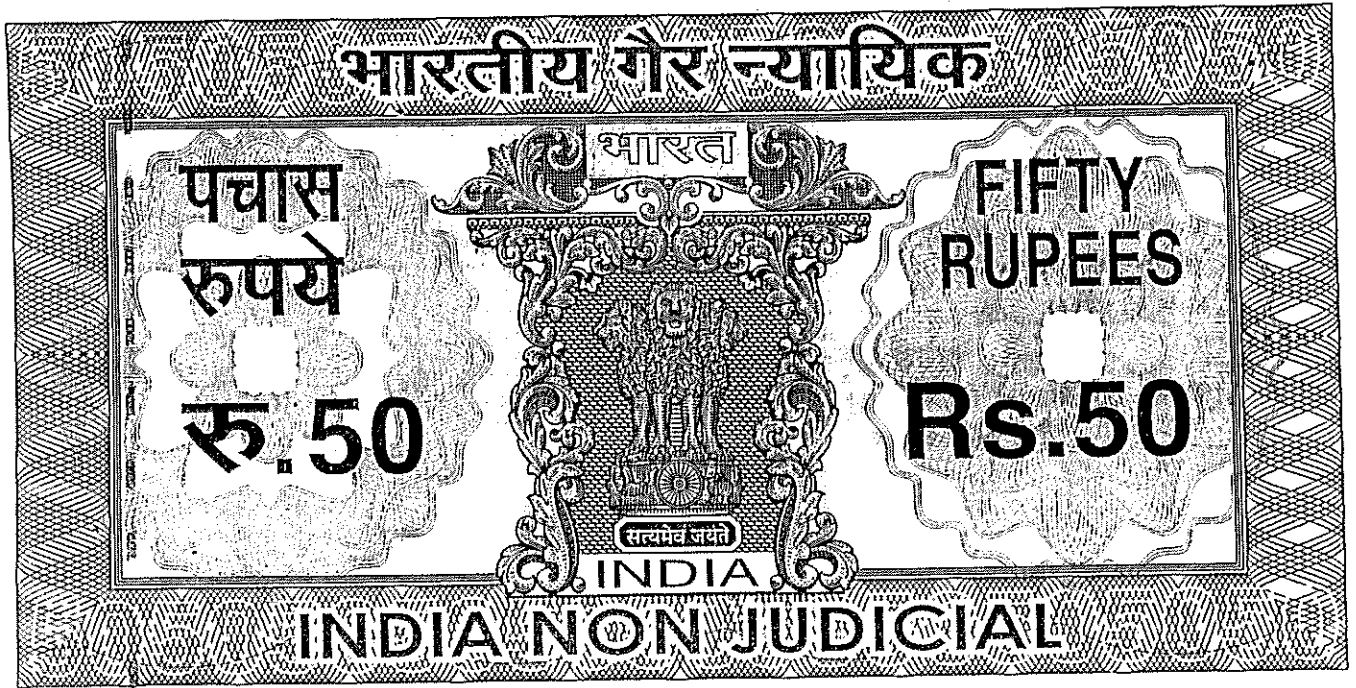


उत्तर प्रदेश UTTAR PRADESH

AE 816416

SUPPLEMENTARY POWER PURCHASE AGREEMENT
BETWEEN
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM LIMITED
AND
UTTAR PRADESH POWER CORPORATION LIMITED
For Harduaganj Extn TPS

This supplementary Power Purchase Agreement (hereinafter referred to as "Agreement") entered into this 24th day of May 2012 between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd., a company incorporated under the Companies Act, 1956 having its Registered Office, at "Shakti Bhawan Extn", 14 - Ashok Marg, Lucknow - 226001 (hereinafter referred to as "UPRVUNL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns), as party of the FIRST PART which is the party selling the power, and Uttar Pradesh Power Corporation Limited, a company incorporated under the Companies Act, 1956 having its registered office at "Shakti Bhawan" 14 - Ashok Marg, Lucknow-226001 (hereinafter referred to as "UPPCL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns) as party of the SECOND PART, which is the party purchasing the power. This Agreement is subject to Uttar Pradesh Electricity Regulatory Commission's approval in terms of provisions, Section 10 (2) and (3), Section 86 (1) (a) and (b) of the Electricity Act, 2003 and Section 10 (1) (c) of the Uttar Pradesh Electricity Reforms Act, 1999 (U.P. Act no. 24 of 1999).



उत्तर प्रदेश UTTAR PRADESH

AE 816412

WHEREAS

- (A) A Power Purchase Agreement for Harduaganj Extn. TPS signed on 26th day of May 2011 between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. and Uttar Pradesh Power Corporation Ltd. for purchase of power generated is valid upto 31st March 2014.
- (B) Subsequently, as per directive issued by GOI, vide letter no. 23011/185/2011-CPD dated 4th April 2012, Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. intends to execute a long term Power Purchase Agreement (for more than 7 years) in order to obtain firm coal linkage/signing of FSAs with coal companies.

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

1. The clause no. 2.0 (Term of agreement) of the Power Purchase Agreement for Harduaganj Extn. TPS signed on 26th day of May 2011 is modified to the extent as follows:
"The term of agreement shall be for a period of twenty five(25) years from the date of commercial operation of last unit of Harduaganj Extn.TPS, extendable/ renewable by mutual consent between UPPCL and UPRVUNL. In case UPPCL continue to get power from the Harduaganj Extn.Thermal Power Station even after expiry of this agreement without further renewal or formal extension thereof, then all the provisions of this agreement shall continue to operate till this Agreement is formally renewed, extended or replaced except the Tariff, which will be applicable as per order of the UPERC and as per provision of clause 6.3 of this agreement. This agreement shall be terminable even from any earlier date from which the PPA with different DisComs has been made effective."

2. All other conditions of Power Purchase Agreement signed on 26th day of May, 2011 read with this supplementary Power Purchase Agreement shall remain unaltered and in the event of any inconsistency between provisions of agreement and UPERC regulations (applicable from time to time during the term of agreement), the later shall prevail upon.

This supplementary Power Purchase Agreement is subject to approval by UPERC.

IN WITNESS WHEREOF the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names as on the date first above written.

SIGNED AND DELIVERED by UPRVUNL (Seller)
by the hand of its authorized official:

Name: Ramesh Chandra

Title: Er. Ramesh Chandra
Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawari, Extn.
Lucknow

In the presence of:

1. Witness Name A. S. Chakraborty
24-5-12
(S.P. Chakraborty)

2. Witness Name Raj
E.E. (Comm)

SIGNED AND DELIVERED by UPPCL (Purchaser)
by the hand of its authorized official:

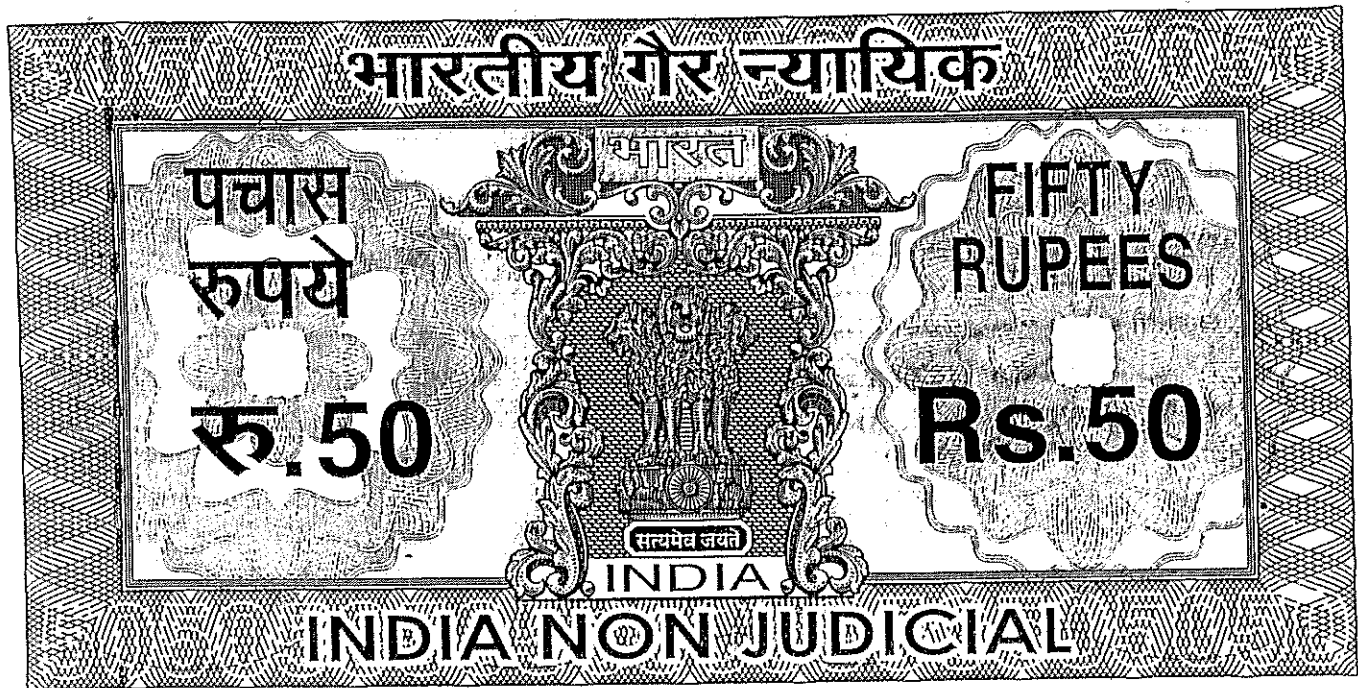
Name: (A.P. Mishra)

Title: (A.P. MISHRA)
DIRECTOR (COMMERCIAL)

In the presence of:

1. Witness Name (T. Jaganmohan), E.E. (PPA)

2. Witness Name (Anthonia Genet), CE (PPA) A.K. GANDHI



उत्तर प्रदेश UTTAR PRADESH

AE 816415

SUPPLEMENTARY POWER PURCHASE AGREEMENT
BETWEEN
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM LIMITED
AND
UTTAR PRADESH POWER CORPORATION LIMITED
For Anpara 'B' TPS

This supplementary Power Purchase Agreement (hereinafter referred to as "Agreement") entered into this 24th day of May 2012 between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd., a company incorporated under the Companies Act, 1956 having its Registered Office, at "Shakti Bhawan Extn", 14 - Ashok Marg, Lucknow - 226001 (hereinafter referred to as "UPRVUNL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns), as party of the FIRST PART which is the party selling the power, and Uttar Pradesh Power Corporation Limited, a company incorporated under the Companies Act, 1956 having its registered office at "Shakti Bhawan" 14 - Ashok Marg, Lucknow-226001 (hereinafter referred to as "UPPCL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns) as party of the SECOND PART, which is the party purchasing the power. This Agreement is subject to Uttar Pradesh Electricity Regulatory Commission's approval in terms of provisions, Section 10 (2) and (3), Section 86 (1) (a) and (b) of the Electricity Act, 2003 and Section 10 (1) (c) of the Uttar Pradesh Electricity Reforms Act, 1999 (U.P. Act no. 24 of 1999).

Wade

Wade



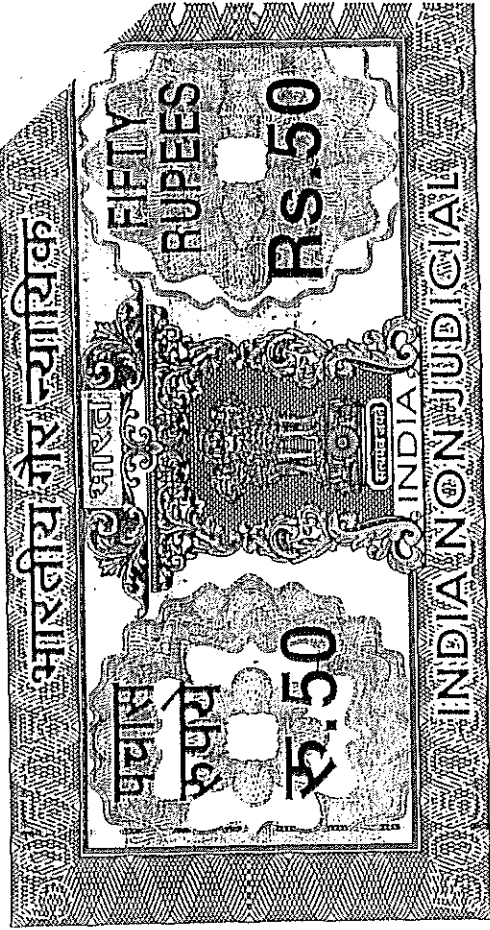
उत्तर प्रदेश UTTAR PRADESH
AE 827655

WHEREAS

- (A) A Power Purchase Agreement for Anpara 'B' TPS signed on 26th day of May 2011 between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. and Uttar Pradesh Power Corporation Ltd. for purchase of power generated is valid upto 31st March 2014.
- (B) Subsequently, as per directive issued by GOI, vide letter no. 23011/185/2011-CPD dated 4th April 2012, Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. intends to execute a long term Power Purchase Agreement (for more than 7 years) in order to obtain firm coal linkage/signing of PSAs with coal companies.

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. The clause no. 2.0 (Term of agreement) of the Power Purchase Agreement for Anpara 'B' TPS signed on 26th day of May 2011 is modified to the extent as follows:
"The term of agreement shall be for a period of twenty five(25) years from the date of commercial operation of last unit of Anpara 'B' TPS, extendable/ renewable by mutual consent between UPCL and UPRVUNL. In case UPCL continue to get power from the for Anpara 'B' TPS even after expiry of this agreement without further renewal or formal extension thereof, then all the provisions of this agreement shall continue to operate till this Agreement is formally renewed, extended or replaced except the Tariff, which will be applicable as per order of the UPERC and as per provision of clause 6.3 of this agreement. This agreement shall be terminable even from any earlier date from which the PPA with different DisComs has been made effective."



उत्तर प्रदेश UTTAR PRADESH
AE 827655

WHEREAS

- (A) A Power Purchase Agreement for Anpara 'B' TPS signed on 26th day of May 2011 between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. and Uttar Pradesh Power Corporation Ltd. for purchase of power generated is valid upto 31st March 2014.
- (B) Subsequently, as per directive issued by GOI, vide letter no. 23011/185/2011-CPD dated 4th April 2012, Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. intends to execute a long term Power Purchase Agreement (for more than 7 years) in order to obtain firm coal linkage/signing of PSAs with coal companies.

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. The clause no. 2.0 (Term of agreement) of the Power Purchase Agreement for Anpara 'B' TPS signed on 26th day of May 2011 is modified to the extent as follows:
"The term of agreement shall be for a period of twenty five(25) years from the date of commercial operation of last unit of Anpara 'B' TPS, extendable/ renewable by mutual consent between UPCL and UPRVUNL. In case UPCL continue to get power from the for Anpara 'B' TPS even after expiry of this agreement without further renewal or formal extension thereof, then all the provisions of this agreement shall continue to operate till this Agreement is formally renewed, extended or replaced except the Tariff, which will be applicable as per order of the UPERC and as per provision of clause 6.3 of this agreement. This agreement shall be terminable even from any earlier date from which the PPA with different DisComs has been made effective."

2. All other conditions of Power Purchase Agreement signed on 26th day of May, 2011 read with this supplementary Power Purchase Agreement shall remain unaltered and in the event of any inconsistency between provisions of agreement and UPERC regulations (applicable from time to time during the term of agreement), the later shall prevail upon.

This supplementary Power Purchase Agreement is subject to approval by UPERC.

IN WITNESS WHEREOF the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names as on the date first above written.

SIGNED AND DELIVERED by UPRVUNL (Seller)
by the hand of its authorized official.

Name:
[Signature]

Title:
Chief Engineer (Commercial)
UPRVUNL
Shakti Bhawan, Extn.
Lucknow

In the presence of:

1. Witness Name
[Signature]
24.5.12
SEC (5mm)

2. Witness Name
[Signature]
SEC (5mm)

SIGNED AND DELIVERED by UPCL (Purchaser)
by the hand of its authorized official.

Name:
[Signature]

Title:
(A.P. MISHA)
DIRECTOR (COMMERCIAL)

In the presence of:

1. Witness Name
Jagant Verma *[Signature]* SEC (1A)

2. Witness Name
Shripomogendh (SEPPA) A.K. GANDHI

2. All other conditions of Power Purchase Agreement signed on 26th day of May, 2011 read with this supplementary Power Purchase Agreement shall remain unaltered and in the event of any inconsistency between provisions of agreement and UPERC regulations (applicable from time to time during the term of agreement), the later shall prevail upon.

This supplementary Power Purchase Agreement is subject to approval by UPERC.

IN WITNESS WHEREOF the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names as on the date first above written.

SIGNED AND DELIVERED by UPRVUNL (Seller)
by the hand of its authorized official.

Name:
[Signature]

Title:
Chief Engineer (Commercial)
UPRVUNL
Shakti Bhawan, Extn.
Lucknow

In the presence of:

1. Witness Name
[Signature]
24.5.12
SEC (5mm)

2. Witness Name
[Signature]
SEC (5mm)

SIGNED AND DELIVERED by UPCL (Purchaser)
by the hand of its authorized official.

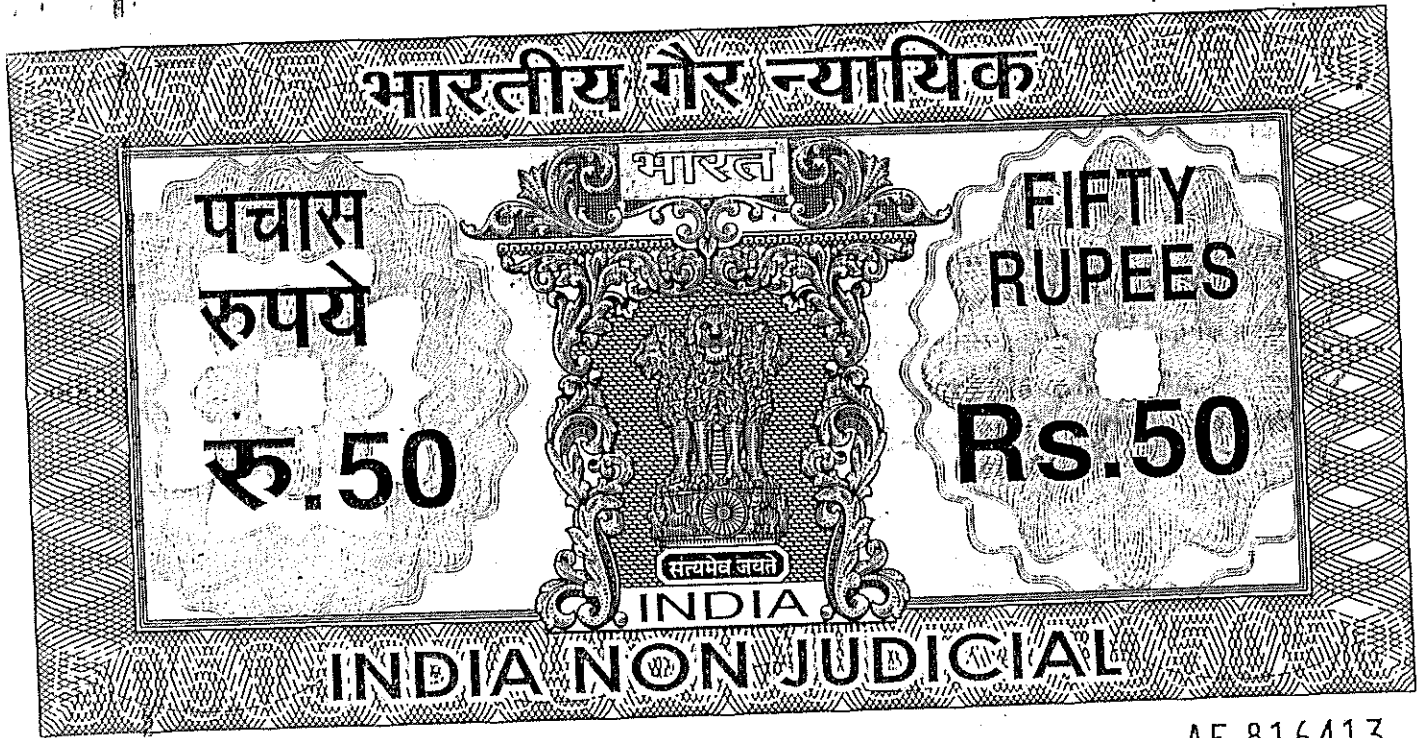
Name:
[Signature]

Title:
(A.P. MISHA)
DIRECTOR (COMMERCIAL)

In the presence of:

1. Witness Name
Jagant Verma *[Signature]* SEC (1A)

2. Witness Name
Shripomogendh (SEPPA) A.K. GANDHI

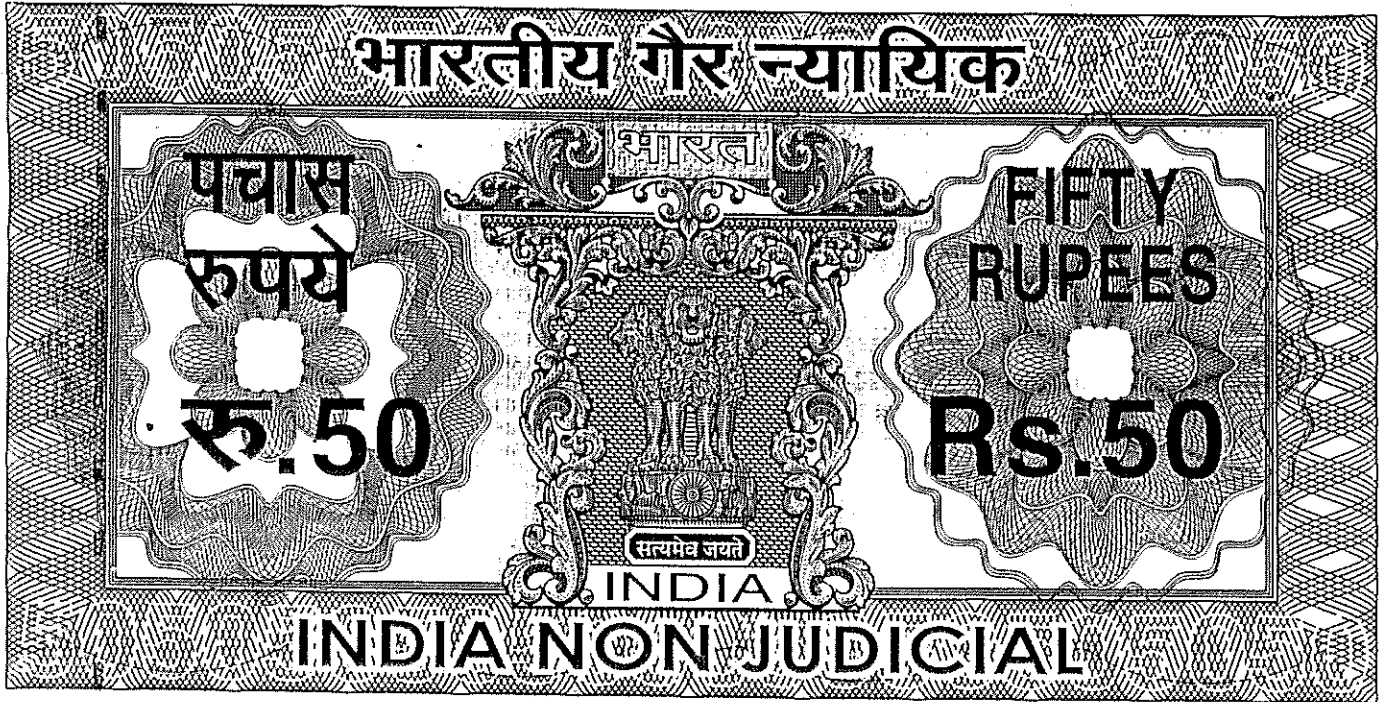


उत्तर प्रदेश UTTAR PRADESH

AE 816413

SUPPLEMENTARY POWER PURCHASE AGREEMENT
BETWEEN
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM LIMITED
AND
UTTAR PRADESH POWER CORPORATION LIMITED
For Parichha Extn TPS

This supplementary Power Purchase Agreement (hereinafter referred to as "Agreement") entered into this 24th day of May, 2012, between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd., a company incorporated under the Companies Act, 1956 having its Registered Office, at "Shakti Bhawan Extn", 14 - Ashok Marg, Lucknow - 226001 (hereinafter referred to as "UPRVUNL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns), as party of the FIRST PART which is the party selling the power, and Uttar Pradesh Power Corporation Limited, a company incorporated under the Companies Act, 1956 having its registered office at "Shakti Bhawan" 14 - Ashok Marg, Lucknow-226001 (hereinafter referred to as "UPPCL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns) as party of the SECOND PART, which is the party purchasing the power. This Agreement is subject to Uttar Pradesh Electricity Regulatory Commission's approval in terms of provisions, Section 10 (2) and (3), Section 86 (1) (a) and (b) of the Electricity Act, 2003 and Section 10 (1) (c) of the Uttar Pradesh Electricity Reforms Act, 1999 (U.P. Act no. 24 of 1999)



उत्तर प्रदेश UTTAR PRADESH

AE 846064

WHEREAS

- (A) A Power Purchase Agreement for Parichha Extn TPS signed on 26th day of May 2011 between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. and Uttar Pradesh Power Corporation Ltd. for purchase of power generated is valid upto 31st March 2014.
- (B) Subsequently, as per directive issued by GOI, vide letter no. 23011/185/2011-CPD dated 4th April 2012, Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. intends to execute a long term Power Purchase Agreement (for more than 7 years) in order to obtain firm coal linkage/signing of FSAs with coal companies.

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

1. The clause no. 2.0 (Term of agreement) of the Power Purchase Agreement for Parichha Extn TPS signed on 26th day of May 2011 is modified to the extent as follows:
“The term of agreement shall be for a period of twenty five(25) years from the date of commercial operation of last unit of for Parichha Extn TPS, extendable/ renewable by mutual consent between UPPCL and UPRVUNL. In case UPPCL continue to get power from the for Parichha Extn TPS even after expiry of this agreement without further renewal or formal extension thereof, then all the provisions of this agreement shall continue to operate till this Agreement is formally renewed, extended or replaced except the Tariff, which will be applicable as per order of the UPERC and as per provision of clause 6.3 of this agreement. This agreement shall be terminable even from any earlier date from which the PPA with different DisComs has been made effective.”

[Handwritten signatures]

2. All other conditions of Power Purchase Agreement signed on 26th day of May, 2011 read with this supplementary Power Purchase Agreement shall remain unaltered and in the event of any inconsistency between provisions of agreement and UPERC regulations (applicable from time to time during the term of agreement), the later shall prevail upon.

This supplementary Power Purchase Agreement is subject to approval by UPERC.

IN WITNESS WHEREOF the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names as on the date first above written.

SIGNED AND DELIVERED by UPRVUNL (Seller)
by the hand of its authorized official.

Name: *[Signature]*

Er. Ramesh Chandra
Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

In the presence of:

- 1. Witness Name *[Signature]*
24.5.12
SR Comm
- 2. Witness Name *[Signature]*
EE (Comm)

SIGNED AND DELIVERED by UPCL (Purchaser)
by the hand of its authorized official.

Name: *[Signature]*

Title:(A.P. MISHRA).....
DIRECTOR (COMMERCIAL)

In the presence of:

- 1. Witness Name *[Signature]* (Jaswant Kumar, EE (PPA))
- 2. Witness Name *[Signature]* (A.K. GANDHI) A.K. GANDHI

POWER PURCHASE AGREEMENT

BETWEEN

UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM LIMITED

AND

UTTAR PRADESH POWER CORPORATION LIMITED

DATED: 16.01.2013

For Obra 'C' Thermal Power Station

(For twenty five years from 16.01.2013)



उत्तर प्रदेश UTTAR PRADESH

AK 383853

**POWER PURCHASE AGREEMENT
BETWEEN
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM LIMITED
AND
UTTAR PRADESH POWER CORPORATION LIMITED**

This Power Purchase Agreement (hereinafter referred to as "Agreement") entered into this 16th day of January 2013 between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd., a company incorporated under the Companies Act, 1956 having its Registered Office, at "Shakti Bhawan Extn", 14 - Ashok Marg, Lucknow - 226001 (hereinafter referred to as "UPRVUNL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns), as party of the FIRST PART which is the party selling the power, and Uttar Pradesh Power Corporation Limited, a company incorporated under the Companies Act, 1956 having its registered office at "Shakti Bhawan" 14 - Ashok Marg, Lucknow-226001 (hereinafter referred to as "UPPCL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns) as party of the SECOND PART, which is the party purchasing the power. This Agreement is subject to Uttar Pradesh Electricity Regulatory Commission's approval in terms of provisions, Section 10 (2) and (3), Section 86 (1) (a) and (b) of the Electricity Act, 2003 and Section 10 (a), (b) and (c) of the Uttar Pradesh Electricity Reforms Act, 1999 (U.P. Act no. 24 of 1999).

Attested

Attested
उत्तर प्रदेश विद्युत निगम लि.
उत्तर प्रदेश राज्य विद्युत उत्पादन निगम लि.
उत्तर प्रदेश विद्युत निगम लि.

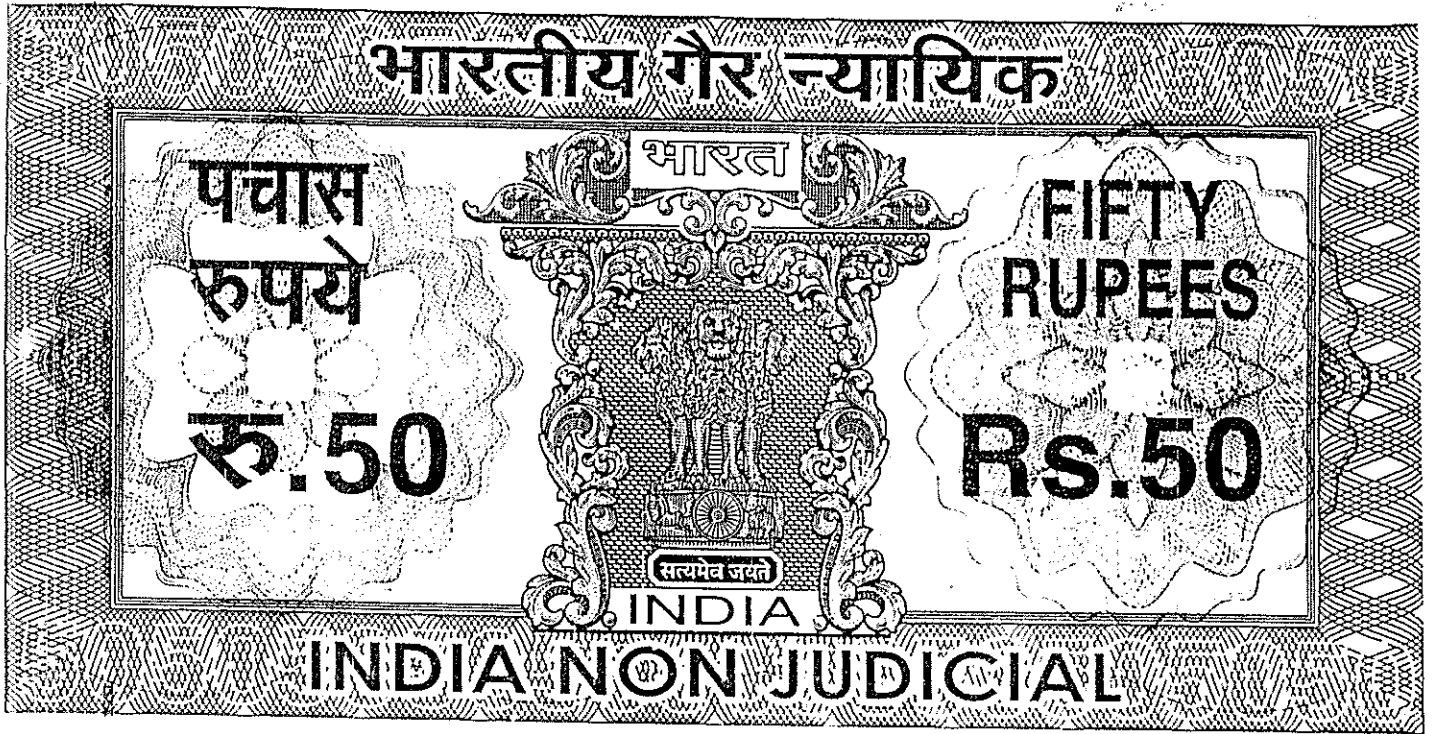
Desktop/powerpurchase agreement

[Signature]
E. Ramdas Chandra
Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

Obra C

[Signature]
UPPCL

1/1/13



उत्तर प्रदेश UTTAR PRADESH

AK 383852

WHEREAS

- (i) UPRVUNL is a power generating company, which will own and operate a new upcoming electric power generating station namely Obra C Thermal Power Station at Obra, District Sonbhadra and will be engaged in the business of the generation and sale of electricity so produced, and
- (ii) UPPCL is the holding company of the Distribution Companies (now distribution licensees in the State), as per section 4 of the Companies Act, 1956 and
- (iii) UPRVUNL wishes to sell to UPPCL who in turn wishes to purchase from UPRVUNL its electric energy and capacity from the aforementioned power generating station pursuant to the terms and conditions set forth herein. Further, the reallocation of generating capacity of UPRVUNL amongst various DisComs, as required, will be done as per approval from GoUP, without affecting upon the rights & obligations of UPRVUNL under this agreement. On such reallocation, the rights and obligations of UPPCL under this agreement shall stand transferred to the Distribution Companies, being the successor(s) of UPPCL as per provision in the PPA.

WHEREAS

UPRVUNL will own and operate the Obra C Thermal power station having installed capacity of 2x660 MW to be synchronized as per following schedule (tentative)

Unit no. 14: Date 31.08.17

Unit no. 15: Date 28.02.18

Desktop/powerpurchase agreement

Ramesh Chand
Er. Ramesh Chand
Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

Obra C

[Signature]
U.P.P.P.A.

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

1.0 DEFINITIONS AND INTERPRETATION

1.1 Definitions

When used herein and in all of the Schedules hereto including, without limitation, the Tariff (as hereinafter defined) or any other document related to this Agreement, the defined terms set forth in this Article 1 shall have the meanings specified herein.

Any term used herein, but not defined herein, shall have the meanings provided in the U.P. Electricity Reforms Act, 1999 and The Electricity Act, 2003, as amended from time to time. Additional defined terms set forth in "The Uttar Pradesh Electricity Regulatory Commission (Terms and conditions of Generation Tariff) Regulations, 2009" shall have the meanings set forth therein.

Availability

In relation to the thermal generating station for any period means the average of the daily average declared capacities (DCs) for all the days during that period expressed as a percentage of the installed capacity of the generating station minus normative auxiliary consumption in MW, and shall be computed in accordance with the following formula:

$$\text{Availability (\%)} = 10000 \times \frac{\sum_{i=1}^N \text{DC}_i}{\{ N \times \text{IC} \times (100 - \text{AUX}_n) \}} \%$$

where,

IC = Installed Capacity of the generating station in MW,

DC_i = Average declared capacity for the ith day of the period in MW,

N = Number of days during the period, and

AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Bill shall have the meaning as ascribed in clause 10 read with clause 6 of this Agreement.

Billing Date: shall be the date on which the bill shall be raised. The UPRVUNL shall present the bills after the end of each calendar month as per UPERC Tariff Order for energy supplied to UPPCL from the Power Station as per Energy Account issued by SLDC/STU or any other Competent Authority/JMR at TPS.

Billing Month means the metering date of one calendar month to the metering date of the next calendar month.

Business Day shall construe as a reference to a date (other than Sunday and Public Holidays) on which Banks are open for business in Lucknow.

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Business Hours means the period commencing from 10:30 hours to 17:00 hours on any Business day.

Cause means any fact or circumstances which legally entitles the issuing Government Agency, to withhold issuance or renewal of, revoke or amend a Permit, due to any failure by Seller or any of the Lenders, Investors or Contractors in whose name the Permit has been or is to be issued.

CEA means the Central Electricity Authority.

Change in Law means:

- (i) Any enactment or issuance of any new Law;
- (ii) Any change in the interpretation or application of an existing Law by any judicial or quasi-judicial or other authority (including a court, tribunal or regulatory commission) having the legal power to interpret or apply such Law;
- (iii) Any amendment, alteration, or modification of an existing Law;
- (iv) The repeal and re-enactment of any existing Law;
- (v) Any Change in Permits;
- (vi) Imposition (other than for Cause) of a requirement for a permit which did not exist as at the date of this Agreement;
- (vii) A change (other than for cause) in the terms and conditions attaching to a permit after it has been given;
- (viii) To the attachment of any new terms and conditions to such permit; or
- (ix) The revocation or cancellation (other than for Cause) of any permit.

Provided however, no Change in Tax shall qualify as "Change in Law". Law shall not include any "Tax Law" (as hereinafter defined).

Change in Permits means:

- (i) The imposition (other than for Cause) of any material requirement in connection with the issuance, renewal or extension of any Permit or the modification of any Permit after such Permit was issued, in either case subsequent to the date of signing of this Agreement;
- (ii) The imposition (other than for Cause) of a requirement for a Permit which did not exist as on the date of this Agreement;
- (iii) The revocation or cancellation (other than for Cause) of any Permit.

Change in Tax means any introduction, amendment, extension, repeal or authoritative change in interpretation or application of any Tax (including, without limitation, the time, rate, incentive, exemption or incidence applicable to any Tax) after the date hereof.

Check Import/Export Meters means meters for maintaining a check on performance of main import/export meters and shall be used for accounting and billing of electricity in case of failure of main meter.

CLDS means Central Load Dispatch Station of UPPTCL.

Date of effectiveness of Agreement ~~is~~ the signing of this agreement.

Day means the 24 (twenty four) hours period ending at 24:00 Hours midnight Indian Standard Time.

Declared Capacity or DC means the capability of the generating station to deliver ex-bus electricity in MW declared by such generating station in relation to any period of the day or whole of the day, duly taking into account the availability of fuel;

Delivery of Bill: Shall have the meaning as defined in clause 10 of this agreement.

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Designated Officer means an officer designated by UPPCL/STU for matters relating to meter reading, billing and payment.

Dispute means any material dispute or material difference of any kind between Seller and Purchaser in connection with or arising out of this Agreement.

Due Date of Payment or Due Date means, in relation to any Bill, the date on which the amount referred to in such Bill becomes due for payment which shall be 30 days from the Billing Date to the Authorized Representative of Purchaser. If the due date is not a business day, the next business day will be the due date.

Energy Charges shall cover fuel costs and shall be worked out as specified in Tariff order.

Energy Account shall mean periodic energy account including amendments thereof, if any.

Energy Unit means one-kilowatt hour of electrical energy.

Fixed Charges or Capacity Charge amount means the recoverable fixed charge for a Tariff period determined in accordance with the Tariff Order.

Force Majeure shall have the meaning set forth in clause 17 of this Agreement.

Force Outage means an interruption of generating capacity that is not the result of:

- (i) A Scheduled Outage;
- (ii) A Force Majeure event;
- (iii) Any event or condition caused by Purchaser or attributable to an event or condition on Purchaser Facility; or
- (iv) Any Emergency or other curtailment or reduction pursuant to clause 17 in this Agreement.

Generating Unit means Plant, consisting of boiler, turbo generator, and other auxiliaries, which is capable of generating the specified power, independently.

GOI means the Government of India.

GOUP means the Government of Uttar Pradesh and its successors.

Government Agency means the GOI, GOUP, UPERC, or any ministry, department, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with Seller) or commission under the direct or indirect control of the GOI or the GOUP or any political subdivision of either of them owned or controlled by GOI or GOUP or any of their subdivisions, or any court, tribunal or judicial body within India.

Grid means the total system of electrical generation using any means other than Seller's Generating Unit, evacuation and transmission circuits, transformers, switchgear and other equipment (including the interconnection Facility) on Purchaser's side of the Interconnection Point.

'Gross Calorific Value' or GCV in relation to a thermal power generating station means the heat produced in kCal by complete combustion of one kilogram of solid fuel or one litre of liquid fuel, as the case may be;

Interconnection Point means the point or points at which interconnection is made between the Unit and the Transmission Utility System and unless otherwise mutually decided, shall be at the outgoing sides of circuit breakers connecting the EHT/HT lines.

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Lucknow

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Installed Capacity or IC means the summation of the name plate capacities of all the units of the generating station or the capacity of the generating station reckoned at the generator terminals as approved by the Commission from time to time;

KW means kilowatt.

KWH means kilowatt hour.

Law means the Constitution of India and any Act, rule, regulation, notification, directive, ordinance, order or any interpretation thereof or instruction having the force of law enacted or issued by any Government Agency.

Main Import Meter shall mean meter for measurement of active energy import at TPS Busbar for energy accounting.

Main Export Meter shall mean meter for measurement of active energy export at TPS Busbar for energy accounting.

Metering Date shall mean mid-day (12:00 hrs) of the last day of each calendar month.

Monthly Fixed Charge amount means the prescribed recoverable fixed charges as per Tariff Order.

MU shall mean one million Units.

MW means Megawatts.

Net Electrical Energy is the energy, supplied by Obra C TPS of UPRVUNL and measured in kWh, at the point of interconnection in accordance with the provisions of Clause 5.

O & M shall mean operation and maintenance.

Permit or Permits means any consent, license, approval, permit, no objection certificate or other authorization of any nature whatsoever, which is required to be granted to Purchaser or Seller, as the case may be, by any Government Agency for the purpose of owning, developing, designing, financing, insuring, constructing, operating or maintaining the Project as contemplated under this Agreement.

Plant Load Factor or PLF for a given period, means the total sent out energy corresponding to scheduled generation during the period, expressed as a percentage of sent out energy corresponding to installed capacity in that period and shall be computed in accordance with the following formula;

$$PLF (\%) = 10000 \times \frac{\sum_{i=1}^N SGI}{\{ N \times IC \times (100 - AUX_n) \}} \%$$

where,

IC = Installed Capacity of the generating station in MW,

SGI = Scheduled Generation in MW for the i^{th} time block of the period.

N = Number of time blocks during the period, and

AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Power Grid means Power Grid Corporation Ltd.

Power Purchase Agreement means the Agreement for selling of power by UPRVUNL and purchase by UPCL.

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Paragraph shall, subject to any contrary indication, be construed as a reference to a paragraph in the Clause or Schedule in which such reference appears;

Person shall be construed as a reference to any person, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing.

1.2.2 General

Save where the contrary is indicated, any reference in this Agreement to:

- (i) Rupee and Rs. denote Indian Currency;
- (ii) words importing the singular shall include the plural and vice versa, any person shall be construed so as to include its and any subsequent successors, transferees and assigns in accordance with their respective interests;
- (iii) this Agreement or any other agreement or document shall be construed as a reference to each such agreement or, as the case may be, such other agreement or document as the same may have been, or may, from time to time, be amended, varied, novated, replaced or supplemented;
- (iv) a statute or enactment shall be construed as a reference to such statute as the same may have been, or may from time to time be, amended or re-enacted;
- (v) All orders so issued by UPERC shall be binding on both the parties from the date the same become applicable.
- (vi) In case either party goes in for any Review Petition/Appeal against the order of the UPERC before the competent authority, the order of the competent authority in that regard shall be applicable and binding on both the parties from the date the said order become applicable.
- (vii) a time of day shall, save as otherwise provided in any agreement or document, be construed as a reference to Indian Standard Time; and

Any word or expression used in this Agreement shall, unless otherwise defined or construed herein, bear its ordinary English meaning and, for these purposes, the General Clauses Act, 1897 shall not apply.

2.0 TERM OF AGREEMENT

The term of this Agreement shall be for a period of twenty five years starting from effective date, extendable/renewable by mutual consent between UPPCL and UPRVUNL. In case UPPCL continue to get power from the Obra C Thermal Power Station even after expiry of this agreement without further renewal or formal extension thereof, then all the provisions of this agreement shall continue to operate till this Agreement is formally renewed, extended or replaced except the Tariff, which will be applicable as per order of the UPERC and as per provision of clause 6.3 of this agreement. This agreement shall be terminable even from any earlier date from which the PPA with different DisComs has been made effective.

3.0 INSTALLED CAPACITY

- 3.1 The installed capacity of Obra C Thermal Power Station will be 2x660 MW. The installed capacity is, however, subject to de-rating/re-rating of the generating units as determined from time to time after following the prescribed procedure as laid down by CEA.

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3.2 **Allocation of Power**

Full capacity of Obra C TPS shall be allocated to UPPCL unless reallocated by GOUP.

3.3 **Drawal of Power**

The power from Obra C TPS shall be drawn by UPPCL directly through its own or through the transmission system of other agencies on the basis of availability of capacity of the TPS.

3.4 **Generation Schedule**

UPRVUNL shall submit daily generation schedule of Obra C TPS to UPPCL or SLDC, as per UPERC Generation Regulations

3.5 **Daily Declared Capacity Notice**

UPRVUNL shall deliver to UPPCL or SLDC, as applicable. at each day a notice indicating daily declared capacity of Obra C TPS as per regulation for next 24 hours. Any change in daily declared capacity notice due to minor or major breakdown in station shall be intimated to UPPCL or SLDC, as applicable as per regulation.

4.0 **TRANSMISSION/WHEELING OF POWER**

4.1 Power shall be made available by UPRVUNL at the busbars of the Station and it shall be the obligation and responsibility of UPPCL to make the required arrangement for evacuation of power from such delivery points of UPRVUNL.

4.2 UPPCL shall coordinate with the appropriate authorities/agencies including UPPTCL/STU or any other Licensees for power evacuation from the above delivery point.

4.3 UPPCL shall be responsible to coordinate with the UPPTCL/STU or any licensee or other agencies for implementation of the transmission system for evacuation of power from the station matching with the commissioning schedule of the station.

4.4 For wheeling of the power beyond busbars of the Station, charges for utilization of transmission system(s) owned by UPPTCL/STU/other agencies shall be paid directly by UPPCL to the UPPTCL or other agencies. UPRVUNL shall not be responsible for payment of such charges.

5.0 **SUPPLY OF POWER**

Power as generated by Obra C TPS will be supplied to UPPCL only unless mutually agreed otherwise. Terms and conditions as mutually agreed and approved/determined by UPERC from time to time would be applicable.

6.0 **TARIFF AND TERMS & CONDITIONS**

6.1 The cost of infirm power shall be the energy charge calculated on the basis of cost of fuel and the norms of gross station heat rate, secondary fuel oil consumption and auxiliary energy consumption specified for calculation of variable charge during stabilization period as specified in Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009

6.2 The tariff chargeable to UPPCL shall be as per the Tariff Order or any amendment thereof issued by the UPERC.

6.3 The bill for the energy so supplied would be based on energy accounts as given under Clause 7 of this Agreement.

7 **SCHEDULING AND ENERGY ACCOUNTING**

7.1 **Scheduling**

Consequent to the implementation of ABT the methodology of generation schedule shall be as per Indian Electricity Grid Code/UP Electricity Grid Code (as revised from time to time) and UPERC orders.

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विद्युत विभाग, लखनऊ

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7.2 Unschedule Interchange

- 7.2.1 UI for generating station shall be equal to its actual generation minus schedule generation. UI should be worked out for each 15 min blocks. Charges for all UI transactions shall be based on average frequency of the time block and rates as specified in notifications issued by UPERC from time to time.
- 7.2.2 In case of zero generation (tripping / shut down of all units) of a Thermal Power Station, the negative DC / negative Revision Schedule (drawl of power from grid) declared by TPS will be accepted by SLDC and the energy supplied from UPPCL system to the TPS during such period shall be charged at the same tariff or as mutually agreed.
- 7.2.3 **Effective date of implementation of ABT:** The effective date of implementation of ABT for Obra C TPS of UPRVUNL will be as per UPERC guide lines.

7.3 Energy Accounting :

- 7.3.1 Energy drawal by UPPCL will be metered at the Obra C TPS. The energy account shall be prepared by UPRVUNL based on the monthly joint meter reading taken by the representatives of UPRVUNL and UPPCL/STU. The methodology for energy account would be on mutually agreed basis. The export and import of energy at the metering points shall be computed on net basis, i.e. by difference between export and import meter readings.

Provided that if and when provisions of ABT are implemented the Energy Accounts shall be governed by clause 29 of Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 reproduced as under:

“Metering and Accounting - Metering arrangements, including installation, testing and operation and maintenance of meters and collection, transportation and processing of data required for accounting of energy exchanges and average frequency on 15 minute time block basis shall be organized by the State Transmission Utility in consultation with State Load Dispatch Centre. All concerned entities (in whose premises the special energy meters are installed), shall fully cooperate with the State Transmission Utility/State Load Dispatch Centre and extend the necessary assistance by taking weekly meter readings and transmitting them to the State Load Dispatch Centre. The State Load Dispatch Centre, on the basis of processed data of meters along with data relating to declared capability and schedules etc., shall issue the State Accounts for energy on monthly basis as well as UI charges on weekly basis. UI accounting procedures shall be governed by the orders of Central Commission.

Note: This provision shall be applicable with effect from the date these Regulations coming into force except for UI that shall come into force from such date specified by the Commission for implementation of ABT in the State”.

- 7.3.2 On implementation of ABT the Regional Energy Account issued by STU/SLDC or any competent authority shall be binding on all the parties for billing and payment purposes.
- 7.3.3 Such consumers other than establishment of Obra C TPS getting supply directly from Obra C TPS of UPRVUNL would be UPPCL consumers. The billing shall be done by UPPCL on the basis of joint meter reading taken by representative of UPRVUNL & representative of UPPCL/ STU concerned Division of DisComs. Such energy shall be treated as energy exported to UPPCL and accounted for accordingly.

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आयुक्त निदेशक (व्यापारिक)
एन.ए.सी. बिल्डिंग, लखनऊ

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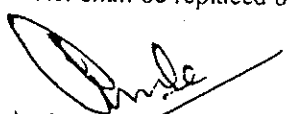
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Chief Engineer (P.P.A.)
U.P.R.V.U.N.L.

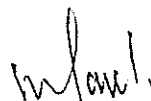
billing and payment shall continue to be based on the energy recorded by the check meter(s), provided its error is within the prescribed limit.

- 9.6 If both the main and check meter(s) fail to record or if any of the PT fuses are blown out, then the energy will be computed on a mutually agreeable basis between UPRVUNL and UPPCL/STU for the period of defect. In case there is no mutual agreement, the computation of energy shall be on the basis of average of the billing of last three months.
- 9.7 Corrections in billing whenever necessary, shall be applicable for the period between the previous meter reading and the date and time of the replacement or recalibrated correct meter and this correction shall be for the full value of the absolute error. For the purpose of the correction to be applied, the meter shall be tested as per Indian Standard (British Standard where Indian Standard is not existing) The error at the load and power factor nearest to the average monthly load served at the point during the period shall be taken as the error to be applied for correction.
- 9.8 All the meters shall be checked for accuracy on quarterly basis by comparison of the readings of main and check meters by UPRVUNL and UPPCL/STU and shall be treated as working satisfactorily so long as the errors are within the limits prescribed in relevant Indian Standard (or British Standard where Indian Standard is not existing) for meters of the said class. The meter readings of main meters shall form the basis of the Energy Accounts so long as the quarterly check results thereof are within prescribed limits. If the check meters are found to be defective during the quarterly checks, these shall be immediately calibrated jointly/ replaced. Where the quarterly checks indicate errors in the main meter(s) beyond limit but no error is noticed in check meter(s) during quarterly checking computation of total net energy sent out at 400 KV bus bars and/or 220 KV / 132 KV and/or other KV bus bars, as applicable, of the Obra C TPS for the month shall be done on the basis of check meter(s) and main meter(s) shall be calibrated jointly immediately. If during the quarterly test check, the difference in the main meter(s) and the corresponding check meters readings are found to be beyond the permissible limits of error, i.e. more than 0.40% both the meter(s) shall be immediately calibrated and the correction applicable to main meter shall be applied to the consumption registered by the main meter(s) to arrive at the correct consumption of energy for the purpose of Energy Accounts for the month from the date of last meter reading upto the time of replacement of correct main meter. Billing for the period thereafter, till the next monthly meter reading, shall be as per calibrated main meter. During this period of calibration of main and check meter(s) another set of main and check meters duly calibrated and sealed will be installed by UPRVUNL/STU/UPPCL at the TPS in the presence of UPPCL/STU/UPRVUNL and jointly sealed. The energy accounting during the period of calibration of original meters shall be as per the readings of the substituted main meter. In case spare meters are not available with UPRVUNL/STU/UPPCL the main/check meter shall be calibrated by rotation. During the period of removal of main meter, the energy accounting will be done based on check meter readings applied with correction factor of the check meter obtained during testing/calibration of check meter.
- 9.9 For the purpose of test and calibration, the standard meter calibrated and sealed by GOUP/GOI Authorized Meter Testing House/Laboratory shall be utilized. This standard meter shall be got calibrated once in every six months at the GOUP/GOI Authorized Meter Testing House/Laboratory.
- 9.10 If at any time any party to the Agreement feels that a meter is not recording correctly it shall give notice to the other party. UPRVUNL/STU/UPPCL shall then undertake testing and calibration of the meters owned by UPRVUNL/STU/UPPCL. If errors on such testing is found to exceed the error limits specified in the relevant Indian Standard (British Standard where Indian Standard is not existing) for this class of meters necessary adjustment in the bills shall be made from the date of notice or from such other date as can be satisfactorily established to be proper for such adjustment.
- 9.11 Once in every five years, both main and check meters shall be tested for accuracy by a substandard meter either at the station or at any approved testing laboratory. During testing in case of error is found to be more than the permissible limits, then the meter shall be replaced by a correct meter.

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10 BILLING AND PAYMENT

10.1 All charges under this Agreement shall be billed by UPRVUNL as per Clause 6 and shall be paid by UPPCL in accordance with the following provisions:

- (i) UPRVUNL shall deliver bills to the UPPCL generally within 10 days of the billing date for energy supplied for each month to UPPCL from Obra C TPS. The payments will be made by UPPCL within due date by cheque payable at Lucknow.
- (ii) UPRVUNL shall carry out billing and associated functions. The authority of UPPCL to whom the bills have to be submitted would be informed by UPPCL to UPRVUNL within a month of signing of the Agreement failing which UPRVUNL would submit the bills to the Director (Finance) of UPPCL.
- (iii) UPPCL shall make adequate provisions in their approved budget for respective years during which this PPA continues to ensure regular payment of power purchased by UPPCL from UPRVUNL and shall also furnish a copy of the approved budget to UPRVUNL.
- (iv) PFC conditions applicable for the agreement period are:-
 - (a) UPRVUNL can undertake third party sale of energy within the state or outside the state if the procurer of energy does not clear the dues as per schedule.
 - (b) Provided that revenue of the procurer shall be escrowed in favour of UPRVUNL and in turn in favour of lenders to UPRVUNL.
 - (c) In case of default to PFC by UPRVUNL, the PFC shall have right to transfer the project to themselves or their agents, operate the project and sell energy to third party.

10.2 Schedule of payment of UI Charges

10.2.1 **UI Charges Accounting:** All payments on account of UI charges including the additional UI charges levied under the regulations and interest received on late payment thereof shall be credited to a fund called UI pool account fund which shall be maintained and operated in accordance with provisions of UPERC regulation / grid code or as mutually agreed.

10.2.2 Payment of UI charges shall have a high priority and the concerned constituent shall pay the indicated amount within 10 days of the issue of statement of UI charges including additional UI charges into the UI pool account fund or as mutually agreed.

10.2.3 If payment against UI charges including additional UI charges are delayed by more than two days i.e beyond 12 days from the date of issue of statement by SLDC, the defaulting constituent shall have to pay simple interest @ .04% for each day of delay applicable as per UPERC order / any amendment time to time or as mutually agreed.

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उत्प्रेषण विभाग, बल्लभपुर, लखनऊ.
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Lucknow

11 **DISPUTES**

In the event of any dispute as to all or any portion of an Invoice, Purchaser shall nevertheless pay the full amount of the undisputed charges plus minimum 50% of the disputed amount of the invoice within due date and shall serve notice on the Seller that the amount of an Invoice is in dispute in which event the provisions of Clause 15 hereof shall be applicable.

12 **REBATES AND SURCHARGE ON LATE PAYMENTS**

12.1 Rebate: For payment of bills of capacity charges and energy charges through a letter of credit on presentation, a rebate of 2% shall be allowed. If the payments are made by a mode other than through a Letter of Credit but within a period of one month of presentation of bills by UPRVUNL, a rebate of 1% shall be allowed.

12.2 Late Payment Surcharge: In case the payment of bills of capacity charges and energy charges by the purchaser is delayed beyond a period of one month from the date of billing, a Late Payment Surcharge at the rate of 1.25% per month shall be levied by UPRVUNL.

12.3 The "Rebate & Surcharge on late payment" clause 12.1 & 12.2 will not be applicable for initial 05 years from the effective date of PPA.

12.4 The "Rebate & Surcharge on late payment" clause 12.1 & 12.2 will be modified for next balance period "20 years" of the PPA after review and decided as mutually agreed by UPRVUNL & UPPCL.

13 **REGULATION OF SUPPLY**

In the event any bill(s) remain unpaid for a period exceeding sixty (60) days, UPRVUNL shall serve a notice on UPPCL giving fifteen (15) days period for affecting regulation of supply from its Obra C Thermal Power Station with consent of GOUP, unless UPPCL makes full direct payment of the outstanding amount within the notice period. In case regulation of supply is affected, for resumption UPPCL shall pay all the outstanding dues.

14 **LEVIES, TAXES, DUTIES, CESS, ETC.:**

The amount of all lawful taxes/duties/cess, etc. payable by UPRVUNL to GOUP/GOI and/or any other local bodies/authorities on generation of electricity including auxiliary consumption, or any other types of consumption including water, transmission, environment protection, sale or on supply of electricity and/or in respect of any of its installation associated with the TPS and/or Transmission system shall be billed on to UPPCL in the shape of supplementary bill raised by UPRVUNL and UPPCL will make payment accordingly at actuals.

14.1 Income Tax – Income tax on core activity to be charged separately through Tax Escrow Account.

15 **INFORMAL DISPUTE RESOLUTION**

15.1 The Authorized Representative appointed by the Parties in pursuance be authorized to resolve any dispute, controversy or claim arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination (a "Dispute") in an equitable manner.

15.2 Following notice by one Party to the other setting out the particulars of the Dispute, if the Authorized Representatives are unable to resolve the Dispute under this Agreement within 15 days, such Dispute shall be referred by such Authorized Representatives to a senior officer designated by Seller and a senior officer designated by Purchaser, respectively, who shall attempt to resolve the Dispute within a further period of 15 days.

15.3 The Parties hereto agree to use their best efforts to attempt for resolving all Disputes arising hereunder promptly, equitably and in good faith, and further agree to provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any such Dispute.

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Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

16.0 ARBITRATION

- 16.1 All differences or disputes between the parties arising out of or in connection with this Agreement remained unresolved as per clause 11 above shall be settled through arbitration as provided herein after.
- 16.2 In the event of such difference or disputes between the parties the matter shall be referred to UPERC for arbitration as per Section 158 of The Electricity Act, 2003 and Section 34 of the U.P. Electricity Reforms Act, 1999.
- 16.3 Notwithstanding the existence of any question, disputes and differences referred to arbitration, the parties hereto shall continue to perform their respective obligations under this Agreement.

17 FORCE MAJEURE

The parties shall ensure due compliance with the terms of this Agreement. However no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God, strike, lock-out or any other reason beyond the reasonable control of concerned party. But any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within 24 hours thereof to the other party to this effect. Generation /drawal of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

18.0 SYSTEM OPERATION

All instructions from SLDC/ STU will be followed strictly regarding scheduling and operation of the Obra C TPS.

19 IMPLEMENTATION OF THE AGREEMENT

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorized representative(s) that each party may nominate in this behalf and notify in writing to the other party by registered post/courier. Any other nomination of authorized representative(s) shall be informed likewise in writing to/by UPPCL within one month of signing of the Agreement. Notwithstanding any nomination, the Chairman and Managing Director UPRVUNL, Shakti Bhawan, 14, Ashok Marg, Lucknow /CE(L-1/II) of Obra C TPS or their authorized representatives shall be authorized to act for and on behalf of UPRVUNL.

20 NOTICE

- 20.1 All notices required or referred to under this Agreement shall be in writing and signed by the respective authorized signatories of the parties mentioned herein unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts/by Courier Service with an acknowledgement due to the other parties in terms of this Agreement.

- 20.2 All notices or communications given by telefax or telegram/FAX shall be confirmed by deposition of a copy of the same in the post office in an envelope properly addressed to the appropriate party for delivery by registered or certified mail or courier. All notices shall be deemed delivered upon receipt.

AA
Accepted

Jury

Desktop/powerpurchase agreement

15
[Signature]
Er. Ramesh Chandra
Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

Obra C

[Signature]
B. (P.P.A.)
UPPCL
Shakti Bhawan, Extn.
Lucknow

21.0 SUCCESSORS AND ASSIGNS

21.1 Neither party shall assign in full or part with any of its rights or obligations under this agreement to any third party without the prior approval in writing of other party.

21.2 In case any of the parties to this Agreement is restructured and/or its generation, transmission and distribution activities are taken over by other organization(s), agency(ies), partly or wholly, the Agreement shall be binding *mutatis mutandis* upon the successor organization(s)/ agency(ies), and shall ensure to the benefits of and shall also be guaranteed by the State Government and shall continue to remain valid with respect to the obligations of the successor organization(s)/agency(ies). In such situation this agreement shall be suitably reviewed and modified as mutually agreed between the parties and shall be binding on all concerned.

22.0 JURISDICTION

All disputes arising out of or relating to this agreement shall be subject to the jurisdiction of High Court of Judicature of Allahabad at Lucknow Bench.

23.0 MISCELLANEOUS

23.1 Writing

No variation, waiver, amendment or modification of any of the terms of the Agreement shall be valid unless approved by UPERC and communicated in writing and signed by or on behalf of the Parties.

23.2 Severability

The invalidity or enforceability, for any reason, of any part of this Agreement shall not prejudice or affect the validity or enforceability of the remainder.

23.3 No Waiver

The failure of any Party to insist in one or more instances upon the strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as waiver of any such provisions or relinquishment of any such rights but the same shall continue in full force and effect.

23.4 Language

The language of this agreement shall be in English and all documents, notices, waivers and any other written communication or otherwise between the parties, in connection with the agreement, shall be in English/Hindi.

23.5 Entirety

This Agreement is intended by the parties as the final expression of their agreement and are intended also as a complete and exclusive statement of the terms of their agreement.

All prior written or oral understanding, offers or communications of every kind pertaining to this agreement or the sale or purchase of electrical output and contracted capacity under this agreement to Purchaser by Seller are abrogated and withdrawn.

Alkumar

Trueng
कविशास्त्री इंजीनियरिंग
ऊर्जा क्रय समझौते के तहत लड़ना के
व्यवस्थापक निदेशक, बिहार सरकार
Lucknow
Desktop/powershare agreement

Arund
Dr. Kamya Chandra
Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow
C.E. (P.P.A.)
U.P.R.V.U.N.L.
Lucknow
Obra C

23.6 Survival

Notwithstanding anything contained in this Agreement, clause 19 read with clause 2 shall survive this Agreement.

23.7 Waiver of Immunity

Purchaser and Seller are subject to Civil and Commercial Law with respect to their obligations under this Agreement, and the execution, delivery and performance hereof by them constitutes (for the purposes of applicable Indian Law and otherwise) private and commercial acts rather than government and public acts.

To the extent that Purchaser or Seller may in any jurisdiction claim for itself or any of its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process, or to the extent that in any jurisdiction there may be attributed to Purchaser or its assets or revenues any such immunity (whether or not claimed), Purchaser and Seller hereby agree not to claim and irrevocably waive any such immunity.

23.8 Breach of Obligations

The parties acknowledge that a breach of any of the obligations contained herein would result in injuries. The parties acknowledge the damages alone shall not be adequate remedy for such breach. Accordingly each party agrees that in addition to any other rights or remedy which the other party may have at Law or in equity, the non breaching party shall be entitled to specific performance and injunctive relief in any court of competent jurisdiction for any breach or threatened breach by the other party.

23.9 Inconsistency between the Provisions of PPA and Tariff Regulations/Tariff Order:

In the event of any inconsistency between the provisions of this PPA and the UPERC (Terms and Conditions of Generation Tariff) Regulations, 2009 read with the UPERC Tariff Order dated 20.01.11 or any amendment thereof, the later shall prevail.

23.10 This PPA is subject to approval by UPERC

IN WITNESS WHEREOF the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names as on the date first above written.

SIGNED AND DELIVERED by UPRVUNL (Seller)

by the hand of its authorized official.

Name: ... *Ramesh Chandra* ... 2013

Title: ... *Er. Ramesh Chandra* ...

Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

In the presence of:

1. Witness Name

Rajeev Jaiswal
EE (AST) UNL.

3. Witness Name

Haroon
Haroon Aslam
EE (Comm), UNL.

SIGNED AND DELIVERED by UPPL (Purchaser)

by the hand of its authorized official.

Name: ... *S.P. Pandey* ...

Title: ... *S.P. Pandey* ...

UPPL (P.P.A.)
UPPL P. C. L.
Shakti Bhawan Extn
Lucknow

In the presence of:

1. Witness Name

S.P. Pandey
S.P. PANDHEY / SE, PPA

3. Witness Name

Jayant
Jayant Narain, EE (PPA)

Accepted

Swamy
स्वामी प्रसाद शर्मा
अध्यक्ष, बि. वि. वि. बोर्ड
लखनऊ

POWER PURCHASE AGREEMENT

BETWEEN

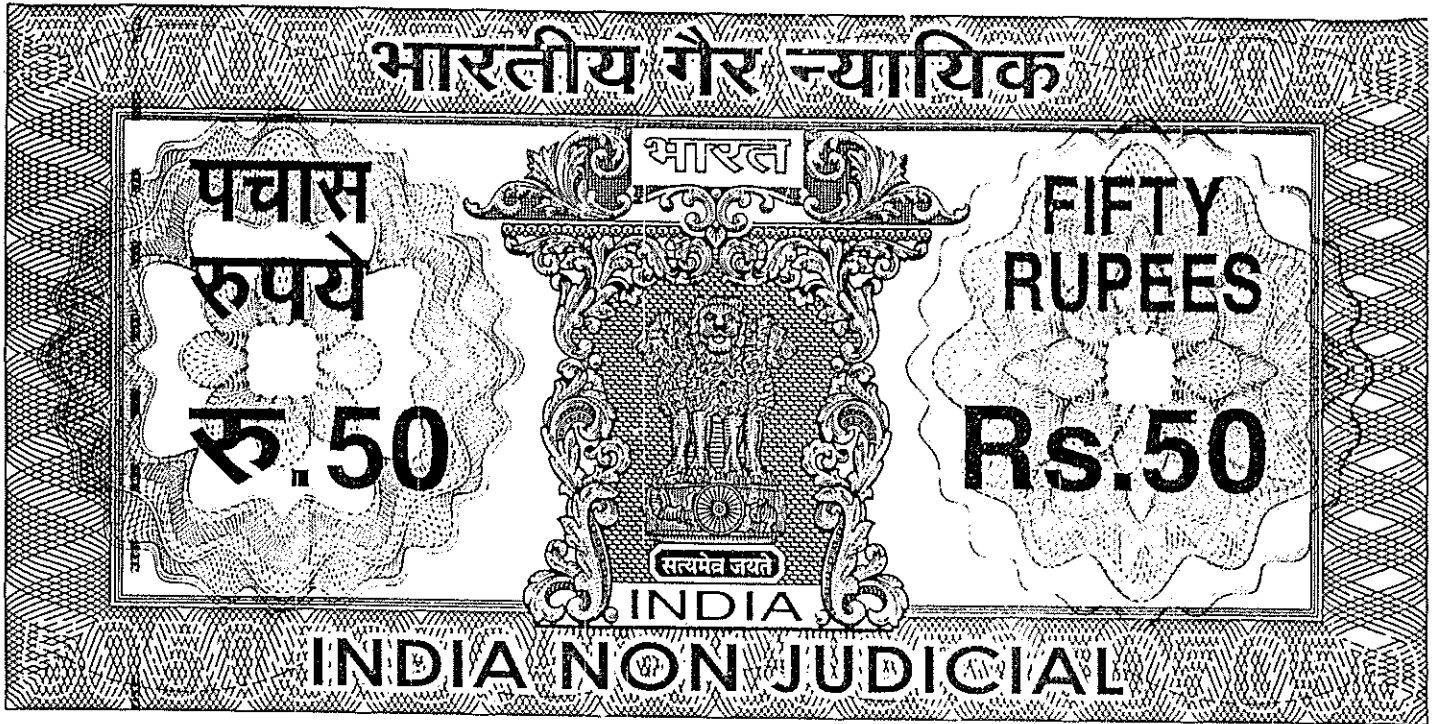
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM LIMITED

AND

UTTAR PRADESH POWER CORPORATION LIMITED

DATED: 16, 01.2013

For Harduganj Ext-II



उत्तर प्रदेश UTTAR PRADESH

AK 383855

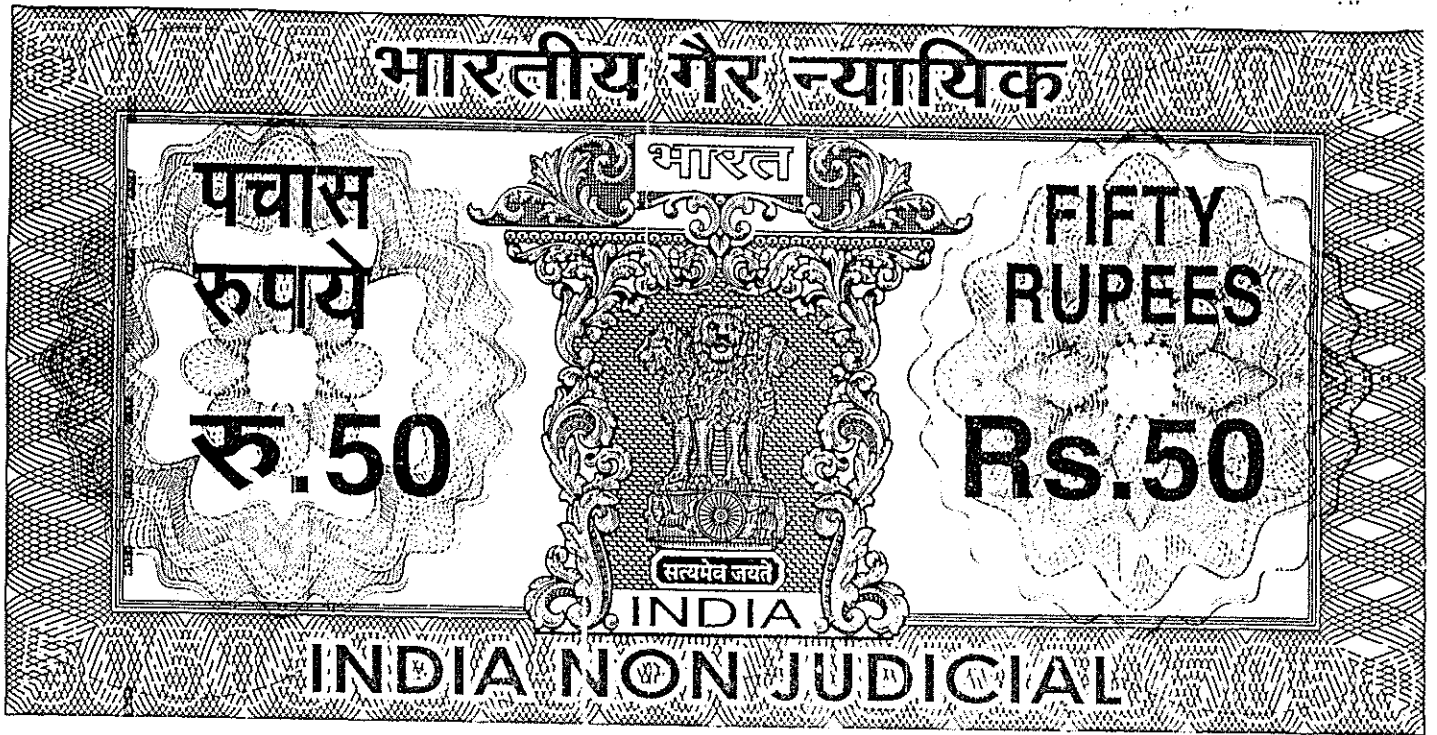
POWER PURCHASE AGREEMENT
 BETWEEN
 UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM LIMITED
 AND
 UTTAR PRADESH POWER CORPORATION LIMITED

This Power Purchase Agreement (hereinafter referred to as "Agreement") entered into this^{16th}..... day of January, 2013 between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd., a company incorporated under the Companies Act, 1956 having its Registered Office, at "Shakti Bhawan Extn", 14 - Ashok Marg, Lucknow - 226001 (hereinafter referred to as "UPRVUNL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns), as party of the FIRST PART which is the party selling the power, and Uttar Pradesh Power Corporation Limited, a company incorporated under the Companies Act, 1956 having its registered office at "Shakti Bhawan" 14 - Ashok Marg, Lucknow-226001 (hereinafter referred to as "UPPCL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns) as party of the SECOND PART, which is the party purchasing the power. This Agreement is subject to Uttar Pradesh Electricity Regulatory Commission's approval in terms of provisions, Section 10 (2) and (3), Section 86 (1) (a) and (b) of the Electricity Act, 2003 and Section 10 (1) (c) of the Uttar Pradesh Electricity Reforms Act, 1999 (U.P. Act no. 24 of 1999).

Attested
 Desktop/powerpurchase agreement
 उत्तर प्रदेश विद्युत् उत्पादन निगम लि.
 शक्ति भवन, लखनऊ

[Signature]
 Er. Ramesh Chandra
 Chief Engineer (Commercial)
 U.P.R.V.U.N.L.
 Shakti Bhawan, Extn.
 Lucknow

[Signature]
 Harduaganj Extn-II



उत्तर प्रदेश UTTAR PRADESH

AK 383854

WHEREAS

- (i) UPRVUNL is a power generating company, which will own and operate a new upcoming electric power generating station namely Harduaganj Extn.-II Thermal Power Station at Harduaganj, District Aligarh and will be engaged in the business of the generation and sale of electricity so produced, and
- (ii) UPPCL is the holding company of the Distribution Companies (now distribution licensees in the State), as per section 4 of the Companies Act, 1956 and
- (iii) UPRVUNL wishes to sell to UPPCL who in turn wishes to purchase from UPRVUNL its electric energy and capacity from the aforementioned power generating station pursuant to the terms and conditions set forth herein. Further, the reallocation of generating capacity of UPRVUNL amongst various DisComs, as required, will be done as per approval from GoUP, without affecting upon the rights & obligations of UPRVUNL under this agreement. On such reallocation, the rights and obligations of UPPCL under this agreement shall stand transferred to the Distribution Companies, being the successor(s) of UPPCL as per provision in the PPA.

WHEREAS

UPRVUNL will own and operate the Harduaganj Extn-II Thermal power station having installed capacity of 1x660 MW, to be synchronized as per following schedule (tentative)

Unit no. 10: Date 31.03.17

Attest
[Signature]
 Desktop/power purchase agreement
 उत्तर प्रदेश विद्युत निगम
 असाईनड डायरेक्टर, बि. व. वि. वि. वि.
 लखनऊ

[Signature]
 Sh. Nimesh Chandra
 Chief Engineer (Commercial)
 U.P.R.V.U.N.L.
 Shakti Bhawan, Extn.
 Lucknow

[Signature]
 Harduaganj Extn-II
 U.P.P.P.A.
 लखनऊ

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

1.0 DEFINITIONS AND INTERPRETATION

1.1 Definitions

When used herein and in all of the Schedules hereto including, without limitation, the Tariff (as hereinafter defined) or any other document related to this Agreement, the defined terms set forth in this Article 1 shall have the meanings specified herein.

Any term used herein, but not defined herein, shall have the meanings provided in the U.P. Electricity Reforms Act, 1999 and The Electricity Act, 2003, as amended from time to time. Additional defined terms set forth in "The Uttar Pradesh Electricity Regulatory Commission (Terms and conditions of Generation Tariff) Regulations, 2009" shall have the meanings set forth therein.

Availability

In relation to the thermal generating station for any period means the average of the daily average declared capacities (DCs) for all the days during that period expressed as a percentage of the installed capacity of the generating station minus normative auxiliary consumption in MW, and shall be computed in accordance with the following formula:

$$\text{Availability (\%)} = 10000 \times \frac{\sum_{i=1}^N \text{DC}_i}{\{N \times \text{IC} \times (100 - \text{AUX}_n)\} \%}$$

where,

- IC = Installed Capacity of the generating station in MW,
- DC_i = Average declared capacity for the *i*th day of the period in MW,
- N = Number of days during the period, and
- AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Bill shall have the meaning as ascribed in clause 10 read with clause 6 of this Agreement.

Billing Date: shall be the date on which the bill shall be raised. The UPRVUNL shall present the bills after the end of each calendar month as per UPERC Tariff Order for energy supplied to UPPCL from the Power Station as per Energy Account issued by SLDC/STU or any other Competent Authority/JMR at TPS.

Billing Month means the metering date of one calendar month to the metering date of the next calendar month.

Business Day shall construe as a reference to a date (other than Sunday and Public Holidays) on which Banks are open for business in Lucknow.

Desktop/power purchase agreement

3

Chief Engineer - (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

Harduaganj Extn-II

PPA
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

Business Hours means the period commencing from 10:30 hours to 17:00 hours on any Business day.

Cause means any fact or circumstances which legally entitles the issuing Government Agency, to withhold issuance or renewal of, revoke or amend a Permit, due to any failure by Seller or any of the Lenders, Investors or Contractors in whose name the Permit has been or is to be issued.

CEA means the Central Electricity Authority.

Change in Law means:

- (i) Any enactment or issuance of any new Law;
- (ii) Any change in the interpretation or application of an existing Law by any judicial or quasi-judicial or other authority (including a court, tribunal or regulatory commission) having the legal power to interpret or apply such Law;
- (iii) Any amendment, alteration, or modification of an existing Law;
- (iv) The repeal and re-enactment of any existing Law;
- (v) Any Change in Permits;
- (vi) Imposition (other than for Cause) of a requirement for a permit which did not exist as at the date of this Agreement;
- (vii) A change (other than for cause) in the terms and conditions attaching to a permit after it has been given;
- (viii) To the attachment of any new terms and conditions to such permit; or
- (ix) The revocation or cancellation (other than for Cause) of any permit.

Provided however, no Change in Tax shall qualify as "Change in Law". Law shall not include any "Tax Law" (as hereinafter defined).

Change in Permits means:

- (i) The imposition (other than for Cause) of any material requirement in connection with the issuance, renewal or extension of any Permit or the modification of any Permit after such Permit was issued, in either case subsequent to the date of signing of this Agreement;
- (ii) The imposition (other than for Cause) of a requirement for a Permit which did not exist as on the date of this Agreement;
- (iii) The revocation or cancellation (other than for Cause) of any Permit.

Change in Tax means any introduction, amendment, extension, repeal or authoritative change in interpretation or application of any Tax (including, without limitation, the time, rate, incentive, exemption or incidence applicable to any Tax) after the date hereof.

Check Import/Export Meters means meters for maintaining a check on performance of main import/export meters and shall be used for accounting and billing of electricity in case of failure of main meter.

CLDS means Central Load Dispatch Station of UPPTCL.

Date of effectiveness of Agreement means signing of this agreement.

Day means the 24 (twenty four) hours period ending at 24:00 Hours midnight Indian Standard Time.

Declared Capacity or DC means the capability of the generating station to deliver ex-bus electricity in MW declared by such generating station in relation to any period of the day or whole of the day, duly taking into account the availability of fuel;

Delivery of Bill: Shall have the meaning as defined in clause 10 of this agreement.

4
Er. Ramesh Chandra
Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

Harduaganj Extn-II

[Signature]
U.P.R.V.U.N.L.
Harduaganj Extn-II

Attestes

[Signature]

Desktop/purchase agreement

Designated Officer means an officer designated by UPPCL/STU for matters relating to meter reading, billing and payment.

Dispute means any material dispute or material difference of any kind between Seller and Purchaser in connection with or arising out of this Agreement.

Due Date of Payment or Due Date means, in relation to any Bill, the date on which the amount referred to in such Bill becomes due for payment which shall be 30 days from the Billing Date to the Authorized Representative of Purchaser. If the due date is not a business day, the next business day will be the due date.

Energy Charges shall cover fuel costs and shall be worked out as specified in Tariff order.

Energy Account shall mean periodic energy account including amendments thereof, if any.

Energy Unit means one-kilowatt hour of electrical energy.

Fixed Charges or Capacity Charge amount means the recoverable fixed charge for a Tariff period determined in accordance with the Tariff Order.

Force Majeure shall have the meaning set forth in clause 17 of this Agreement.

Force Outage means an interruption of generating capacity that is not the result of:

- (i) A Scheduled Outage;
- (ii) A Force Majeure event; ;
- (iii) Any event or condition caused by Purchaser or attributable to an event or condition on Purchaser Facility; or
- (iv) Any Emergency or other curtailment or reduction pursuant to clause 17 in this Agreement.

Generating Unit means Plant, consisting of boiler, turbo generator, and other auxiliaries, which is capable of generating the specified power, independently.

GOI means the Government of India.

GOUP means the Government of Uttar Pradesh and its successors.

Government Agency means the GOI, GOUP, UPERC, or any ministry, department, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with Seiler) or commission under the direct or indirect control of the GOI or the GOUP or any political subdivision of either of them owned or controlled by GOI or GOUP or any of their subdivisions, or any court, tribunal or judicial body within India.

Grid means the total system of electrical generation using any means other than Seller's Generating Unit, evacuation and transmission circuits, transformers, switchgear and other equipment (including the interconnection Facility) on Purchaser's side of the Interconnection Point.

'Gross Calorific Value' or GCV in relation to a thermal power generating station means the heat produced in kCal by complete combustion of one kilogram of solid fuel or one litre of liquid fuel, as the case may be;

Interconnection Point means the point or points at which interconnection is made between the Unit and the Transmission Utility System and unless otherwise mutually decided, shall be at the outgoing sides of circuit breakers connecting the EHT/HT lines.

Desktop/powerpurchase agreement

5

Harduaganj Extn-II

U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

Harduaganj Extn-II
Lucknow

Attested
J. Kumar
अतिरिक्त
उप निदेशक
शुभमोदी टोपिंग

Installed Capacity or IC means the summation of the name plate capacities of all the units of the generating station or the capacity of the generating station reckoned at the generator terminals as approved by the Commission from time to time;

KW means kilowatt.

KWH means kilowatt hour.

Law means the Constitution of India and any Act, rule, regulation, notification, directive, ordinance, order or any interpretation thereof or instruction having the force of law enacted or issued by any Government Agency.

Main Import Meter shall mean meter for measurement of active energy import at TPS Busbar for energy accounting.

Main Export Meter shall mean meter for measurement of active energy export at TPS Busbar for energy accounting.

Metering Date shall mean mid-day (12:00 hrs) of the last day of each calendar month.

Monthly Fixed Charge amount means the prescribed recoverable fixed charges as per Tariff Order.

MU shall mean one million Units.

MW means Megawatts.

Net Electrical Energy is the energy, supplied by Harduaganj Extn-II TPS of UPRVUNL and measured in kWh, at the point of interconnection in accordance with the provisions of Clause 5.

O & M shall mean operation and maintenance.

Permit or Permits means any consent, license, approval, permit, no objection certificate or other authorization of any nature whatsoever, which is required to be granted to Purchaser or Seller, as the case may be, by any Government Agency for the purpose of owning, developing, designing, financing, insuring, constructing, operating or maintaining the Project as contemplated under this Agreement.

Plant Load Factor or PLF for a given period, means the total sent out energy corresponding to scheduled generation during the period, expressed as a percentage of sent out energy corresponding to installed capacity in that period and shall be computed in accordance with the following formula;

$$PLF (\%) = 10000 \times \frac{\sum_{i=1}^N SG_i}{\{ N \times IC \times (100 - AUX_n) \}} \%$$

where,

IC = Installed Capacity of the generating station in MW,

SG_i = Scheduled Generation in MW for the ith time block of the period,

N = Number of time blocks during the period, and

AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Power Grid means Power Grid Corporation Ltd.

Power Purchase Agreement means the Agreement for selling of power by UPRVUNL and purchase by UPPCL.

Desktop/powerpurchase agreement

Er. Rakesh Chandra
Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

Harduaganj Extn-II

[Signature]
U.P.R.V.U.N.L.
Lucknow

Attest
[Signature]
[Stamp]

Paragraph shall, subject to any contrary indication, be construed as a reference to a paragraph in the Clause or Schedule in which such reference appears;

Person shall be construed as a reference to any person, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing,

1.2.2 General

Save where the contrary is indicated, any reference in this Agreement to:

- (i) Rupee and Rs. denote Indian Currency;
- (ii) words importing the singular shall include the plural and vice versa, any person shall be construed so as to include its and any subsequent successors, transferees and assigns in accordance with their respective interests;
- (iii) this Agreement or any other agreement or document shall be construed as a reference to each such agreement or, as the case may be, such other agreement or document as the same may have been, or may, from time to time, be amended, varied, novated, replaced or supplemented;
- (iv) a statute or enactment shall be construed as a reference to such statute as the same may have been, or may from time to time be, amended or re-enacted;
- (v) All orders so issued by UPERC shall be binding on both the parties from the date the same become applicable.
- (vi) In case either party goes in for any Review Petition/Appeal against the order of the UPERC before the competent authority, the order of the competent authority in that regard shall be applicable and binding on both the parties from the date the said order become applicable.
- (vii) a time of day shall, save as otherwise provided in any agreement or document, be construed as a reference to Indian Standard Time; and

Any word or expression used in this Agreement shall, unless otherwise defined or construed herein, bear its ordinary English meaning and, for these purposes, the General Clauses Act, 1897 shall not apply.

2.0 TERM OF AGREEMENT

The term of this Agreement shall be for a period of twenty five years starting from effective date extendable/renewable by mutual consent between UPPCL and UPRVUNL. In case UPPCL continue to get power from the Harduaganj Extn-II Thermal Power Station even after expiry of this agreement without further renewal or formal extension thereof, then all the provisions of this agreement shall continue to operate till this Agreement is formally renewed, extended or replaced except the Tariff, which will be applicable as per order of the UPERC and as per provision of clause 6.3 of this agreement. This agreement shall be terminable even from any earlier date from which the PPA with different DisComs has been made effective.

3.0 INSTALLED CAPACITY

The installed capacity of Harduaganj Extn-II Thermal Power Station will be 660 MW. The installed capacity is, however, subject to de-rating/re-rating of the generating units as determined from time to time after following the prescribed procedure as laid down by CEA.

Desktop/powerpurchase agreement

Er. Ramesh Chandra
Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

Harduaganj Extn-II

[Signature]
U.P.P.A.
C.L.
Extn.

3.2 Allocation of Power

Full capacity of Harduaganj Extn-II TPS shall be allocated to UPPCL unless reallocated by GOUP.

3.3 Drawal of Power

The power from Harduaganj Extn-II TPS shall be drawn by UPPCL directly through its own or through the transmission system of other agencies on the basis of availability of capacity of the TPS.

3.4 Generation Schedule

UPRVUNL shall submit daily generation schedule of Harduaganj Extn-II TPS to UPPCL or SLDC, as per UPERC Generation Regulations

3.5 Daily Declared Capacity Notice

UPRVUNL shall deliver to UPPCL or SLDC, as applicable, at each day a notice indicating daily declared capacity of Harduaganj Extn-II TPS as per regulation for next 24 hours. Any change in daily declared capacity notice due to minor or major breakdown in station shall be intimated to UPPCL or SLDC, as applicable as per regulation.

4.0 TRANSMISSION/WHEELING OF POWER

4.1 Power shall be made available by UPRVUNL at the busbars of the Station and it shall be the obligation and responsibility of UPPCL to make the required arrangement for evacuation of power from such delivery points of UPRVUNL.

4.2 UPPCL shall coordinate with the appropriate authorities/agencies including UPPTCL/STU or any other Licensees for power evacuation from the above delivery point.

4.3 UPPCL shall be responsible to coordinate with the UPPTCL/STU or any licensee or other agencies for implementation of the transmission system for evacuation of power from the station matching with the commissioning schedule of the station.

4.4 For wheeling of the power beyond busbars of the Station, charges for utilization of transmission system(s) owned by UPPTCL/STU/other agencies shall be paid directly by UPPCL to the UPPTCL or other agencies. UPRVUNL shall not be responsible for payment of such charges.

5.0 SUPPLY OF POWER

Power as generated by Harduaganj Extn-II TPS will be supplied to UPPCL only unless mutually agreed otherwise. Terms and conditions as mutually agreed and approved/determined by UPERC from time to time would be applicable.

6.0 TARIFF AND TERMS & CONDITIONS

6.1 The cost of infirm power shall be the energy charge calculated on the basis of cost of fuel and the norms of gross station heat rate, secondary fuel oil consumption and auxiliary energy consumption specified for calculation of variable charge during stabilization period as specified in Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009

6.2 The tariff chargeable to UPPCL shall be as per the Tariff Order or any amendment thereof issued by the UPERC.

6.3 The bill for the energy so supplied would be based on energy accounts as given under Clause 7 of this Agreement.

7 SCHEDULING AND ENERGY ACCOUNTING

7.1 Scheduling

Consequent to the implementation of ABT the methodology of generation schedule shall be as per Indian Electricity Grid Code/UP Electricity Grid Code (as revised from time to time) and UPERC orders.

M. S. S. S.
अविभागीय अधिकारी
ऊर्जा एवं वायुमयन विभाग
इंजीनियरिंग विभाग, लखनऊ
Desktop/powerpurchase agreement

[Signature]
Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

Harduaganj Extn-II

7.2 Unschedule Interchange

- 7.2.1 UI for generating station shall be equal to its actual generation minus schedule generation. UI should be worked out for each 15 min blocks. Charges for all UI transactions shall be based on average frequency of the time block and rates as specified in notifications issued by UPERC from time to time.
- 7.2.2 In case of zero generation (tripping / shut down of all units) of a Thermal Power Station, the negative DC / negative Revision Schedule (drawl of power from grid) declared by TPS will be accepted by SLDC and the energy supplied from UPPCL system to the TPS during such period shall be charged at the same tariff or as mutually agreed.
- 7.2.3 **Effective date of implementation of ABT:** The effective date of implementation of ABT for Harduaganj Extn-II. of UPRVUNL will be as per UPERC guide lines.

7.3 Energy Accounting :

- 7.3.1 Energy drawal by UPPCL will be metered at the Harduaganj Extn-II. TPS. The energy account shall be prepared by UPRVUNL based on the monthly joint meter reading taken by the representatives of UPRVUNL and UPPCL/STU. The methodology for energy account would be on mutually agreed basis. The export and import of energy at the metering points shall be computed on net basis, i.e. by difference between export and import meter readings.

Provided that if and when provisions of ABT are implemented the Energy Accounts shall be governed by clause 29 of Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 reproduced as under:

“Metering and Accounting - Metering arrangements, including installation, testing and operation and maintenance of meters and collection, transportation and processing of data required for accounting of energy exchanges and average frequency on 15 minute time block basis shall be organized by the State Transmission Utility in consultation with State Load Dispatch Centre. All concerned entities (in whose premises the special energy meters are installed), shall fully cooperate with the State Transmission Utility/State Load Dispatch Centre and extend the necessary assistance by taking weekly meter readings and transmitting them to the State Load Dispatch Centre. The State Load Dispatch Centre, on the basis of processed data of meters along with data relating to declared capability and schedules etc., shall issue the State Accounts for energy on monthly basis as well as UI charges on weekly basis. UI accounting procedures shall be governed by the orders of Central Commission.

Note: This provision shall be applicable with effect from the date these Regulations coming into force except for UI that shall come into force from such date specified by the Commission for implementation of ABT in the State”.

- 7.3.2 On implementation of ABT the Regional Energy Account issued by STU/SLDC or any competent authority shall be binding on all the parties for billing and payment purposes.
- 7.3.3 Such consumers other than establishment of Harduaganj Extn-II TPS getting supply directly from Harduaganj Extn-II. TPS of UPRVUNL would be UPPCL consumers. The billing shall be done by UPPCL on the basis of joint meter reading taken by representative of UPRVUNL & representative of UPPCL/ STU concerned Division of DisComs. Such energy shall be treated as energy exported to UPPCL and accounted for accordingly.

Desktop/powerpurchase agreement

L. Kamesh Chandra
Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

Harduaganj Extn-II

Chief Engineer (P.P.A.)

POINTS OF METERING

The main and check meters at the 400 KV/220 KV/132 KV or other KV bus bars of generating transformers of the Harduaganj Extn-II TPS to be installed by UPRVUNL shall be maintained by UPRVUNL. Installation and maintenance of main and check meters at locations other than the meters installed and maintained by UPRVUNL shall be the responsibility of UPPCL/STU. The meters shall be sealed after calibration by the concerned parties jointly. The points of metering for Harduaganj Extn-II TPS are as under:

Export Points:-

1. Generator Transformer-10

Import Points:-

1. Station Transformer No.10


Note: - The above points are subject to addition/alteration, if found necessary

METERING SYSTEM

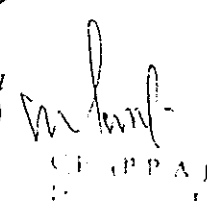
- 9.1 A set of CT/PT/Meters (Main and check) of 0.2 accuracy class, as per IEGC/CEA (Installation & Operation of Meters) Regulations – 2006 as applicable, shall be installed on all outgoing feeders of the station. UPPCL/STU shall make all necessary arrangements for installation of CT/PT/Meters, at all its drawal points. So long as existing CT/PT/Meters of any other class are replaced by 0.2 class, the existing CT/PT/Meters will be used for energy accounting.
- 9.2 All the meters shall be jointly calibrated, inspected and sealed on behalf of the parties and shall not be interfered with except in the presence of other party or for joint testing and calibration and/or replacement and/or any other purposes for which due notice of 7 (Seven) days will be given by UPRVUNL/STU/UPPCL so that this is done in the presence of the authorized representatives of the STU/UPPCL/UPRVUNL.
- 9.3 Joint meter readings of the main as well as check meters at various energy accounting points as identified shall be taken by the parties as mentioned above at 1200 hrs (noon) on the last day of each calendar month. In case any of the concerned parties is not available for joint meter readings at the specified time, the meter reading taken by the other party shall be binding on both the parties and shall be taken into account for preparation of Energy Accounts. UPPCL shall designate an officer for joint meter reading. On implementation of ABT the data shall be downloaded from the meters at regular interval as decided by STU/SLDC for preparation of REA/UI account.
- 9.4 If the main meter is found to be not working at the time of meter readings or any other time, UPRVUNL shall inform the STU/SLDC for the same and the data from check meters shall be considered by SLDC/STU for energy accounting for the period..
- 9.5 If in any month the readings of the main energy meter(s) differ from the readings of corresponding check energy meter(s) by more than 0.4% (zero point four percent) the main and check energy meter(s) shall be tested in turn and the errors at various levels as per standard procedures would be determined. If on such testing main energy/check meter error is found to exceed $\pm 0.2\%$ (plus/minus zero point two percent) the energy figures recorded by the main energy/check meter(s) for the above month concerned shall be revised accordingly and the main energy/check meter(s) shall be recalibrated jointly or replaced by the correct energy meter(s). Pending the results of such testing,

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 In presence of
 Joint power purchase agreement
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 उद्योग विभाग, लखनऊ
 उद्योग विभाग, लखनऊ
 उद्योग विभाग, लखनऊ


 Lt. Ram Mohan Chandra
 Chief Engineer (Commercial)
 U.P.R.V.U.N.L.
 Shakti Bhawan, Extn.
 Lucknow

Harduaganj Extn-II


 M. K. Singh
 (UPPCL)

billing and payment shall continue to be based on the energy recorded by the check meter(s), provided its error is within the prescribed limit.

9.6 If both the main and check meter(s) fail to record or if any of the P.T. fuses are blown out, then the energy will be computed on a mutually agreeable basis between UPRVUNL and UPPCL/STU for the period of defect. In case there is no mutual agreement, the computation of energy shall be on the basis of average of the billing of last three months.

9.7 Corrections in billing whenever necessary, shall be applicable for the period between the previous meter reading and the date and time of the replacement or recalibrated correct meter and this correction shall be for the full value of the absolute error. For the purpose of the correction to be applied, the meter shall be tested as per Indian Standard (British Standard where Indian Standard is not existing) The error at the load and power factor nearest to the average monthly load served at the point during the period shall be taken as the error to be applied for correction.

9.8 All the meters shall be checked for accuracy on quarterly basis by comparison of the readings of main and check meters by UPRVUNL and UPPCL/STU and shall be treated as working satisfactorily so long as the errors are within the limits prescribed in relevant Indian Standard (or British Standard where Indian Standard is not existing) for meters of the said class. The meter readings of main meters shall form the basis of the Energy Accounts so long as the quarterly check results thereof are within prescribed limits. If the check meters are found to be defective during the quarterly checks, these shall be immediately calibrated jointly/ replaced. Where the quarterly checks indicate errors in the main meter(s) beyond limit but no error is noticed in check meter(s) during quarterly checking computation of total net energy sent out at 400 KV bus bars and/or 220 KV / 132 KV and/or other KV bus bars, as applicable, of the Harduaganj Extn-II TPS for the month shall be done on the basis of check meter(s) and main meter(s) shall be calibrated jointly immediately. If during the quarterly test check, the difference in the main meter(s) and the corresponding check meters readings are found to be beyond the permissible limits of error, i.e. more than 0.40% both the meter(s) shall be immediately calibrated and the correction applicable to main meter shall be applied to the consumption registered by the main meter(s) to arrive at the correct consumption of energy for the purpose of Energy Accounts for the month from the date of last meter reading upto the time of replacement of correct main meter. Billing for the period thereafter, till the next monthly meter reading, shall be as per calibrated main meter. During this period of calibration of main and check meter(s) another set of main and check meters duly calibrated and sealed will be installed by UPRVUNL/STU/UPPCL at the TPS in the presence of UPPCL/STU/UPRVUNL and jointly sealed. The energy accounting during the period of calibration of original meters shall be as per the readings of the substituted main meter. In case spare meters are not available with UPRVUNL/STU/UPPCL the main/check meter shall be calibrated by rotation. During the period of removal of main meter, the energy accounting will be done based on check meter readings applied with correction factor of the check meter obtained during testing/calibration of check meter.

9.9 For the purpose of test and calibration, the standard meter calibrated and sealed by GOUP/GOI Authorized Meter Testing House/Laboratory shall be utilized. This standard meter shall be got calibrated once in every six months at the GOUP/GOI Authorized Meter Testing House/Laboratory.

9.10 If at any time any party to the Agreement feels that a meter is not recording correctly it shall give notice to the other party. UPRVUNL/STU/UPPCL shall then undertake testing and calibration of the meters owned by UPRVUNL/STU/UPPCL. If errors on such testing is found to exceed the error limits specified in the relevant Indian Standard (British Standard where Indian Standard is not existing) for this class of meters necessary adjustment in the bills shall be made from the date of notice or from such other date as can be satisfactorily established to be proper for such adjustment.

9.11 Once in every five years, both main and check meters shall be tested for accuracy by a substandard meter either at the station or at any approved testing laboratory. During testing in case of error is found to be more than the permissible limits, then the meter shall be replaced by a correct meter.

Desktop/powerpurchase agreement

Er. Ramesh Chandra
Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

Harduaganj Extn-II

10 BILLING AND PAYMENT

10.1 All charges under this Agreement shall be billed by UPRVUNL as per Clause 6 and shall be paid by UPPCL in accordance with the following provisions:

- (i) UPRVUNL shall deliver bills to the UPPCL generally within 10 days of the billing date for energy supplied for each month to UPPCL from Harduaganj Extn-II TPS. The payments will be made by UPPCL within due date by cheque payable at Lucknow.
- (ii) UPRVUNL shall carry out billing and associated functions. The authority of UPPCL to whom the bills have to be submitted would be informed by UPPCL to UPRVUNL within a month of signing of the Agreement failing which UPRVUNL would submit the bills to the Director (Finance) of UPPCL.
- (iii) UPPCL shall make adequate provisions in their approved budget for respective years during which this PPA continues to ensure regular payment of power purchased by UPPCL from UPRVUNL and shall also furnish a copy of the approved budget to UPRVUNL.
- (iv) PFC conditions applicable for the agreement period are:-
 - (a) UPRVUNL can undertake third party sale of energy within the state or outside the state if the procurer of energy does not clear the dues as per schedule.
 - (b) Provided that revenue of the procurer shall be escrowed in favour of UPRVUNL and in turn in favour of lenders to UPRVUNL.
 - (c) In case of default to PFC by UPRVUNL, the PFC shall have right to transfer the project to themselves or their agents, operate the project and sell energy to third party.

10.2 Schedule of payment of UI Charges

10.2.1 **UI Charges Accounting:** All payments on account of UI charges including the additional UI charges levied under the regulations and interest received on late payment thereof shall be credited to a fund called UI pool account fund which shall be maintained and operated in accordance with provisions of UPERC regulation / grid code or as mutually agreed.

10.2.2 Payment of UI charges shall have a high priority and the concerned constituent shall pay the indicated amount within 10 days of the issue of statement of UI charges including additional UI charges into the UI pool account fund or as mutually agreed.

10.2.3 If payment against UI charges including additional UI charges are delayed by more than two days i.e beyond 12 days from the date of issue of statement by SLDC, the defaulting constituent shall have to pay simple interest @ .04% for each day of delay applicable as per UPERC order / any amendment time to time or as mutually agreed.

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अधिकाारी अधिकारी
Desktop/powerpurchase agreement
उर्जा का अर्जा
सुपरींय वी. उद्योग, कर्नाटक

Er. Ramesh Chandra
Chief Engineer (Commercial)
U.P.R.VIG.N.L.
Shakti Bhawan, Extn.
Lucknow

[Signature]

[Signature]

Harduaganj Extn-II

UPPCL PPA

L.

[Signature]

11 DISPUTES

In the event of any dispute as to all or any portion of an Invoice, Purchaser shall nevertheless pay the full amount of the undisputed charges plus minimum 50% of the disputed amount of the invoice within due date and shall serve notice on the Seller that the amount of an Invoice is in dispute in which event the provisions of Clause 15 hereof shall be applicable.

12 REBATES AND SURCHARGE ON LATE PAYMENTS

12.1 Rebate: For payment of bills of capacity charges and energy charges through a letter of credit on presentation, a rebate of 2% shall be allowed. If the payments are made by a mode other than through a Letter of Credit but within a period of one month of presentation of bills by UPRVUNL, a rebate of 1% shall be allowed.

12.2 Late Payment Surcharge: In case the payment of bills of capacity charges and energy charges by the purchaser is delayed beyond a period of one month from the date of billing, a Late Payment Surcharge at the rate of 1.25% per month shall be levied by UPRVUNL.

12.3 The "Rebate & Surcharge on late payment" clause 12.1 & 12.2 will not be applicable for initial 05 years from the effective date of PPA.

12.4 The "Rebate & Surcharge on late payment" clause 12.1 & 12.2 will be modified for next balance period "20 years" of the PPA after review and decided as mutually agreed by UPRVUNL & UPPCL.

13 REGULATION OF SUPPLY

In the event any bill(s) remain unpaid for a period exceeding sixty (60) days, UPRVUNL shall serve a notice on UPPCL giving fifteen (15) days period for affecting regulation of supply from its Harduaganj Extn-II Thermal Power Station with consent of GOUP, unless UPPCL makes full direct payment of the outstanding amount within the notice period. In case regulation of supply is affected, for resumption UPPCL shall pay all the outstanding dues.

14.0 LEVIES, TAXES, DUTIES, CESS, ETC.:

The amount of all lawful taxes/duties/cess, etc. payable by UPRVUNL to GOUP/GOI and/or any other local bodies/authorities on generation of electricity including auxiliary consumption, or any other types of consumption including water, transmission, environment protection, sale or on supply of electricity and/or in respect of any of its installation associated with the TPS and/or Transmission system shall be billed on to UPPCL in the shape of supplementary bill raised by UPRVUNL and UPPCL will make payment accordingly at actuals.

14.1 **Income Tax** – Income tax on core activity to be charged separately through Tax Escrow Account.

15.0 INFORMAL DISPUTE RESOLUTION

15.1 The Authorized Representative appointed by the Parties in pursuance be authorized to resolve any dispute, controversy or claim arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination (a "Dispute") in an equitable manner.

15.2 Following notice by one Party to the other setting out the particulars of the Dispute, if the Authorized Representatives are unable to resolve the Dispute under this Agreement within 15 days, such Dispute shall be referred by such Authorized Representatives to a senior officer designated by Seller and a senior officer designated by Purchaser, respectively, who shall attempt to resolve the Dispute within a further period of 15 days.

15.3 The Parties hereto agree to use their best efforts to attempt for resolving all Disputes arising hereunder promptly, equitably and in good faith, and further agree to provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any such Dispute.

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अविशाली अग्नि
उर्जा कक्ष, लखनऊ
डिस्क/पावरप्राइवेट लिमिटेड, लखनऊ
Desktop/powerpurchaseagreement

Handwritten signature
Er. Ramesh Chandra
Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

Harduaganj Extn-II

U.P.R.V.U.N.L.
P.P.A.

16.0 ARBITRATION

- 16.1 All differences or disputes between the parties arising out of or in connection with this Agreement remained unresolved as per clause 11 above shall be settled through arbitration as provided herein after.
- 16.2 In the event of such difference or disputes between the parties the matter shall be referred to UPERC for arbitration as per Section 158 of The Electricity Act, 2003 and Section 34 of the U.P. Electricity Reforms Act, 1999.
- 16.3 Notwithstanding the existence of any question, disputes and differences referred to arbitration, the parties hereto shall continue to perform their respective obligations under this Agreement.

17 FORCE MAJEURE

The parties shall ensure due compliance with the terms of this Agreement. However no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God, strike, lock-out or any other reason beyond the reasonable control of concerned party. But any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within 24 hours thereof to the other party to this effect. Generation /drawal of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

18.0 SYSTEM OPERATION

All instructions from SLDC/ STU will be followed strictly regarding scheduling and operation of the Harduaganj Extn-II TPS.

19 IMPLEMENTATION OF THE AGREEMENT

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorized representative(s) that each party may nominate in this behalf and notify in writing to the other party by registered post/courier. Any other nomination of authorized representative(s) shall be informed likewise in writing to/by UPPCL within one month of signing of the Agreement. Notwithstanding any nomination, the Chairman and Managing Director UPRVUNL, Shakti Bhawan, 14, Ashok Marg, Lucknow /CE(L-1/II) of Harduaganj Extn-II TPS or their authorized representatives shall be authorized to act for and on behalf of UPRVUNL.

20 NOTICE

- 20.1 All notices required or referred to under this Agreement shall be in writing and signed by the respective authorized signatories of the parties mentioned herein unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts/by Courier Service with an acknowledgement due to the other parties in terms of this Agreement.
- 20.2 All notices or communications given by telefax or telegram/FAX shall be confirmed by deposition of a copy of the same in the post office in an envelope properly addressed to the appropriate party for delivery by registered or certified mail or courier. All notices shall be deemed delivered upon receipt.

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Desktop/powerpurchase agreement

Er. Ramesh Chand
Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

Harduaganj Extn-II

[Signature]
CE (T&A)

U.P.R.V.U.N.L.

Harduaganj Extn-II

21 SUCCESSORS AND ASSIGNS

21.1 Neither party shall assign in full or part with any of its rights or obligations under this agreement to any third party without the prior approval in writing of other party.

21.2 In case any of the parties to this Agreement is restructured and/or its generation, transmission and distribution activities are taken over by other organization(s), agency(ies), partly or wholly, the Agreement shall be binding *mutatis mutandis* upon the successor organization(s)/ agency(ies), and shall ensure to the benefits of and shall also be guaranteed by the State Government and shall continue to remain valid with respect to the obligations of the successor organization(s)/agency(ies). In such situation this agreement shall be suitably reviewed and modified as mutually agreed between the parties and shall be binding on all concerned.

22 JURISDICTION

All disputes arising out of or relating to this agreement shall be subject to the jurisdiction of High Court of Judicature of Allahabad at Lucknow Bench.

23 MISCELLANEOUS

23.1 Writing

No variation, waiver, amendment or modification of any of the terms of the Agreement shall be valid unless approved by UPERC and communicated in writing and signed by or on behalf of the Parties.

23.2 Severability

The invalidity or enforceability, for any reason, of any part of this Agreement shall not prejudice or affect the validity or enforceability of the remainder.

23.3 No Waiver

The failure of any Party to insist in one or more instances upon the strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as waiver of any such provisions or relinquishment of any such rights but the same shall continue in full force and effect.

23.4 Language


The language of this agreement shall be in English and all documents, notices, waivers and any other written communication or otherwise between the parties, in connection with the agreement, shall be in English/Hindi.

23.5 Entirety


This Agreement is intended by the parties as the final expression of their agreement and are intended also as a complete and exclusive statement of the terms of their agreement.

All prior written or oral understanding, offers or communications of every kind pertaining to this agreement or the sale or purchase of electrical output and contracted capacity under this agreement to Purchaser by Seller are abrogated and withdrawn.

Desktop/powerpurchase agreement


Er. Ramesh Chandra
Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

Harduaganj Extn-II


C.E. (P.P.A.)
U.P.R.V.U.N.L.
Lucknow

23.6 Survival

Notwithstanding anything contained in this Agreement, clause 19 read with clause 2 shall survive this Agreement.

23.7 Waiver of Immunity

Purchaser and Seller are subject to Civil and Commercial Law with respect to their obligations under this Agreement, and the execution, delivery and performance hereof by them constitutes (for the purposes of applicable Indian Law and otherwise) private and commercial acts rather than government and public acts.

To the extent that Purchaser or Seller may in any jurisdiction claim for itself or any of its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgement or otherwise) or other legal process, or to the extent that in any jurisdiction there may be attributed to Purchaser or its assets or revenues any such immunity (whether or not claimed), Purchaser and Seller hereby agree not to claim and irrevocably waive any such immunity.

23.8 Breach of Obligations

The parties acknowledge that a breach of any of the obligations contained herein would result in injuries. The parties acknowledge the damages alone shall not be adequate remedy for such breach. Accordingly each party agrees that in addition to any other rights or remedy which the other party may have at Law or in equity, the non breaching party shall be entitled to specific performance and injunctive relief in any court of competent jurisdiction for any breach or threatened breach by the other party.

23.9 Inconsistency between the Provisions of PPA and Tariff Regulations/Tariff Order:

In the event of any inconsistency between the provisions of this PPA and the UPERC (Terms and Conditions of Generation Tariff) Regulations, 2009 read with the UPERC Tariff Order dated 20.01.11 or any amendment thereof, the later shall prevail.

23.10 This PPA is subject to approval by UPERC

IN WITNESS WHEREOF the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names as on the date first above written.

SIGNED AND DELIVERED by UPRVUNL (Seller)

by the hand of its authorized official

Name: ... *Er. Ramesh Chandra* 16/11/2013
Title: ... Chief Engineer (Commercial)

U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

In the presence of:

1. Witness Name

Rajeev Jaiswal
EE(CABT)/UNL

2. Witness Name

Haroon Aslam
EE (Comm), UNL.

SIGNED AND DELIVERED by UPPCL (Purchaser)

by the hand of its authorized official

Name: ...
Title: ... 16/11/13

Shakti Bhawan Extn.
Lucknow.

In the presence of:

1. Witness Name

(S.P.PANDEY), SEPPA

2. Witness Name

(Agent UPPCL) EE (V)

Attended
Inventory

अभिषेक कुमार
अभिषेक कुमार
अभिषेक कुमार

POWER PURCHASE AGREEMENT

BETWEEN

UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM LIMITED

AND

UTTAR PRADESH POWER CORPORATION LIMITED

DATED: 26-5-2011

**For Anpara 'D' Thermal Power Station for the Period from April 1, 2009
to March 31, 2014**

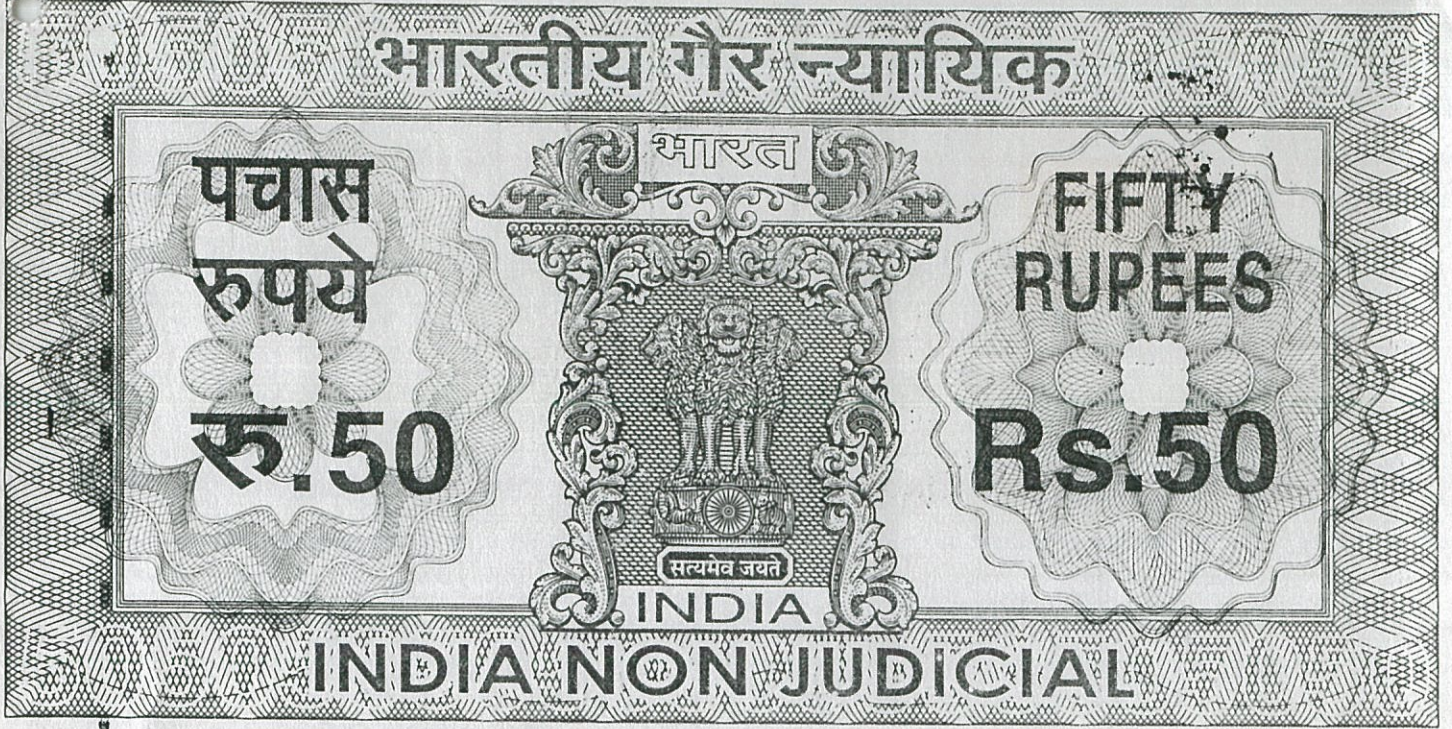


उत्तर प्रदेश UTTAR PRADESH

Y 585745

POWER PURCHASE AGREEMENT
BETWEEN
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM
LIMITED
AND
UTTAR PRADESH POWER CORPORATION LIMITED

This Power Purchase Agreement (hereinafter referred to as "Agreement") entered into this 26th day of ..May..2011.... between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd., a company incorporated under the Companies Act, 1956 having its Registered Office, at "Shakti Bhawan Extn", 14 - Ashok Marg, Lucknow - 226001 (hereinafter referred to as "UPRVUNL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns), as party of the FIRST PART which is the party selling the power, and Uttar Pradesh Power Corporation Limited, a company incorporated under the Companies Act, 1956 having its registered office at "Shakti Bhawan " 14 - Ashok Marg, Lucknow-226001 (hereinafter referred to as "UPPCL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns) as party of the SECOND PART, which is the party purchasing the power. This Agreement is subject to Uttar Pradesh Electricity Regulatory Commission's approval in terms of provisions, Section 10 (2) and (3), Section 86 (1) (a) and (b) of the Electricity Act, 2003 and Section 10 (1) (c) of the Uttar Pradesh Electricity Reforms Act, 1999 (U.P. Act no. 24 of 1999).



उत्तर प्रदेश UTTAR PRADESH

Y 585746

WHEREAS

- (i) UPRVUNL is a power generating company, which will own and operate a new upcoming electric power generating station namely Anpara 'D' Thermal Power Station at Anpara, District Sonbhadra and will be engaged in the business of the generation and sale of electricity so produced, and
- (ii) UPPCL is the holding company of the Distribution Companies (now distribution licensees in the State), as per section 4 of the Companies Act, 1956 and
- (iii) UPRVUNL wishes to sell to UPPCL who in turn wishes to purchase from UPRVUNL its electric energy and capacity from the aforementioned power generating station pursuant to the terms and conditions set forth herein. Further, the reallocation of generating capacity of UPRVUNL amongst various DisComs, as required, will be done as per approval from GoUP, without affecting upon the rights & obligations of UPRVUNL under this agreement. On such reallocation, the rights and obligations of UPPCL under this agreement shall stand transferred to the Distribution Companies, being the successor(s) of UPPCL as per provision in the PPA.

WHEREAS

UPRVUNL will own and operate the Anpara 'D' Thermal power station having installed capacity of 2x500 MW, to be commissioned as per following schedule (tentative)

Unit no. 6 :- Nov. 2011
Unit no. 7 :- Dec. 2011

[Handwritten signature]

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

1.0 DEFINITIONS AND INTERPRETATION

1.1 Definitions

When used herein and in all of the Schedules hereto including, without limitation, the Tariff (as hereinafter defined) or any other document related to this Agreement, the defined terms set forth in this Article 1 shall have the meanings specified herein.

Any term used herein, but not defined herein, shall have the meanings provided in the U.P. Electricity Reforms Act, 1999 and The Electricity Act, 2003, as amended from time to time. Additional defined terms set forth in "The Uttar Pradesh Electricity Regulatory Commission (Terms and conditions of Generation Tariff) Regulations, 2009" shall have the meanings set forth therein.

Availability

In relation to the thermal generating station for any period means the average of the daily average declared capacities (DCs) for all the days during that period expressed as a percentage of the installed capacity of the generating station minus normative auxiliary consumption in MW, and shall be computed in accordance with the following formula:

$$\text{Availability (\%)} = 10000 \times \frac{\sum_{i=1}^N \text{DC}_i}{\{ N \times \text{IC} \times (100 - \text{AUX}_n) \}} \%$$

where,

IC = Installed Capacity of the generating station in MW,

DC_i = Average declared capacity for the ith day of the period in MW,

N = Number of days during the period, and

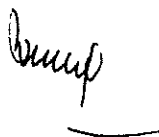
AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Bill shall have the meaning as ascribed in clause 10 read with clause 6 of this Agreement.

Billing Date: shall be the date on which the bill shall be raised. The UPRVUNL shall present the bills after the end of each calendar month as per UPERC Tariff Order for energy supplied to UPPCL from the Power Station as per Energy Account issued by SLDC/STU or any other Competent Authority/JMR at TPS.

Billing Month means the metering date of one calendar month to the metering date of the next calendar month.

Business Day shall construe as a reference to a date (other than Sunday and Public Holidays) on which Banks are open for business in Lucknow.



Business Hours means the period commencing from 10:30 hours to 17:00 hours on any Business day.

Cause means any fact or circumstances which legally entitles the issuing Government Agency, to withhold issuance or renewal of, revoke or amend a Permit, due to any failure by Seller or any of the Lenders, Investors or Contractors in whose name the Permit has been or is to be issued.

CEA means the Central Electricity Authority.

Change in Law means:

- (i) Any enactment or issuance of any new Law;
- (ii) Any change in the interpretation or application of an existing Law by any judicial or quasi-judicial or other authority (including a court, tribunal or regulatory commission) having the legal power to interpret or apply such Law;
- (iii) Any amendment, alteration, or modification of an existing Law;
- (iv) The repeal and re-enactment of any existing Law;
- (v) Any Change in Permits;
- (vi) Imposition (other than for Cause) of a requirement for a permit which did not exist as at the date of this Agreement;
- (vii) A change (other than for cause) in the terms and conditions attaching to a permit after it has been given;
- (viii) To the attachment of any new terms and conditions to such permit; or
- (ix) The revocation or cancellation (other than for Cause) of any permit.

Provided however, no Change in Tax shall qualify as "Change in Law". Law shall not include any "Tax Law" (as hereinafter defined).

Change in Permits means:

- (i) the imposition (other than for Cause) of any material requirement in connection with the issuance, renewal or extension of any Permit or the modification of any Permit after such Permit was issued, in either case subsequent to the date of signing of this Agreement;
- (ii) the imposition (other than for Cause) of a requirement for a Permit which did not exist as on the date of this Agreement;
- (iii) the revocation or cancellation (other than for Cause) of any Permit.

Change in Tax means any introduction, amendment, extension, repeal or authoritative change in interpretation or application of any Tax (including, without limitation, the time, rate, incentive, exemption or incidence applicable to any Tax) after the date hereof.

Check Import/Export Meters means meters for maintaining a check on performance of main import/export meters and shall be used for accounting and billing of electricity in case of failure of main meter.

CLDS means Central Load Dispatch Station of UPPTCL.

Date of effectiveness of Agreement shall be 1st April, 2009.

Day means the 24 (twenty four) hours period ending at 24:00 Hours midnight Indian Standard Time.

Declared Capacity or DC means the capability of the generating station to deliver ex-bus electricity in MW declared by such generating station in relation to any period of the day or whole of the day, duly taking into account the availability of fuel;

Delivery of Bill: Shall have the meaning as defined in clause 10 of this agreement.

Designated Officer means an officer designated by UPPCL/STU for matters relating to meter reading, billing and payment.

Dispute means any material dispute or material difference of any kind between Seller and Purchaser in connection with or arising out of this Agreement.

Due Date of Payment or Due Date means, in relation to any Bill, the date on which the amount referred to in such Bill becomes due for payment which shall be 30 days from the Billing Date to the Authorized Representative of Purchaser. If the due date is not a business day, the next business day will be the due date.

Energy Charges shall cover fuel costs and shall be worked out as specified in Tariff order.

Energy Account shall mean periodic energy account including amendments thereof, if any.

Energy Unit means one-kilowatt hour of electrical energy.

Fixed Charges or Capacity Charge amount means the recoverable fixed charge for a Tariff period determined in accordance with the Tariff Order.

Force Majeure shall have the meaning set forth in clause 16 of this Agreement.

Force Outage means an interruption of generating capacity that is not the result of:

- (i) A Scheduled Outage;
- (ii) A Force Majeure event;
- (iii) Any event or condition caused by Purchaser or attributable to an event or condition on Purchaser Facility; or
- (iv) Any Emergency or other curtailment or reduction pursuant to clause 16 in this Agreement.

Generating Unit means Plant, consisting of boiler, turbo generator, and other auxiliaries, which is capable of generating the specified power, independently.

GOI means the Government of India.

GOUP means the Government of Uttar Pradesh and its successors.

Government Agency means the GOI, GOUP, UPERC, or any ministry, department, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with Seller) or commission under the direct or indirect control of the GOI or the GOUP or any political subdivision of either of them owned or controlled by GOI or GOUP or any of their subdivisions, or any court, tribunal or judicial body within India.

Grid means the total system of electrical generation using any means other than Seller's Generating Unit, evacuation and transmission circuits, transformers, switchgear and other equipment (including the interconnection Facility) on Purchaser's side of the Interconnection Point.

'Gross Calorific Value' or GCV in relation to a thermal power generating station means the heat produced in kCal by complete combustion of one kilogram of solid fuel or one litre of liquid fuel, as the case may be;

Interconnection Point means the point or points at which interconnection is made between the Unit and the Transmission Utility System and unless otherwise mutually decided, shall be at the outgoing sides of circuit breakers connecting the EHT/HT lines.

Installed Capacity or IC means the summation of the name plate capacities of all the units of the generating station or the capacity of the generating station reckoned at the generator terminals as approved by the Commission from time to time;

KW means kilowatt.

kWH means kilowatt hour.

Law means the Constitution of India and any Act, rule, regulation, notification, directive, ordinance, order or any interpretation thereof or instruction having the force of law enacted or issued by any Government Agency.

Main Import Meter shall mean meter for measurement of active energy import at TPS Busbar for energy accounting.

Main Export Meter shall mean meter for measurement of active energy export at TPS Busbar for energy accounting.

Metering Date shall mean mid-day (12:00 hrs) of the last day of each calendar month.

Monthly Fixed Charge amount means the prescribed recoverable fixed charges as per Tariff Order.

MU shall mean one million Units.

MW means Megawatts.

Net Electrical Energy is the energy, supplied by Anpara 'D' TPS of UPRVUNI, and measured in kWh, at the point of interconnection in accordance with the provisions of Clause 5.

O & M shall mean operation and maintenance.

Permit or Permits means any consent, license, approval, permit, no objection certificate or other authorization of any nature whatsoever, which is required to be granted to Purchaser or Seller, as the case may be, by any Government Agency for the purpose of owning, developing, designing, financing, insuring, constructing, operating or maintaining the Project as contemplated under this Agreement.

Plant Load Factor or PLF for a given period, means the total sent out energy corresponding to scheduled generation during the period, expressed as a percentage of sent out energy corresponding to installed capacity in that period and shall be computed in accordance with the following formula;

$$PLF (\%) = 10000 \times \frac{\sum_{i=1}^N SG_i}{\{ N \times IC \times (100 - AUX_n) \}} \%$$

where,

IC = Installed Capacity of the generating station in MW,

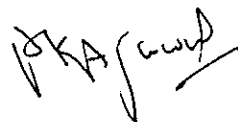
SG_i = Scheduled Generation in MW for the ith time block of the period,

N = Number of time blocks during the period, and

AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Power Grid means Power Grid Corporation Ltd.

Power Purchase Agreement means the Agreement for selling of power by UPRVUNL and purchase by UPPCL.



Primary Fuel shall mean coal as supplied by the collieries.

Pool Account means Regional account for payments regarding Unschedule Interchanges

Scheduled Bank means any bank at Lucknow indicated by Purchaser and acceptable to Seller.

Secondary Fuel shall mean the heavy furnace oil (HFO) and/or light diesel oil (LDO) and or Low Sulphur High Speed (LSHS)

SLDC or State Load Dispatch Centre means the centre established under subsection (1) of section 31 by GoUP

Schedule Generation: At any time or for any period or time block means Schedule of Generation in Mw or Mwh ex-bus given by the concerned Load Dispatch centre.

Target Availability or TA means availability as set by the Commission in its Tariff Order

Tariff means the amounts to be paid by Purchaser to the Seller under this Agreement and as determined by UPERC or any competent authority authorized from time to time.

Tariff Order means the Tariff Order passed by UPERC for MYT period FY 2009-10 to 2013-2014 and hosted on website: www.uperc.org

Tariff Regulation means the regulations notified in exercise of powers conferred under Section 181 read with Section 61 of the Electricity Act, 2003 by the Uttar Pradesh Electricity Regulatory Commission [vide Notification No. UPERC/Secy/ Generation Regulation/4100, Lucknow dated 31 March 2009, titled as the Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 and as amended from time to time.

Tax means tax, cess, levy, toll, impost, excise, duty, fee or charge of any nature whatsoever levied by or payable to any Government Agency including but not limited to any withholding tax, income tax, corporate tax, VAT, excise tax, works contract tax, stamp duty, customs and import duties, octroi.

Thermal Power Station (TPS) means a thermal generating station having an installation of one or more thermal generating units and covered under this Agreement.

Transfer Scheme shall mean UP Electricity Reforms Transfer Scheme, 2000.

Unit means one kilowatt-hour.

UPERC or Commission means UP Electricity Regulatory Commission.


1.2 INTERPRETATION AND GENERAL

1.2.1 Interpretation Any reference in this Agreement to:

this Agreement shall be construed as references to this Agreement together with all recitals and Schedules hereto;

Clause shall, subject to any contrary indication, be construed as a reference to a clause of this Agreement;

Encumbrance shall be construed as a reference to a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;


Desktop/powerpurchase agreement

Paragraph shall, subject to any contrary indication, be construed as a reference to a paragraph in the Clause or Schedule in which such reference appears;

Person shall be construed as a reference to any person, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing.

1.2.2 General

Save where the contrary is indicated, any reference in this Agreement to:

- (i) **Rupee and Rs.** denote Indian Currency;
- (ii) words importing the singular shall include the plural and vice versa, any person shall be construed so as to include its and any subsequent successors, transferees and assigns in accordance with their respective interests;
- (iii) this Agreement or any other agreement or document shall be construed as a reference to each such agreement or, as the case may be, such other agreement or document as the same may have been, or may, from time to time, be amended, varied, novated, replaced or supplemented;
- (iv) a statute or enactment shall be construed as a reference to such statute as the same may have been, or may from time to time be, amended or re-enacted;
- (v) All orders so issued by UPERC shall be binding on both the parties from the date the same become applicable.
- (vi) In case either party goes in for any Review Petition/Appeal against the order of the UPERC before the competent authority, the order of the competent authority in that regard shall be applicable and binding on both the parties from the date the said order become applicable.
- (vii) a time of day shall, save as otherwise provided in any agreement or document, be construed as a reference to Indian Standard Time; and

Any word or expression used in this Agreement shall, unless otherwise defined or construed herein, bear its ordinary English meaning and, for these purposes, the General Clauses Act, 1897 shall not apply.

2.0 TERM OF AGREEMENT

The term of this Agreement shall be for a period of five years starting from 1st April, 2009 and ending on 31st March, 2014 extendable/renewable by **mutual** consent between UPPCL and UPRVUNL. In case UPPCL continue to get power from the Anpara 'D' Thermal Power Station even after expiry of this agreement without further renewal or formal extension thereof, then all the provisions of this agreement shall continue to operate till this Agreement is formally renewed, extended or replaced except the Tariff, which will be applicable as per order of the UPERC and as per provision of clause 6.3 of this agreement. This agreement shall be terminable even from any earlier date from which the PPA with different DisComs has been made effective.

3.0 INSTALLED CAPACITY

3.1 The installed capacity of Anpara 'D' Thermal Power Station will be 1000 MW. The installed capacity is, however, subject to de-rating/re-rating of the generating units as determined from time to time after following the prescribed procedure as laid down by CEA.

- 3.2 Allocation of Power**
Full capacity of Anpara 'D' TPS shall be allocated to UPPCL unless reallocated by GOUP.
- 3.3 Drawal of Power**
The power from Anpara 'D' TPS shall be drawn by UPPCL directly through its own or through the transmission system of other agencies on the basis of availability of capacity of the TPS.
- 3.4 Generation Schedule**
UPRVUNL shall submit daily generation schedule of Anpara 'D' TPS to UPPCL or SLDC, as per UPERC Generation Regulations
- 3.5 Daily Declared Capacity Notice**
UPRVUNL shall deliver to UPPCL or SLDC, as applicable, at each day a notice indicating daily declared capacity of Anpara 'D' TPS as per regulation for next 24 hours. Any change in daily declared capacity notice due to minor or major breakdown in station shall be intimated to UPPCL or SLDC, as applicable as per regulation.
- 4.0 TRANSMISSION/WHEELING OF POWER**
- 4.1** Power shall be made available by UPRVUNL at the busbars of the Station and it shall be the obligation and responsibility of UPPCL to make the required arrangement for evacuation of power from such delivery points of UPRVUNL.
- 4.2** UPPCL shall coordinate with the appropriate authorities/agencies including UPPTCL/STU or any other Licensees for power evacuation from the above delivery point.
- 4.1** UPPCL shall be responsible to coordinate with the UPPTCL/STU or any licensee or other agencies for implementation of the transmission system for evacuation of power from the station matching with the commissioning schedule of the station.
- 4.2** For wheeling of the power beyond busbars of the Station, charges for utilisation of transmission system(s) owned by UPPTCL/STU/other agencies shall be paid directly by UPPCL to the UPPTCL or other agencies. UPRVUNL shall not be responsible for payment of such charges.
- 5.0 SUPPLY OF POWER**
- 5.1** Power as generated by Anpara 'D' TPS will be supplied to UPPCL only unless mutually agreed otherwise. Terms and conditions as mutually agreed and approved/determined by UPERC from time to time would be applicable.
- 6.0 TARIFF AND TERMS & CONDITIONS**
- 6.1** The cost of infirm power shall be the energy charge calculated on the basis of cost of fuel and the norms of gross station heat rate, secondary fuel oil consumption and auxiliary energy consumption specified for calculation of variable charge during stabilization period as specified in Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009.
- 6.2** The tariff chargeable to UPPCL shall be as per the Tariff Order or any amendment thereof issued by the UPERC.
- 6.3** The bill for the energy so supplied would be based on energy accounts as given under Clause 7 of this Agreement.
- 6.4** If Tariff for the period extending beyond 31.03.2014 is not approved by the U.P. Electricity Regulatory Commission the prevailing tariff order approved by the Commission will be provisionally applicable till Tariff Order for the concerning period is approved by the UPERC.
- 7.0 SCHEDULING AND ENERGY ACCOUNTING**
- 7.1 Scheduling**
Consequent to the implementation of ABT the methodology of generation schedule shall be as per Indian Electricity Grid Code/UP Electricity Grid Code (as revised from time to time) and UPERC orders.

7.2. Unschedule Interchange

- 7.2.1 UI for generating station shall be equal to its actual generation minus schedule generation. UI should be worked out for each 15 min blocks. Charges for all UI transactions shall be based on average frequency of the time block and rates as specified in notifications issued by UPERC from time to time.
- 7.2.2 In case of zero generation (tripping / shut down of all units) of a Thermal Power Station, the negative DC / negative Revision Schedule (drawl of power from grid) declared by TPS will be accepted by SLDC and the energy supplied from UPPCL system to the TPS during such period shall be charged at the same tariff or as mutually agreed.
- 7.2.3 **Effective date of implementation of ABT:** The effective date of implementation of ABT for Anpara 'D' of UPRVUNL will be as per UPERC guide lines.

7.3 Energy Accounting :

- 7.3.1 Energy drawal by UPPCL will be metered at the Anpara 'D' TPS. The energy account shall be prepared by UPRVUNL based on the monthly joint meter reading taken by the representatives of UPRVUNL and UPPCL/STU. The methodology for energy account would be on mutually agreed basis. The export and import of energy at the metering points shall be computed on net basis, i.e. by difference between export and import meter readings.

Provided that if and when provisions of ABT are implemented the Energy Accounts shall be governed by clause 29 of Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 reproduced as under:

"Metering and Accounting - Metering arrangements, including installation, testing and operation and maintenance of meters and collection, transportation and processing of data required for accounting of energy exchanges and average frequency on 15 minute time block basis shall be organized by the State Transmission Utility in consultation with State Load Despatch Centre. All concerned entities (in whose premises the special energy meters are installed), shall fully cooperate with the State Transmission Utility/State Load Despatch Centre and extend the necessary assistance by taking weekly meter readings and transmitting them to the State Load Despatch Centre. The State Load Despatch Centre, on the basis of processed data of meters along with data relating to declared capability and schedules etc., shall issue the State Accounts for energy on monthly basis as well as UI charges on weekly basis. UI accounting procedures shall be governed by the orders of Central Commission.

Note: This provision shall be applicable with effect from the date these Regulations coming into force except for UI that shall come into force from such date specified by the Commission for implementation of ABT in the State".

- 7.3.2 On implementation of ABT the Regional Energy Account issued by STU/SLDC or any competent authority shall be binding on all the parties for billing and payment purposes.
- 7.3.3 Such consumers other than establishment of Anpara 'D' TPS getting supply directly from Anpara 'D' TPS of UPRVUNL would be UPPCL consumers. The billing shall be done by UPPCL on the basis of joint meter reading taken by representative of UPRVUNL & representative of UPPCL/ STU concerned Division of DisComs. Such energy shall be treated as energy exported to UPPCL and accounted for accordingly.

8.0 POINTS OF METERING

The main and check meters at the 400 KV/220 KV/132 KV or other KV bus bars of generating transformers of the Anpara 'D' TPS to be installed by UPRVUNL shall be maintained by UPRVUNL. Installation and maintenance of main and check meters at locations other than the meters installed and maintained by UPRVUNL shall be the responsibility of UPPCL/STU. The meters shall be sealed after calibration by the concerned parties jointly. The points of metering for Anpara 'D' TPS are as under:

Export Points:-

1. Generator Transformer-6
2. Generator Transformer-7

Import Points:-

1. Station Transformer No.6
2. Station Transformer No. 7

Note: - The above points are subject to addition/alteration, if found necessary

9.0 METERING SYSTEM

- 9.1 A set of CT/PT/Meters (Main and check) of 0.2 accuracy class, as per HEGC/CEA (Installation & Operation of Meters) Regulations – 2006 as applicable, shall be installed on all outgoing feeders of the station. UPPCL/STU shall make all necessary arrangements for installation of CT/PT/Meters, at all its drawal points. So long as existing CT/PT/Meters of any other class are replaced by 0.2 class, the existing CT/PT/Meters will be used for energy accounting.
- 9.2 All the meters shall be jointly calibrated, inspected and sealed on behalf of the parties and shall not be interfered with except in the presence of other party or for joint testing and calibration and/or replacement and/or any other purposes for which due notice of 7 (Seven) days will be given by UPRVUNL/STU/UPPCL so that this is done in the presence of the authorized representatives of the STU/UPPCL/UPRVUNL.
- 9.3 Joint meter readings of the main as well as check meters at various energy accounting points as identified shall be taken by the parties as mentioned above at 1200 hrs (noon) on the last day of each calendar month. In case any of the concerned parties is not available for joint meter readings at the specified time, the meter reading taken by the other party shall be binding on both the parties and shall be taken into account for preparation of Energy Accounts. UPPCL shall designate an officer for joint meter reading. On implementation of ABT the data shall be downloaded from the meters at regular interval as decided by STU/SLDC for preparation of REA/UI account.
- 9.4 If the main meter is found to be not working at the time of meter readings or any other time, UPRVUNL shall inform the STU/SLDC for the same and the data from check meters shall be considered by SLDC/STU for energy accounting for the period
- 9.5 If in any month the readings of the main energy meter(s) differ from the readings of corresponding check energy meter(s) by more than 0.4% (zero point four percent) the main and check energy meter(s) shall be tested in turn and the errors at various levels as per standard procedures would be determined. If on such testing main energy/check meter error is found to exceed $\pm 0.2\%$ (plus/minus zero point two percent) the energy figures recorded by the main energy/check meter(s) for the above month concerned shall be revised accordingly and the main energy/check meter(s) shall be recalibrated jointly or replaced by the correct energy meter(s). Pending the results of such testing, billing and payment shall continue to be based on the energy recorded by the check meter(s), provided its error is within the prescribed limit.

- 9.6 If both the main and check meter(s) fail to record or if any of the PT fuses are blown out, then the energy will be computed on a mutually agreeable basis between UPRVUNL and UPPCL/STU for the period of defect. In case there is no mutual agreement, the computation of energy shall be on the basis of average of the billing of last three months.
- 9.7 Corrections in billing whenever necessary, shall be applicable for the period between the previous meter reading and the date and time of the replacement or recalibrated correct meter and this correction shall be for the full value of the absolute error. For the purpose of the correction to be applied, the meter shall be tested as per Indian Standard (British Standard where Indian Standard is not existing) The error at the load and power factor nearest to the average monthly load served at the point during the period shall be taken as the error to be applied for correction.
- 9.8 All the meters shall be checked for accuracy on quarterly basis by comparison of the readings of main and check meters by UPRVUNL and UPPCL/STU and shall be treated as working satisfactorily so long as the errors are within the limits prescribed in relevant Indian Standard (or British Standard where Indian Standard is not existing) for meters of the said class. The meter readings of main meters shall form the basis of the Energy Accounts so long as the quarterly check results thereof are within prescribed limits. If the check meters are found to be defective during the quarterly checks, these shall be immediately calibrated jointly/ replaced. Where the quarterly checks indicate errors in the main meter(s) beyond limit but no error is noticed in check meter(s) during quarterly checking computation of total net energy sent out at 400 KV bus bars and/or 220 KV / 132 KV and/or other KV bus bars, as applicable, of the Anpara 'D' TPS for the month shall be done on the basis of check meter(s) and main meter(s) shall be calibrated jointly immediately. If during the quarterly test check, the difference in the main meter(s) and the corresponding check meters readings are found to be beyond the permissible limits of error, i.e. more than 0.40% both the meter(s) shall be immediately calibrated and the correction applicable to main meter shall be applied to the consumption registered by the main meter(s) to arrive at the correct consumption of energy for the purpose of Energy Accounts for the month from the date of last meter reading upto the time of replacement of correct main meter. Billing for the period thereafter, till the next monthly meter reading, shall be as per calibrated main meter. During this period of calibration of main and check meter(s) another set of main and check meters duly calibrated and sealed will be installed by UPRVUNL/STU/UPPCL at the TPS in the presence of UPPCL/STU/UPRVUNL and jointly sealed. The energy accounting during the period of calibration of original meters shall be as per the readings of the substituted main meter. In case spare meters are not available with UPRVUNL/STU/UPPCL the main/check meter shall be calibrated by rotation. During the period of removal of main meter, the energy accounting will be done based on check meter readings applied with correction factor of the check meter obtained during testing/calibration of check meter.
- 9.9 For the purpose of test and calibration, the standard meter calibrated and sealed by GOUP/GOI Authorized Meter Testing House/Laboratory shall be utilized. This standard meter shall be got calibrated once in every six months at the GOUP/GOI Authorized Meter Testing House/Laboratory.
- 9.10 If at any time any party to the Agreement feels that a meter is not recording correctly it shall give notice to the other party. UPRVUNL/STU/UPPCL shall then undertake testing and calibration of the meters owned by UPRVUNL/STU/UPPCL. If errors on such testing is found to exceed the error limits specified in the relevant Indian Standard (British Standard where Indian Standard is not existing) for this class of meters necessary adjustment in the bills shall be made from the date of notice or from such other date as can be satisfactorily established to be proper for such adjustment.
- 9.11 Once in every five years, both main and check meters shall be tested for accuracy by a substandard meter either at the station or at any approved testing laboratory. During testing in case of error is found to be more than the permissible limits, then the meter shall be replaced by a correct meter.

10 BILLING AND PAYMENT

10.1 All charges under this Agreement shall be billed by UPRVUNL as per Clause 6 and shall be paid by UPPCL in accordance with the following provisions:

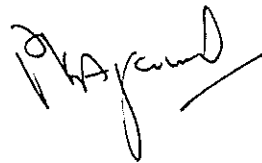
- (i) UPRVUNL shall deliver bills to the UPPCL generally within 10 days of the billing date for energy supplied for each month to UPPCL from Anpara 'D' TPS. The payments will be made by UPPCL within due date by cheque payable at Lucknow.
- (ii) UPRVUNL shall carry out billing and associated functions. The authority of UPPCL to whom the bills have to be submitted would be informed by UPPCL to UPRVUNL within a month of signing of the Agreement failing which UPRVUNL would submit the bills to the Director (Finance) of UPPCL.
- (iii) UPPCL shall make adequate provisions in their approved budget for respective years during which this PPA continues to ensure regular payment of power purchased by UPPCL from UPRVUNL and shall also furnish a copy of the approved budget to UPRVUNL.
- (iv) PFC conditions applicable for the agreement period are:-
 - (a) UPRVUNL can undertake third party sale of energy within the state or outside the state if the procurer of energy does not clear the dues as per schedule.
 - (b) Provided that revenue of the procurer shall be escrowed in favour of UPRVUNL and in turn in favour of lenders to UPRVUNL.
 - (c) In case of default to PFC by UPRVUNL, the PFC shall have right to transfer the project to themselves or their agents, operate the project and sell energy to third party.

10.2 Schedule of payment of UI Charges

10.2.1 **UI Charges Accounting:** All payments on account of UI charges including the additional UI charges levied under the regulations and interest received on late payment thereof shall be credited to a fund called UI pool account fund which shall be maintained and operated in accordance with provisions of UPERC regulation / grid code or as mutually agreed.

10.2.2 Payment of UI charges shall have a high priority and the concerned constituent shall pay the indicated amount within 10 days of the issue of statement of UI charges including additional UI charges into the UI pool account fund or as mutually agreed.

10.2.3 If payment against UI charges including additional UI charges are delayed by more than two days i.e beyond 12 days from the date of issue of statement by SLDC, the defaulting constituent shall have to pay simple interest @ .04% for each day of delay applicable as per UPERC order / any amendment time to time or as mutually agreed.



11 DISPUTES

11.1 In the event of any dispute as to all or any portion of an Invoice, Purchaser shall nevertheless pay the full amount of the undisputed charges plus minimum 50% of the disputed amount of the invoice within due date and shall serve notice on the Seller that the amount of an Invoice is in dispute in which event the provisions of Clause 14 hereof shall be applicable.

12 REGULATION OF SUPPLY

In the event any bill(s) remain unpaid for a period exceeding sixty (60) days, UPRVUNL shall serve a notice on UPPCL giving fifteen (15) days period for affecting regulation of supply from its Anpara 'D' Thermal Power Station with consent of GOUP, unless UPPCL makes full direct payment of the outstanding amount within the notice period. In case regulation of supply is affected, for resumption UPPCL shall pay all the outstanding dues.

13.0 LEVIES, TAXES, DUTIES, CESS, ETC.:

The amount of all lawful taxes/duties/cess, etc. payable by UPRVUNL to GOUP/GOI and/or any other local bodies/authorities on generation of electricity including auxiliary consumption, or any other types of consumption including water, transmission, environment protection, sale or on supply of electricity and/or in respect of any of its installation associated with the TPS and/or Transmission system shall be billed on to UPPCL in the shape of supplementary bill raised by UPRVUNL and UPPCL will make payment accordingly at actuals.

13.1 **Income Tax** – Income tax on core activity to be charged separately through Tax Escrow Account.

14.0 INFORMAL DISPUTE RESOLUTION

14.1 The Authorized Representative appointed by the Parties in pursuance be authorized to resolve any dispute, controversy or claim arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination (a "Dispute") in an equitable manner.

14.2 Following notice by one Party to the other setting out the particulars of the Dispute, if the Authorized Representatives are unable to resolve the Dispute under this Agreement within 15 days, such Dispute shall be referred by such Authorized Representatives to a senior officer designated by Seller and a senior officer designated by Purchaser, respectively, who shall attempt to resolve the Dispute within a further period of 15 days.

14.3 The Parties hereto agree to use their best efforts to attempt for resolving all Disputes arising hereunder promptly, equitably and in good faith. and further agree to provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any such Dispute.

15.0 ARBITRATION

15.1 All differences or disputes between the parties arising out of or in connection with this Agreement remained unresolved as per clause 14 above shall be settled through arbitration as provided herein after.

15.2 In the event of such difference or disputes between the parties the matter shall be referred to UPERC for arbitration as per Section 158 of The Electricity Act, 2003 and Section 34 of the U.P. Electricity Reforms Act, 1999.

15.3 Notwithstanding the existence of any question, disputes and differences referred to arbitration, the parties hereto shall continue to perform their respective obligations under this Agreement.

16 **FORCE MAJEURE**

The parties shall ensure due compliance with the terms of this Agreement. However no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God, strike, lock-out or any other reason beyond the reasonable control of concerned party. But any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within 24 hours thereof to the other party to this effect. Generation /drawal of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

17.0 **SYSTEM OPERATION**

All instructions from SLDC / STU will be followed strictly regarding scheduling and operation of the Anpara 'D' TPS.

18 **IMPLEMENTATION OF THE AGREEMENT**

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorized representative(s) that each party may nominate in this behalf and notify in writing to the other party by registered post/courier. Any other nomination of authorized representative(s) shall be informed likewise in writing to/by UPPCL within one month of signing of the Agreement. Notwithstanding any nomination, the Chairman and Managing Director UPRVUNL, Shakti Bhawan, 14, Ashok Marg, Lucknow /CE(L-1/II) of Anpara 'D' TPS or their authorized representatives shall be authorized to act for and on behalf of UPRVUNL.

19.0 **NOTICE**

19.1 All notices required or referred to under this Agreement shall be in writing and signed by the respective authorized signatories of the parties mentioned herein unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts/by Courier Service with an acknowledgement due to the other parties in terms of this Agreement.

19.2 All notices or communications given by telefax or telegram/FAX shall be confirmed by deposition of a copy of the same in the post office in an envelope properly addressed to the appropriate party for delivery by registered or certified mail or courier. All notices shall be deemed delivered upon receipt.

20.0 **SUCCESSORS AND ASSIGNS**

20.1 Neither party shall assign in full or part with any of its rights or obligations under this agreement to any third party without the prior approval in writing of other party.

20.2 In case any of the parties to this Agreement is restructured and/or its generation, transmission and distribution activities are taken over by other organization(s), agency(ies), partly or wholly, the Agreement shall be binding *mutatis mutandis* upon the successor organization(s)/ agency(ies), and shall ensure to the benefits of and shall also be guaranteed by the State Government and shall continue to remain valid with respect to the obligations of the successor organization(s)/agency(ies). In such situation this agreement shall be suitably reviewed and modified as mutually agreed between the parties and shall be binding on all concerned.

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21.0 JURISDICTION

All disputes arising out of or relating to this agreement shall be subject to the jurisdiction of High Court of Judicature of Allahabad at Lucknow Bench.

22.0 MISCELLANEOUS

22.1 Writing

No variation, waiver, amendment or modification of any of the terms of the Agreement shall be valid unless approved by UPERC and communicated in writing and signed by or on behalf of the Parties.

22.2 Severability

The invalidity or enforceability, for any reason, of any part of this Agreement shall not prejudice or affect the validity or enforceability of the remainder.

22.3 No Waiver

The failure of any Party to insist in one or more instances upon the strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as waiver of any such provisions or relinquishment of any such rights but the same shall continue in full force and effect.

22.4 Language

The language of this agreement shall be in English and all documents, notices, waivers and any other written communication or otherwise between the parties, in connection with the agreement, shall be in English/Hindi.

22.5 Entirety

This Agreement is intended by the parties as the final expression of their agreement and are intended also as a complete and exclusive statement of the terms of their agreement.

All prior written or oral understanding, offers or communications of every kind pertaining to this agreement or the sale or purchase of electrical output and contracted capacity under this agreement to Purchaser by Seller are abrogated and withdrawn.

22.6 Survival

Notwithstanding anything contained in this Agreement, clause 18 read with clause 2 shall survive this Agreement.

22.7 Waiver of Immunity

Purchaser and Seller are subject to Civil and Commercial Law with respect to their obligations under this Agreement, and the execution, delivery and performance hereof by them constitutes (for the purposes of applicable Indian Law and otherwise) private and commercial acts rather than government and public acts.

To the extent that Purchaser or Seller may in any jurisdiction claim for itself or any of its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgement or otherwise) or other legal process, or to the extent that in any jurisdiction there may be attributed to Purchaser or its assets or revenues any such immunity (whether or not claimed), Purchaser and Seller hereby agree not to claim and irrevocably waive any such immunity.

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POWER PURCHASE AGREEMENT

BETWEEN

UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM LIMITED

AND

UTTAR PRADESH POWER CORPORATION LIMITED

DATED: 26-5-2011

**For Anpara 'A' Thermal Power Station for the Period from April 1, 2009
to March 31, 2014**



उत्तर प्रदेश UTTAR PRADESH

Y 585729

POWER PURCHASE AGREEMENT
BETWEEN
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM
LIMITED
AND
UTTAR PRADESH POWER CORPORATION LIMITED

This Power Purchase Agreement (hereinafter referred to as "Agreement") entered into this^{26th}..... day of ..May..2011..... between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd., a company incorporated under the Companies Act, 1956 having its Registered Office, at "Shakti Bhawan Extn", 14 - Ashok Marg, Lucknow - 226001 (hereinafter referred to as "UPRVUNL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns), as party of the FIRST PART which is the party selling the power, and Uttar Pradesh Power Corporation Limited, a company incorporated under the Companies Act, 1956 having its registered office at "Shakti Bhawan" 14 - Ashok Marg, Lucknow-226001 (hereinafter referred to as "UPPCL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns) as party of the SECOND PART, which is the party purchasing the power. This Agreement is subject to Uttar Pradesh Electricity Regulatory Commission's approval in terms of provisions, Section 10 (2) and (3), Section 86 (1) (a) and (b) of the Electricity Act, 2003 and Section 10 (1) (c) of the Uttar Pradesh Electricity Reforms Act, 1999 (U.P. Act no. 24 of 1999).

[Handwritten Signature]

[Handwritten Signature]



उत्तर प्रदेश UTTAR PRADESH

Y 585730

WHEREAS

- (i) UPRVUNL is a power generating company, which owns and operates an electric power generating station namely Anpara 'A' Thermal Power Station at Anpara, District Sonbhadra and otherwise engaged in the business of the generation and sale of electricity so produced, and
- (ii) UPPCL is the holding company of the Distribution Companies (now distribution licensees in the State), as per section 4 of the Companies Act, 1956 and
- (iii) UPRVUNL wishes to sell to UPPCL who in turn wishes to purchase from UPRVUNL its electric energy and capacity from the aforementioned power generating station pursuant to the terms and conditions set forth herein. Further, the reallocation of generating capacity of UPRVUNL amongst various DisComs, as required, will be done as per approval from GoUP, without affecting upon the rights & obligations of UPRVUNL under this agreement. On such reallocation, the rights and obligations of UPPCL under this agreement shall stand transferred to the Distribution Companies, being the successor(s) of UPPCL as per provision in the PPA.

WHEREAS

UPRVUNL with effect from 14 January, 2000 owns and operates the Anpara "A" Thermal Power Station having installed capacity of 630 MW as per Table 1 below, which was commissioned by the erstwhile Uttar Pradesh State Electricity Board and was transferred and vested in UPRVUNL in terms of Section 23 of the Uttar Pradesh Electricity Reforms Act, 1999 and Section 5 of Uttar Pradesh Electricity Reforms Transfer Scheme, 2000.

AnpA
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ANPARA "A" THERMAL POWER STATION

Sl.No.	Unit No.	Installed Capacity	Derated Capacity	Date of Commissioning	Date of Commercial Operation
1	1	210 MW	210 MW	24.03.1986	01.01.1987
2	2	210 MW	210 MW	28.02.1987	01.08.1987
3	3	210 MW	210 MW	12.03.1988	01.04.1989

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

1.0 DEFINITIONS AND INTERPRETATION

1.1 Definitions

When used herein and in all of the Schedules hereto including, without limitation, the Tariff (as hereinafter defined) or any other document related to this Agreement, the defined terms set forth in this Article 1 shall have the meanings specified herein.

Any term used herein, but not defined herein, shall have the meanings provided in the U.P. Electricity Reforms Act, 1999 and The Electricity Act, 2003, as amended from time to time. Additional defined terms set forth in "The Uttar Pradesh Electricity Regulatory Commission (Terms and conditions of Generation Tariff) Regulations, 2009" shall have the meanings set forth therein.

Availability

In relation to the thermal generating station for any period means the average of the daily average declared capacities (DCs) for all the days during that period expressed as a percentage of the installed capacity of the generating station minus normative auxiliary consumption in MW, and shall be computed in accordance with the following formula:

$$\text{Availability (\%)} = 10000 \times \frac{\sum_{i=1}^N \text{DC}_i}{\{N \times \text{IC} \times (100 - \text{AUX}_n)\}} \%$$

where,

IC = Installed Capacity of the generating station in MW,

DC_i = Average declared capacity for the ith day of the period in MW,

N = Number of days during the period, and


AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

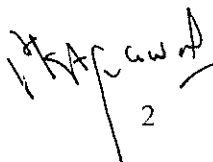
Bill shall have the meaning as ascribed in clause 10 read with clause 6 of this Agreement.

Billing Date: shall be the date on which the bill shall be raised. The UPRVUNL shall present the bills after the end of each calendar month as per UPERC Tariff Order for energy supplied to UPPCL from the Power Station as per Energy Account issued by SLDC/STU or any other Competent Authority/JMR at TPS.

Billing Month means the metering date of one calendar month to the metering date of the next calendar month.

Business Day shall construe as a reference to a date (other than Sunday and Public Holidays) on which Banks are open for business in Lucknow.


 Desktop/powerpurchase agreement


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Business Hours means the period commencing from 10:30 hours to 17:00 hours on any Business day.

Cause means any fact or circumstances which legally entitles the issuing Government Agency, to withhold issuance or renewal of, revoke or amend a Permit, due to any failure by Seller or any of the Lenders, Investors or Contractors in whose name the Permit has been or is to be issued.

CEA means the Central Electricity Authority.

Change in Law means:

- (i) Any enactment or issuance of any new Law;
- (ii) Any change in the interpretation or application of an existing Law by any judicial or quasi-judicial or other authority (including a court, tribunal or regulatory commission) having the legal power to interpret or apply such Law;
- (iii) Any amendment, alteration, or modification of an existing Law;
- (iv) The repeal and re-enactment of any existing Law;
- (v) Any Change in Permits;
- (vi) Imposition (other than for Cause) of a requirement for a permit which did not exist as at the date of this Agreement;
- (vii) A change (other than for cause) in the terms and conditions attaching to a permit after it has been given;
- (viii) To the attachment of any new terms and conditions to such permit; or
- (ix) The revocation or cancellation (other than for Cause) of any permit.

Provided however, no Change in Tax shall qualify as "Change in Law". Law shall not include any "Tax Law" (as hereinafter defined).

Change in Permits means:

- (i) the imposition (other than for Cause) of any material requirement in connection with the issuance, renewal or extension of any Permit or the modification of any Permit after such Permit was issued, in either case subsequent to the date of signing of this Agreement;
- (ii) the imposition (other than for Cause) of a requirement for a Permit which did not exist as on the date of this Agreement;
- (iii) the revocation or cancellation (other than for Cause) of any Permit.

Change in Tax means any introduction, amendment, extension, repeal or authoritative change in interpretation or application of any Tax (including, without limitation, the time, rate, incentive, exemption or incidence applicable to any Tax) after the date hereof.

Check Import/Export Meters means meters for maintaining a check on performance of main import/export meters and shall be used for accounting and billing of electricity in case of failure of main meter.

CLDS means Central Load Dispatch Station of UPPTCL.

Date of effectiveness of Agreement shall be 1st April, 2009.

Day means the 24 (twenty four) hours period ending at 24:00 Hours midnight Indian Standard Time.

Declared Capacity or DC means the capability of the generating station to deliver ex-bus electricity in MW declared by such generating station in relation to any period of the day or whole of the day, duly taking into account the availability of fuel;

Delivery of Bill: Shall have the meaning as defined in clause 10 of this agreement.

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Ann A

Designated Officer means an officer designated by UPPCL/STU for matters relating to meter reading, billing and payment.

Dispute means any material dispute or material difference of any kind between Seller and Purchaser in connection with or arising out of this Agreement.

Due Date of Payment or Due Date means, in relation to any Bill, the date on which the amount referred to in such Bill becomes due for payment which shall be 30 days from the Billing Date to the Authorized Representative of Purchaser. If the due date is not a business day, the next business day will be the due date.

Energy Charges shall cover fuel costs and shall be worked out as specified in Tariff order.

Energy Account shall mean periodic energy account including amendments thereof, if any.

Energy Unit means one-kilowatt hour of electrical energy.

Fixed Charges or Capacity Charge amount means the recoverable fixed charge for a Tariff period determined in accordance with the Tariff Order.

Force Majeure shall have the meaning set forth in clause 16 of this Agreement.

Force Outage means an interruption of generating capacity that is not the result of:

- (i) A Scheduled Outage;
- (ii) A Force Majeure event;
- (iii) Any event or condition caused by Purchaser or attributable to an event or condition on Purchaser Facility; or
- (iv) Any Emergency or other curtailment or reduction pursuant to clause 16 in this Agreement.

Generating Unit means Plant, consisting of boiler, turbo generator, and other auxiliaries, which is capable of generating the specified power, independently.

GOI means the Government of India.

GOUP means the Government of Uttar Pradesh and its successors.

Government Agency means the GOI, GOUP, UPERC, or any ministry, department, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with Seller) or commission under the direct or indirect control of the GOI or the GOUP or any political subdivision of either of them owned or controlled by GOI or GOUP or any of their subdivisions, or any court, tribunal or judicial body within India.

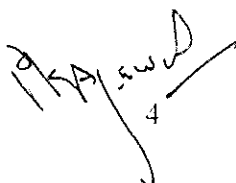
Grid means the total system of electrical generation using any means other than Seller's Generating Unit, evacuation and transmission circuits, transformers, switchgear and other equipment (including the interconnection Facility) on Purchaser's side of the Interconnection Point.

'Gross Calorific Value' or GCV in relation to a thermal power generating station means the heat produced in kCal by complete combustion of one kilogram of solid fuel or one litre of liquid fuel, as the case may be;

Interconnection Point means the point or points at which interconnection is made between the Unit and the Transmission Utility System and unless otherwise mutually decided, shall be at the outgoing sides of circuit breakers connecting the EHT/HT lines.



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Ann A

Installed Capacity or IC means the summation of the name plate capacities of all the units of the generating station or the capacity of the generating station reckoned at the generator terminals as approved by the Commission from time to time;

KW means kilowatt.

kWH means kilowatt hour.

Law means the Constitution of India and any Act, rule, regulation, notification, directive, ordinance, order or any interpretation thereof or instruction having the force of law enacted or issued by any Government Agency.

Main Import Meter shall mean meter for measurement of active energy import at TPS Busbar for energy accounting.

Main Export Meter shall mean meter for measurement of active energy export at TPS Busbar for energy accounting.

Metering Date shall mean mid-day (12:00 hrs) of the last day of each calendar month.

Monthly Fixed Charge amount means the prescribed recoverable fixed charges as per Tariff Order.

MU shall mean one million Units.

MW means Megawatts.

Net Electrical Energy is the energy, supplied by Anpara 'A' TPS of UPRVUNL and measured in kWh, at the point of interconnection in accordance with the provisions of Clause 5.

O & M shall mean operation and maintenance.

Permit or Permits means any consent, license, approval, permit, no objection certificate or other authorization of any nature whatsoever, which is required to be granted to Purchaser or Seller, as the case may be, by any Government Agency for the purpose of owning, developing, designing, financing, insuring, constructing, operating or maintaining the Project as contemplated under this Agreement.

Plant Load Factor or PLF for a given period, means the total sent out energy corresponding to scheduled generation during the period, expressed as a percentage of sent out energy corresponding to installed capacity in that period and shall be computed in accordance with the following formula:

$$PLF (\%) = 10000 \times \frac{\sum_{i=1}^N SGi}{\{ N \times IC \times (100 - AUX_n) \}} \%$$

where,

IC = Installed Capacity of the generating station in MW.

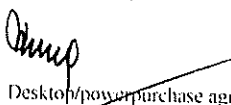
SGi = Scheduled Generation in MW for the ith time block of the period,

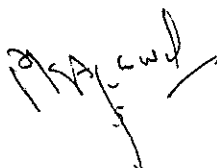
N = Number of time blocks during the period, and

AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Power Grid means Power Grid Corporation Ltd.

Power Purchase Agreement means the Agreement for selling of power by UPRVUNL and purchase by UPPCL.


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Primary Fuel shall mean coal as supplied by the collieries.

Pool Account means Regional account for payments regarding Unschedule Interchanges.

Scheduled Bank means any bank at Lucknow indicated by Purchaser and acceptable to Seller.

Secondary Fuel shall mean the heavy furnace oil (HFO) and/or light diesel oil (LDO) and or Low Sulphur High Speed (LSHS)

SLDC or State Load Dispatch Centre means the centre established under subsection (1) of section 31 by GoUP

Schedule Generation: At any time or for any period or time block means Schedule of Generation in Mw or Mwh ex-bus given by the concerned Load Dispatch centre.

Target Availability or TA means availability as set by the Commission in its Tariff Order

Tariff means the amounts to be paid by Purchaser to the Seller under this Agreement and as determined by UPERC or any competent authority authorized from time to time.

Tariff Order means the Tariff Order passed by UPERC on 20.01.11 for MYT period FY 2009-10 to 2013-2014 (Ref No UPERC/ Secy/D(G)/2011-1545 dated 20.01.11) and hosted on website: www.uperc.org

Tariff Regulation means the regulations notified in exercise of powers conferred under Section 181 read with Section 61 of the Electricity Act, 2003 by the Uttar Pradesh Electricity Regulatory Commission [vide Notification No. UPERC/Secy/ Generation Regulation/4100, Lucknow dated 31 March 2009, titled as the Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 and as amended from time to time.

Tax means tax, cess, levy, toll, impost, excise, duty, fee or charge of any nature whatsoever levied by or payable to any Government Agency including but not limited to any withholding tax, income tax, corporate tax, VAT, excise tax, works contract tax, stamp duty, customs and import duties, octroi.

Thermal Power Station (TPS) means a thermal generating station having an installation of one or more thermal generating units and covered under this Agreement.

Transfer Scheme shall mean UP Electricity Reforms Transfer Scheme, 2000.

Unit means one kilowatt-hour.


UPERC or Commission means UP Electricity Regulatory Commission.

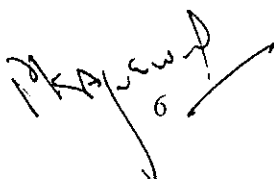
1.2 INTERPRETATION AND GENERAL

1.2.1 **Interpretation** Any reference in this Agreement to: **this Agreement** shall be construed as references to this Agreement together with all recitals and Schedules hereto;

Clause shall, subject to any contrary indication, be construed as a reference to a clause of this Agreement;

Encumbrance shall be construed as a reference to a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;


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Paragraph shall, subject to any contrary indication, be construed as a reference to a paragraph in the Clause or Schedule in which such reference appears;

Person shall be construed as a reference to any person, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing.

1.2.2 General

Save where the contrary is indicated, any reference in this Agreement to:

- (i) **Rupee and Rs.** denote Indian Currency;
- (ii) words importing the singular shall include the plural and vice versa, any person shall be construed so as to include its and any subsequent successors, transferees and assigns in accordance with their respective interests;
- (iii) this Agreement or any other agreement or document shall be construed as a reference to each such agreement or, as the case may be, such other agreement or document as the same may have been, or may, from time to time, be amended, varied, novated, replaced or supplemented;
- (iv) a statute or enactment shall be construed as a reference to such statute as the same may have been, or may from time to time be, amended or re-enacted;
- (v) All orders so issued by UPERC shall be binding on both the parties from the date the same become applicable.
- (vi) In case either party goes in for any Review Petition/Appeal against the order of the UPERC before the competent authority, the order of the competent authority in that regard shall be applicable and binding on both the parties from the date the said order become applicable.
- (vii) a time of day shall, save as otherwise provided in any agreement or document, be construed as a reference to Indian Standard Time; and

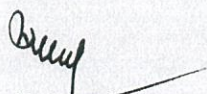
Any word or expression used in this Agreement shall, unless otherwise defined or construed herein, bear its ordinary English meaning and, for these purposes, the General Clauses Act, 1897 shall not apply.

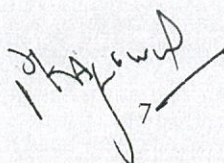
2.0 TERM OF AGREEMENT

The term of this Agreement shall be for a period of five years starting from 1st April, 2009 and ending on 31st March, 2014 extendable/renewable by **mutual** consent between UPPCL and UPRVUNL. In case UPPCL continue to get power from the Anpara 'A' Thermal Power Station even after expiry of this agreement without further renewal or formal extension thereof, then all the provisions of this agreement shall continue to operate till this Agreement is formally renewed, extended or replaced except the Tariff, which will be applicable as per order of the UPERC as per provision of clause 6.3. This agreement shall be terminable even from any earlier date from which the PPA with different DisComs has been made effective.

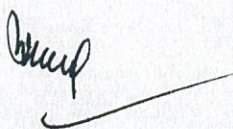
3.0 INSTALLED CAPACITY

3.1 The existing installed capacity of Anpara 'A' Thermal Power Station is 630 MW. The installed capacity is, however, subject to de-rating/re-rating of the generating units as determined from time to time after following the prescribed procedure as laid down by CEA.

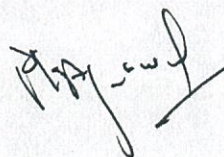

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- 3.2 Allocation of Power**
Full capacity of Anpara 'A' TPS shall be allocated to UPPCL unless reallocated by GOUP.
- 3.3 Drawal of Power**
The power from Anpara 'A' TPS shall be drawn by UPPCL directly through its own or through the transmission system of other agencies on the basis of availability of capacity of the TPS.
- 3.4 Generation Schedule**
UPRVUNL shall submit daily generation schedule of Anpara 'A' TPS to UPPCL or SLDC, as per UPERC Generation Regulations
- 3.5 Daily Declared Capacity Notice**
UPRVUNL shall deliver to UPPCL or SLDC, as applicable, at each day a notice indicating daily declared capacity of Anpara 'A' TPS as per regulation for next 24 hours. Any change in daily declared capacity notice due to minor or major breakdown in station shall be intimated to UPPCL or SLDC, as applicable as per regulation.
- 4.0 TRANSMISSION/WHEELING OF POWER**
- 4.1** Power shall be made available by UPRVUNL at the busbars of the Station and it shall be the obligation and responsibility of UPPCL to make the required arrangement for evacuation of power from such delivery points of UPRVUNL.
- 4.2** UPPCL shall coordinate with the appropriate authorities/agencies including UPPTCL/STU or any other Licensees for power evacuation from the above delivery point.
- 4.3** UPPCL shall be responsible to coordinate with the UPPTCL/STU or any licensee or other agencies for implementation of the transmission system for evacuation of power from the station matching with the commissioning schedule of the station.
- 4.4** For wheeling of the power beyond busbars of the Station, charges for utilisation of transmission system(s) owned by UPPTCL/STU/other agencies shall be paid directly by UPPCL to the UPPTCL or other agencies. UPRVUNL shall not be responsible for payment of such charges.
- 5.0 SUPPLY OF POWER**
Power as generated by Anpara 'A' TPS will be supplied to UPPCL only unless mutually agreed otherwise. Terms and conditions as mutually agreed and approved/determined by UPERC from time to time would be applicable.
- 6.0 TARIFF AND TERMS & CONDITIONS**
- 6.1** The tariff chargeable to UPPCL shall be as per the Tariff Order dated 20.01.11 or any amendment thereof issued by the UPERC.
- 6.2** The bill for the energy so supplied would be based on energy accounts as given under Clause 7 of this Agreement.
- 6.3** If Tariff for the period extending beyond 31.03.2014 is not approved by the U.P. Electricity Regulatory Commission the tariff order dated 20.01.11 approved by the Commission will be provisionally applicable till Tariff Order for the concerning period is approved by the UPERC.
- 7.0 SCHEDULING AND ENERGY ACCOUNTING**
- 7.1 Scheduling**
Consequent to the implementation of ABT the methodology of generation schedule shall be as per Indian Electricity Grid Code/UP Electricity Grid Code (as revised from time to time) and UPERC orders.



Desktop/powerpurchase agreement



7.2 Unschedule Interchange

- 7.2.1 UI for generating station shall be equal to its actual generation minus schedule generation. UI should be worked out for each 15 min blocks. Charges for all UI transactions shall be based on average frequency of the time block and rates as specified in notifications issued by UPERC from time to time.
- 7.2.2 In case of zero generation (tripping / shut down of all units) of a Thermal Power Station, the negative DC / negative Revision Schedule (drawl of power from grid) declared by TPS will be accepted by SLDC and the energy supplied from UPPCL system to the TPS during such period shall be charged at the same tariff or as mutually agreed.
- 7.2.3 **Effective date of implementation of ABT:** The effective date of implementation of ABT for Anpara 'A' of UPRVUNL is 1/12/07 without UI Charges and 1/07/09 with UI Charges as per UPERC order dated 05/03/2009.

7.3 Energy Accounting :

- 7.3.1 Energy drawal by UPPCL will be metered at the Anpara 'A' TPS. The energy account shall be prepared by UPRVUNL based on the monthly joint meter reading taken by the representatives of UPRVUNL and UPPCL/STU. The methodology for energy account would be on mutually agreed basis. The export and import of energy at the metering points shall be computed on net basis, i.e. by difference between export and import meter readings.

Provided that if and when provisions of ABT are implemented the Energy Accounts shall be governed by clause 29 of Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 reproduced as under:

"Metering and Accounting - Metering arrangements, including installation, testing and operation and maintenance of meters and collection, transportation and processing of data required for accounting of energy exchanges and average frequency on 15 minute time block basis shall be organized by the State Transmission Utility in consultation with State Load Despatch Centre. All concerned entities (in whose premises the special energy meters are installed), shall fully cooperate with the State Transmission Utility/State Load Despatch Centre and extend the necessary assistance by taking weekly meter readings and transmitting them to the State Load Despatch Centre. The State Load Despatch Centre, on the basis of processed data of meters along with data relating to declared capability and schedules etc., shall issue the State Accounts for energy on monthly basis as well as UI charges on weekly basis. UI accounting procedures shall be governed by the orders of Central Commission.

Note: This provision shall be applicable with effect from the date these Regulations coming into force except for UI that shall come into force from such date specified by the Commission for implementation of ABT in the State".

- 7.3.2 On implementation of ABT the Regional Energy Account issued by STU/SLDC or any competent authority shall be binding on all the parties for billing and payment purposes.
- 7.3.3 Such consumers other than establishment of Anpara 'A' TPS getting supply directly from Anpara 'A' TPS of UPRVUNL would be UPPCL consumers. The billing shall be done by UPPCL on the basis of joint meter reading taken by representative of UPRVUNL & representative of UPPCL/ STU concerned Division of DisComs. Such energy shall be treated as energy exported to UPPCL and accounted for accordingly.

8 POINTS OF METERING

The main and check meters at the 400 KV/220 KV/132 KV or other KV bus bars of generating transformers of the Anpara 'A' TPS to be installed by UPRVUNL shall be maintained by UPRVUNL. Installation and maintenance of main and check meters at locations other than the meters installed and maintained by UPRVUNL shall be the responsibility of UPPCL/STU. The meters shall be sealed after calibration by the concerned parties jointly. The points of metering for Anpara 'A' TPS are as under:

Export Points:-

1. Generator Transformer-1
2. Generator Transformer-2
3. Generator Transformer-3
4. 11 kV Makra Feeder

Import Points:-


1. Station Transformer No.1
2. Station Transformer No. 2
3. CW Pump Transformer No. 1
4. CW Pump Transformer No. 2
5. 33 kV Bina 1
6. 33 kV Bina 2
7. Colony Supply (CS-1)
8. Colony Supply (CS-2)
9. 11 kV MGR Feeder

Note: - The above points are subject to addition/alteration, if found necessary

9.0 METERING SYSTEM

- 9.1 A set of CT/PT/Meters (Main and check) of 0.2 accuracy class, as per IEGC/CEA (Installation & Operation of Meters) Regulations – 2006 as applicable, shall be installed on all outgoing feeders of the station. UPPCL/STU shall make all necessary arrangements for installation of CT/PT/Meters, at all its drawal points. So long as existing CT/PT/Meters of any other class are replaced by 0.2 class, the existing CT/PT/Meters will be used for energy accounting.
- 9.2 All the meters shall be jointly calibrated, inspected and sealed on behalf of the parties and shall not be interfered with except in the presence of other party or for joint testing and calibration and/or replacement and/or any other purposes for which due notice of 7 (Seven) days will be given by UPRVUNL/STU/UPPCL so that this is done in the presence of the authorized representatives of the STU/UPPCL/UPRVUNL.
- 9.3 Joint meter readings of the main as well as check meters at various energy accounting points as identified shall be taken by the parties as mentioned above at 1200 hrs (noon) on the last day of each calendar month. In case any of the concerned parties is not available for joint meter readings at the specified time, the meter reading taken by the other party shall be binding on both the parties and shall be taken into account for preparation of Energy Accounts. UPPCL shall designate an officer for joint meter reading. On implementation of ABT the data shall be downloaded from the meters at regular interval as decided by STU/SLDC for preparation of REA/UI account.
- 9.4 If the main meter is found to be not working at the time of meter readings or any other time, UPRVUNL shall inform the STU/SLDC for the same and the data from check meters shall be considered by SLDC/STU for energy accounting for the period.

- 9.5 If in any month the readings of the main energy meter(s) differ from the readings of corresponding check energy meter(s) by more than 0.4% (zero point four percent) the main and check energy meter(s) shall be tested in turn and the errors at various levels as per standard procedures would be determined. If on such testing main energy/check meter error is found to exceed $\pm 0.2\%$ (plus/minus zero point two percent) the energy figures recorded by the main energy/check meter(s) for the above month concerned shall be revised accordingly and the main energy/check meter(s) shall be recalibrated jointly or replaced by the correct energy meter(s). Pending the results of such testing, billing and payment shall continue to be based on the energy recorded by the check meter(s), provided its error is within the prescribed limit.
- 9.6 If both the main and check meter(s) fail to record or if any of the PT fuses are blown out, then the energy will be computed on a mutually agreeable basis between UPRVUNL and UPPCL/STU for the period of defect. In case there is no mutual agreement, the computation of energy shall be on the basis of average of the billing of last three months.
- 9.7 Corrections in billing whenever necessary, shall be applicable for the period between the previous meter reading and the date and time of the replacement or recalibrated correct meter and this correction shall be for the full value of the absolute error. For the purpose of the correction to be applied, the meter shall be tested as per Indian Standard (British Standard where Indian Standard is not existing) The error at the load and power factor nearest to the average monthly load served at the point during the period shall be taken as the error to be applied for correction.
- 9.8 All the meters shall be checked for accuracy on quarterly basis by comparison of the readings of main and check meters by UPRVUNL and UPPCL/STU and shall be treated as working satisfactorily so long as the errors are within the limits prescribed in relevant Indian Standard (or British Standard where Indian Standard is not existing) for meters of the said class. The meter readings of main meters shall form the basis of the Energy Accounts so long as the quarterly check results thereof are within prescribed limits. If the check meters are found to be defective during the quarterly checks, these shall be immediately calibrated jointly/ replaced. Where the quarterly checks indicate errors in the main meter(s) beyond limit but no error is noticed in check meter(s) during quarterly checking computation of total net energy sent out at 400 KV bus bars and/or 220 KV / 132 KV and/or other KV bus bars, as applicable, of the Anpara 'A' TPS for the month shall be done on the basis of check meter(s) and main meter(s) shall be calibrated jointly immediately. If during the quarterly test check, the difference in the main meter(s) and the corresponding check meters readings are found to be beyond the permissible limits of error, i.e. more than 0.40% both the meter(s) shall be immediately calibrated and the correction applicable to main meter shall be applied to the consumption registered by the main meter(s) to arrive at the correct consumption of energy for the purpose of Energy Accounts for the month from the date of last meter reading upto the time of replacement of correct main meter. Billing for the period thereafter, till the next monthly meter reading, shall be as per calibrated main meter. During this period of calibration of main and check meter(s) another set of main and check meters duly calibrated and sealed will be installed by UPRVUNL/STU/UPPCL at the TPS in the presence of UPPCL/STU/UPRVUNL and jointly sealed. The energy accounting during the period of calibration of original meters shall be as per the readings of the substituted main meter. In case spare meters are not available with UPRVUNL/STU/UPPCL the main/check meter shall be calibrated by rotation. During the period of removal of main meter, the energy accounting will be done based on check meter readings applied with correction factor of the check meter obtained during testing/calibration of check meter.
- 9.9 For the purpose of test and calibration, the standard meter calibrated and sealed by GOUP/GOI Authorized Meter Testing House/Laboratory shall be utilized. This standard meter shall be got calibrated once in every six months at the GOUP/GOI Authorized Meter Testing House/Laboratory.
- 9.10 If at any time any party to the Agreement feels that a meter is not recording correctly it shall give notice to the other party. UPRVUNL/STU/UPPCL shall then undertake testing and calibration of the meters owned by UPRVUNL/STU/UPPCL. If errors on such testing is found to exceed the error


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limits specified in the relevant Indian Standard (British Standard where Indian Standard is not existing) for this class of meters necessary adjustment in the bills shall be made from the date of notice or from such other date as can be satisfactorily established to be proper for such adjustment.

- 9.11 Once in every five years, both main and check meters shall be tested for accuracy by a substandard meter either at the station or at any approved testing laboratory. During testing in case of error is found to be more than the permissible limits, then the meter shall be replaced by a correct meter.


10 BILLING AND PAYMENT

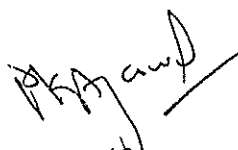
- 10.1 All charges under this Agreement shall be billed by UPRVUNL as per Clause 6 and shall be paid by UPPCL in accordance with the following provisions:

- (i) UPRVUNL shall deliver bills to the UPPCL generally within 10 days of the billing date for energy supplied for each month to UPPCL from Anpara 'A' TPS. The payments will be made by UPPCL within due date by cheque payable at Lucknow.
- (ii) UPRVUNL shall carry out billing and associated functions. The authority of UPPCL to whom the bills have to be submitted would be informed by UPPCL to UPRVUNL within a month of signing of the Agreement failing which UPRVUNL would submit the bills to the Director (Finance) of UPPCL.
- (iii) UPPCL shall make adequate provisions in their approved budget for respective years during which this PPA continues to ensure regular payment of power purchased by UPPCL from UPRVUNL and shall also furnish a copy of the approved budget to UPRVUNL.
- (iv) PFC conditions applicable for the agreement period are:-
 - (a) UPRVUNL can undertake third party sale of energy within the state or outside the state if the procurer of energy does not clear the dues as per schedule.
 - (b) Provided that revenue of the procurer shall be escrowed in favour of UPRVUNL and in turn in favour of lenders to UPRVUNL.
 - (c) In case of default to PFC by UPRVUNL, the PFC shall have right to transfer the project to themselves or their agents, operate the project and sell energy to third party.

10.2 Schedule of payment of UI Charges

- 10.2.1 **UI Charges Accounting:** All payments on account of UI charges including the additional UI charges levied under the regulations and interest received on late payment thereof shall be credited to a fund called UI pool account fund which shall be maintained and operated in accordance with provisions of UPERC regulation / grid code or as mutually agreed.
- 10.2.2 Payment of UI charges shall have a high priority and the concerned constituent shall pay the indicated amount within 10 days of the issue of statement of UI charges including additional UI charges into the UI pool account fund or as mutually agreed.
- 10.2.3 If payment against UI charges including additional UI charges are delayed by more than two days i.e beyond 12 days from the date of issue of statement by SLDC, the defaulting constituent shall have to pay simple interest @ .04% for each day of delay applicable as per UPERC order / any amendment time to time or as mutually agreed.


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11 DISPUTES

In the event of any dispute as to all or any portion of an Invoice, Purchaser shall nevertheless pay the full amount of the undisputed charges plus minimum 50% of the disputed amount of the invoice within due date and shall serve notice on the Seller that the amount of an Invoice is in dispute in which event the provisions of Clause 14 hereof shall be applicable.

12 REGULATION OF SUPPLY

In the event any bill(s) remain unpaid for a period exceeding sixty (60) days, UPRVUNL shall serve a notice on UPPCL giving fifteen (15) days period for affecting regulation of supply from its Anpara 'A' Thermal Power Station with consent of GOUP, unless UPPCL makes full direct payment of the outstanding amount within the notice period. In case regulation of supply is affected, for resumption UPPCL shall pay all the outstanding dues.

13 LEVIES, TAXES, DUTIES, CESS, ETC.:

13.1 The amount of all lawful taxes/duties/cess, etc. payable by UPRVUNL to GOUP/GOI and/or any other local bodies/authorities on generation of electricity including auxiliary consumption, or any other types of consumption including water, transmission, environment protection, sale or on supply of electricity and/or in respect of any of its installation associated with the TPS and/or Transmission system shall be billed on to UPPCL in the shape of supplementary bill raised by UPRVUNL and UPPCL will make payment accordingly at actuals.

13.2 **Income Tax** – Income tax on core activity to be charged separately through Tax Escrow Account.

14 INFORMAL DISPUTE RESOLUTION

14.1 The Authorized Representative appointed by the Parties in pursuance be authorized to resolve any dispute, controversy or claim arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination (a "Dispute") in an equitable manner.

14.2 Following notice by one Party to the other setting out the particulars of the Dispute, if the Authorized Representatives are unable to resolve the Dispute under this Agreement within 15 days, such Dispute shall be referred by such Authorized Representatives to a senior officer designated by Seller and a senior officer designated by Purchaser, respectively, who shall attempt to resolve the Dispute within a further period of 15 days.

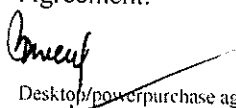
14.3 The Parties hereto agree to use their best efforts to attempt for resolving all Disputes arising hereunder promptly, equitably and in good faith, and further agree to provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any such Dispute.

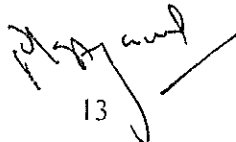
15.0 ARBITRATION

15.1 All differences or disputes between the parties arising out of or in connection with this Agreement remained unresolved as per clause 14 above shall be settled through arbitration as provided herein after.

15.2 In the event of such difference or disputes between the parties the matter shall be referred to UPERC for arbitration as per Section 158 of The Electricity Act, 2003 and Section 34 of the U.P. Electricity Reforms Act, 1999.

15.3 Notwithstanding the existence of any question, disputes and differences referred to arbitration, the parties hereto shall continue to perform their respective obligations under this Agreement.


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16.0 FORCE MAJEURE

The parties shall ensure due compliance with the terms of this Agreement. However no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God, strike, lock-out or any other reason beyond the reasonable control of concerned party. But any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within 24 hours thereof to the other party to this effect. Generation /drawal of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

17.0 SYSTEM OPERATION

All instructions from SLDC / STU will be followed strictly regarding scheduling and operation of the Anpara 'A' TPS.

18.0 IMPLEMENTATION OF THE AGREEMENT

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorized representative(s) that each party may nominate in this behalf and notify in writing to the other party by registered post/courier. Any other nomination of authorized representative(s) shall be informed likewise in writing to/by UPPCL within one month of signing of the Agreement. Notwithstanding any nomination, the Chairman and Managing Director UPRVUNL, Shakti Bhawan, 14, Ashok Marg, Lucknow /CE(L-1) of Anpara TPS or their authorized representatives shall be authorized to act for and on behalf of UPRVUNL.

19.0 NOTICE


19.1 All notices required or referred to under this Agreement shall be in writing and signed by the respective authorized signatories of the parties mentioned herein unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts/by Courier Service with an acknowledgement due to the other parties in terms of this Agreement.

19.2 All notices or communications given by telefax or telegram/FAX shall be confirmed by deposition of a copy of the same in the post office in an envelope properly addressed to the appropriate party for delivery by registered or certified mail or courier. All notices shall be deemed delivered upon receipt.

20.0 SUCCESSORS AND ASSIGNS

20.1 Neither party shall assign in full or part with any of its rights or obligations under this agreement to any third party without the prior approval in writing of other party.

20.2 In case any of the parties to this Agreement is restructured and/or its generation, transmission and distribution activities are taken over by other organization(s), agency(ies), partly or wholly, the Agreement shall be binding *mutatis mutandis* upon the successor organization(s)/ agency(ies), and shall ensure to the benefits of and shall also be guaranteed by the State Government and shall continue to remain valid with respect to the obligations of the successor organization(s)/agency(ies). In such situation this agreement shall be suitably reviewed and modified as mutually agreed between the parties and shall be binding on all concerned.


Desktop/power purchase agreement


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21.0 JURISDICTION

21.1 All disputes arising out of or relating to this agreement shall be subject to the jurisdiction of High Court of Judicature of Allahabad at Lucknow Bench.

22.0 MISCELLANEOUS

22.1 Writing

No variation, waiver, amendment or modification of any of the terms of the Agreement shall be valid unless approved by UPERC and communicated in writing and signed by or on behalf of the Parties.

22.2 Severability

The invalidity or enforceability, for any reason, of any part of this Agreement shall not prejudice or affect the validity or enforceability of the remainder.

22.3 No Waiver

The failure of any Party to insist in one or more instances upon the strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as waiver of any such provisions or relinquishment of any such rights but the same shall continue in full force and effect.

22.4 Language

The language of this agreement shall be in English and all documents, notices, waivers and any other written communication or otherwise between the parties, in connection with the agreement, shall be in English/Hindi.

22.5 Entirety

This Agreement is intended by the parties as the final expression of their agreement and are intended also as a complete and exclusive statement of the terms of their agreement.

All prior written or oral understanding, offers or communications of every kind pertaining to this agreement or the sale or purchase of electrical output and contracted capacity under this agreement to Purchaser by Seller are abrogated and withdrawn.

22.6 Survival

Notwithstanding anything contained in this Agreement, clause 18 read with clause 2 shall survive this Agreement.

22.7 Waiver of Immunity

Purchaser and Seller are subject to Civil and Commercial Law with respect to their obligations under this Agreement, and the execution, delivery and performance hereof by them constitutes (for the purposes of applicable Indian Law and otherwise) private and commercial acts rather than government and public acts.

To the extent that Purchaser or Seller may in any jurisdiction claim for itself or any of its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgement or otherwise) or other legal process, or to the extent that in any jurisdiction there may be attributed to Purchaser or its assets or revenues any such immunity (whether or not claimed), Purchaser and Seller hereby agree not to claim and irrevocably waive any such immunity.

22.8 Breach of Obligations

The parties acknowledge that a breach of any of the obligations contained herein would result in injuries. The parties acknowledge the damages alone shall not be adequate remedy for such breach. Accordingly each party agrees that in addition to any other rights or remedy which the other party may have at Law or in equity, the non breaching party shall be entitled to specific performance and injunctive relief in any court of competent jurisdiction for any breach or threatened breach by the other party.

22.9 Inconsistency between the Provisions of PPA and Tariff Regulations/Tariff Order:

In the event of any inconsistency between the provisions of this PPA and the UPERC (Terms and Conditions of Generation Tariff) Regulations, 2009 read with the UPERC Tariff Order dated 20.01.11 or any amendment thereof, the later shall prevail.

22.10 This PPA is subject to approval by UPERC.

IN WITNESS WHEREOF the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names as on the date first above written.

SIGNED AND DELIVERED by ~~UPPCL (Purchaser)~~

by the hand of ~~(P. K. AGARWAL)~~

Name: ~~Advisor (Tech.)~~

Title: ~~U.P.R.V.U.N.L.~~

~~Shakti Bhawan Extn.
14, Ashok Marg, Lucknow~~

In the presence of:

1. Witness Name

2. Witness Name

(M.L. PANDEY)

अभिमानि अभियंता (वाणिज्यिक)

14वाँ तल, शांति भवन विस्तार

प.प. राज्य विद्युत उत्पादन निगम लि.

In the presence of:

1. Witness Name

2. Witness Name

Er. Ramesh Chandra
Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

DELIVERED by UPPCL (Purchaser)

by the hand of its authorized official.

Name: ~~(नन्द)~~

Title: ~~निदेशक (वाणिज्य)~~

Jayant Sharma, EE (PPA)

अभिमानि अभियंता
ऊर्जा क्रय अनुबन्ध निदेशालय
मू०पी०प०ी०ए०. शांति भवन विस्तार, लखनऊ

POWER PURCHASE AGREEMENT

BETWEEN

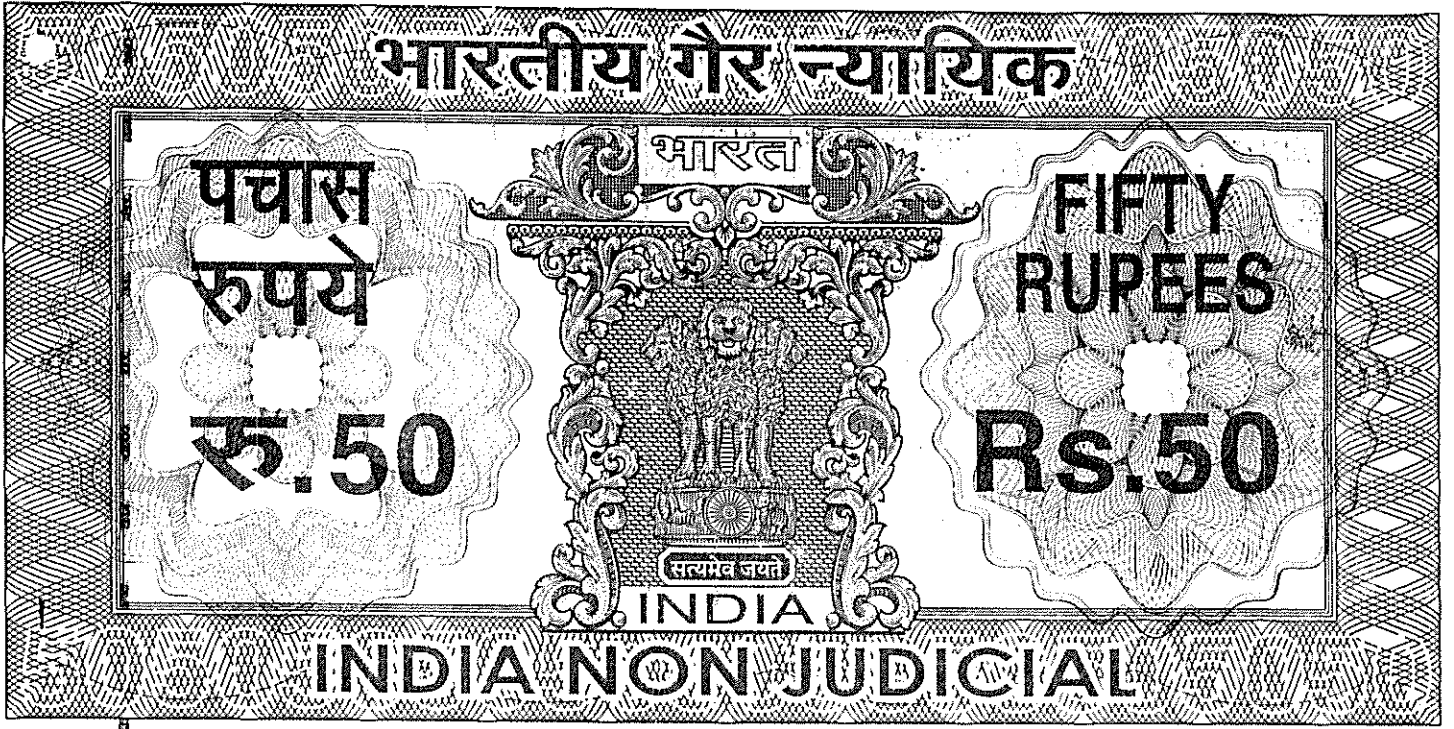
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM LIMITED

AND

UTTAR PRADESH POWER CORPORATION LIMITED

DATED: 26-5, 2010

**For Anpara 'B' Thermal Power Station for the Period from April 1, 2009
to March 31, 2014**

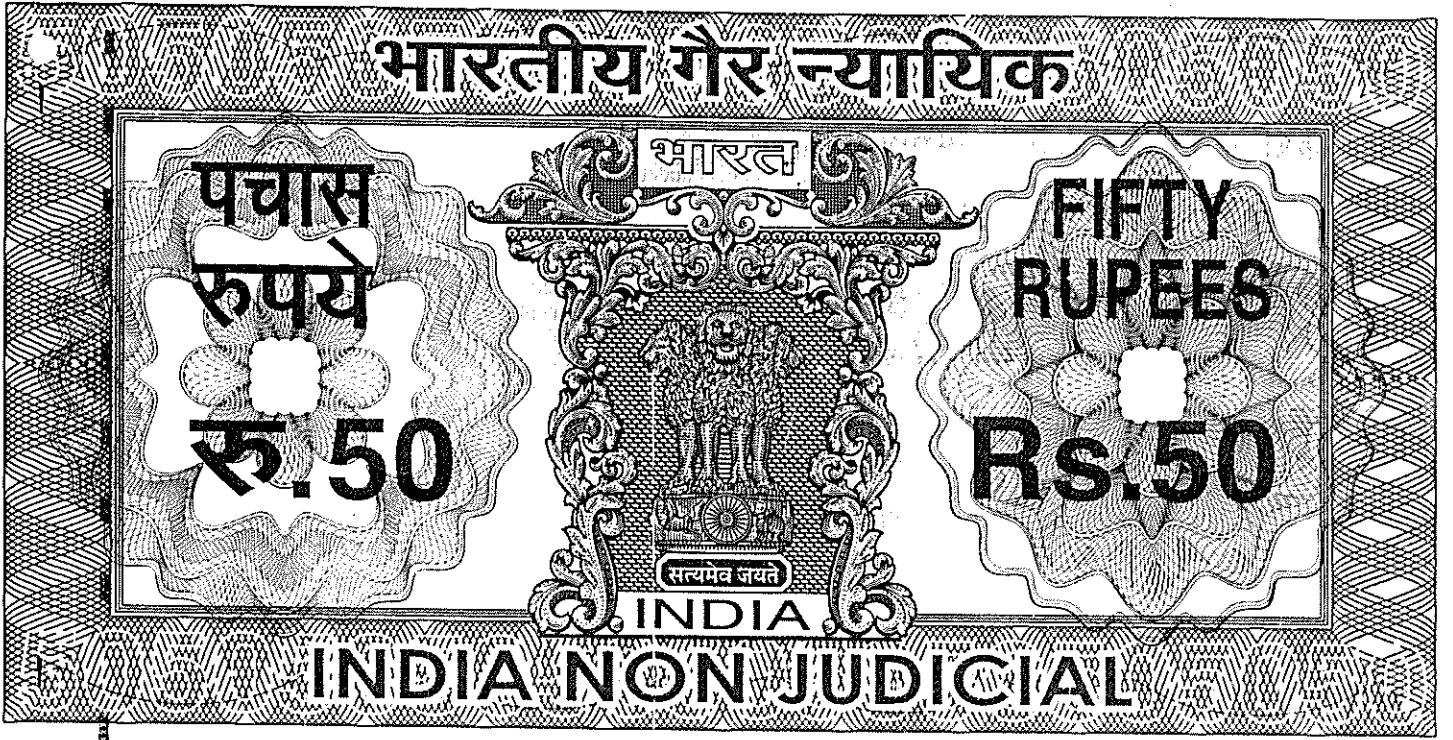


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POWER PURCHASE AGREEMENT
BETWEEN
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM
LIMITED
AND
UTTAR PRADESH POWER CORPORATION LIMITED

This Power Purchase Agreement (hereinafter referred to as "Agreement") entered into this 26th day of May 2011..... between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd., a company incorporated under the Companies Act, 1956 having its Registered Office, at "Shakti Bhawan Extn", 14 - Ashok Marg, Lucknow - 226001 (hereinafter referred to as "UPRVUNL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns), as party of the FIRST PART which is the party selling the power, and Uttar Pradesh Power Corporation Limited, a company incorporated under the Companies Act, 1956 having its registered office at "Shakti Bhawan" 14 - Ashok Marg, Lucknow-226001 (hereinafter referred to as "UPPCL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns) as party of the SECOND PART, which is the party purchasing the power. This Agreement is subject to Uttar Pradesh Electricity Regulatory Commission's approval in terms of provisions, Section 10 (2) and (3), Section 86 (1) (a) and (b) of the Electricity Act, 2003 and Section 10 (1) (c) of the Uttar Pradesh Electricity Reforms Act, 1999 (U.P. Act no. 24 of 1999).



उत्तर प्रदेश UTTAR PRADESH

Y 585732

WHEREAS

- (i) UPRVUNL is a power generating company, which owns and operates an electric power generating station namely Anpara 'B' Thermal Power Station at Anpara, District Sonbhadra and otherwise engaged in the business of the generation and sale of electricity so produced, and
- (ii) UPPCL is the holding company of the Distribution Companies (now distribution licensees in the State), as per section 4 of the Companies Act, 1956 and
- (iii) UPRVUNL wishes to sell to UPPCL who in turn wishes to purchase from UPRVUNL its electric energy and capacity from the aforementioned power generating station pursuant to the terms and conditions set forth herein. Further, the reallocation of generating capacity of UPRVUNL amongst various DisComs, as required, will be done as per approval from GoIP, without affecting upon the rights & obligations of UPRVUNL under this agreement. On such reallocation, the rights and obligations of UPPCL under this agreement shall stand transferred to the Distribution Companies, being the successor(s) of UPPCL as per provision in the PPA.

WHEREAS

UPRVUNL with effect from 14 January, 2000 owns and operates the Anpara "B" Thermal Power Station having installed capacity of 1000 MW as per Table 1 below, which was commissioned by the erstwhile Uttar Pradesh State Electricity Board and was transferred and vested in UPRVUNL in terms of Section 23 of the Uttar Pradesh Electricity Reforms Act, 1999 and Section 5 of Uttar Pradesh Electricity Reforms Transfer Scheme, 2000.

[Handwritten signature]

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TABLE-1

ANPARA "B" THERMAL POWER STATION

Sl.No.	Unit No.	Installed Capacity	Derated Capacity	Date of Commissioning	Date of Commercial Operation
1	4	500 MW	500 MW	19.07.1993	01.03.1994
2	5	500 MW	500 MW	04.07.1994	01.10.1994

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

1.0 DEFINITIONS AND INTERPRETATION

1.1 Definitions

When used herein and in all of the Schedules hereto including, without limitation, the Tariff (as hereinafter defined) or any other document related to this Agreement, the defined terms set forth in this Article 1 shall have the meanings specified herein.

Any term used herein, but not defined herein, shall have the meanings provided in the U.P. Electricity Reforms Act, 1999 and The Electricity Act, 2003, as amended from time to time. Additional defined terms set forth in "The Uttar Pradesh Electricity Regulatory Commission (Terms and conditions of Generation Tariff) Regulations, 2009" shall have the meanings set forth therein.

Availability

In relation to the thermal generating station for any period means the average of the daily average declared capacities (DCs) for all the days during that period expressed as a percentage of the installed capacity of the generating station minus normative auxiliary consumption in MW, and shall be computed in accordance with the following formula:

$$\text{Availability (\%)} = 10000 \times \frac{\sum_{i=1}^N \text{DC}_i}{\{N \times \text{IC} \times (100 - \text{AUX}_n)\}} \%$$

where,

IC = Installed Capacity of the generating station in MW.

DC_i = Average declared capacity for the ith day of the period in MW.

N = Number of days during the period, and

AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Bill shall have the meaning as ascribed in clause 10 read with clause 6 of this Agreement.

Billing Date shall be the date on which the bill shall be raised. The UPRVUNL shall present the bills after the end of each calendar month as per UPERC Tariff Order for energy supplied to UPPCL from the Power Station as per Energy Account issued by SLDC/STU or any other Competent Authority/JMR at TPS.

Billing Month means the metering date of one calendar month to the metering date of the next calendar month.

Business Day shall construe as a reference to a date (other than Sunday and Public Holidays) on which Banks are open for business in Lucknow.



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Business Hours means the period commencing from 10:30 hours to 17:00 hours on any Business day.

Cause means any fact or circumstances which legally entitles the issuing Government Agency, to withhold issuance or renewal of, revoke or amend a Permit, due to any failure by Seller or any of the Lenders, Investors or Contractors in whose name the Permit has been or is to be issued.

CEA means the Central Electricity Authority.

Change in Law means:

- (i) Any enactment or issuance of any new Law;
- (ii) Any change in the interpretation or application of an existing Law by any judicial or quasi-judicial or other authority (including a court, tribunal or regulatory commission) having the legal power to interpret or apply such Law;
- (iii) Any amendment, alteration, or modification of an existing Law;
- (iv) The repeal and re-enactment of any existing Law;
- (v) Any Change in Permits;
- (vi) Imposition (other than for Cause) of a requirement for a permit which did not exist as at the date of this Agreement;
- (vii) A change (other than for cause) in the terms and conditions attaching to a permit after it has been given;
- (viii) To the attachment of any new terms and conditions to such permit; or
- (ix) The revocation or cancellation (other than for Cause) of any permit.

Provided however, no Change in Tax shall qualify as "Change in Law". Law shall not include any "Tax Law" (as hereinafter defined).

Change in Permits means:

- (i) the imposition (other than for Cause) of any material requirement in connection with the issuance, renewal or extension of any Permit or the modification of any Permit after such Permit was issued, in either case subsequent to the date of signing of this Agreement;
- (ii) the imposition (other than for Cause) of a requirement for a Permit which did not exist as on the date of this Agreement;
- (iii) the revocation or cancellation (other than for Cause) of any Permit.

Change in Tax means any introduction, amendment, extension, repeal or authoritative change in interpretation or application of any Tax (including, without limitation, the time, rate, incentive, exemption or incidence applicable to any Tax) after the date hereof.

Check Import/Export Meters means meters for maintaining a check on performance of main import/export meters and shall be used for accounting and billing of electricity in case of failure of main meter.

CLDS means Central Load Dispatch Station of UPPTCL.

Date of effectiveness of Agreement shall be 1st April, 2009.

Day means the 24 (twenty four) hours period ending at 24:00 Hours midnight Indian Standard Time.

Declared Capacity or DC means the capability of the generating station to deliver ex-bus electricity in MW declared by such generating station in relation to any period of the day or whole of the day, duly taking into account the availability of fuel;

Delivery of Bill: Shall have the meaning as defined in clause 10 of this agreement.



Designated Officer means an officer designated by UPPCL/STU for matters relating to meter reading, billing and payment.

Dispute means any material dispute or material difference of any kind between Seller and Purchaser in connection with or arising out of this Agreement.

Due Date of Payment or Due Date means, in relation to any Bill, the date on which the amount referred to in such Bill becomes due for payment which shall be 30 days from the Billing Date to the Authorized Representative of Purchaser. If the due date is not a business day, the next business day will be the due date.

Energy Charges shall cover fuel costs and shall be worked out as specified in Tariff order.

Energy Account shall mean periodic energy account including amendments thereof, if any.

Energy Unit means one-kilowatt hour of electrical energy.

Fixed Charges or Capacity Charge amount means the recoverable fixed charge for a Tariff period determined in accordance with the Tariff Order.

Force Majeure shall have the meaning set forth in clause 16 of this Agreement.

Force Outage means an interruption of generating capacity that is not the result of:

- (i) A Scheduled Outage;
- (ii) A Force Majeure event;
- (iii) Any event or condition caused by Purchaser or attributable to an event or condition on Purchaser Facility; or
- (iv) Any Emergency or other curtailment or reduction pursuant to clause 16 in this Agreement.

Generating Unit means Plant, consisting of boiler, turbo generator, and other auxiliaries, which is capable of generating the specified power, independently.

GOI means the Government of India.

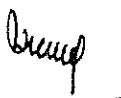
GOUP means the Government of Uttar Pradesh and its successors.

Government Agency means the GOI, GOUP, UPERC, or any ministry, department, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with Seller) or commission under the direct or indirect control of the GOI or the GOUP or any political subdivision of either of them owned or controlled by GOI or GOUP or any of their subdivisions, or any court, tribunal or judicial body within India.

Grid means the total system of electrical generation using any means other than Seller's Generating Unit, evacuation and transmission circuits, transformers, switchgear and other equipment (including the interconnection Facility) on Purchaser's side of the Interconnection Point.

'Gross Calorific Value' or GCV in relation to a thermal power generating station means the heat produced in kCal by complete combustion of one kilogram of solid fuel or one litre of liquid fuel, as the case may be;

Interconnection Point means the point or points at which interconnection is made between the Unit and the Transmission Utility System and unless otherwise mutually decided, shall be at the outgoing sides of circuit breakers connecting the EHT/HT lines.



Installed Capacity or IC means the summation of the name plate capacities of all the units of the generating station or the capacity of the generating station reckoned at the generator terminals as approved by the Commission from time to time;

KW means kilowatt.

kWH means kilowatt hour.

Law means the Constitution of India and any Act, rule, regulation, notification, directive, ordinance, order or any interpretation thereof or instruction having the force of law enacted or issued by any Government Agency.

Main Import Meter shall mean meter for measurement of active energy import at TPS Busbar for energy accounting.

Main Export Meter shall mean meter for measurement of active energy export at TPS Busbar for energy accounting.

Metering Date shall mean mid-day (12:00 hrs) of the last day of each calendar month.

Monthly Fixed Charge amount means the prescribed recoverable fixed charges as per Tariff Order.

MU shall mean one million Units.

MW means Megawatts.

Net Electrical Energy is the energy, supplied by Anpara 'B' TPS of UPRVUNL and measured in kWh, at the point of interconnection in accordance with the provisions of Clause 5.

O & M shall mean operation and maintenance.

Permit or Permits means any consent, license, approval, permit, no objection certificate or other authorization of any nature whatsoever, which is required to be granted to Purchaser or Seller, as the case may be, by any Government Agency for the purpose of owning, developing, designing, financing, insuring, constructing, operating or maintaining the Project as contemplated under this Agreement.

Plant Load Factor or PLF for a given period, means the total sent out energy corresponding to scheduled generation during the period, expressed as a percentage of sent out energy corresponding to installed capacity in that period and shall be computed in accordance with the following formula:

$$PLF (\%) = 10000 \times \frac{N \sum_{i=1}^{N} SG_i}{\{ N \times IC \times (100 - AUX_n) \}} \%$$

where,

IC = Installed Capacity of the generating station in MW,

SG_i = Scheduled Generation in MW for the ith time block of the period,

N = Number of time blocks during the period, and

AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Power Grid means Power Grid Corporation Ltd.

Power Purchase Agreement means the Agreement for selling of power by UPRVUNL and purchase by UPPCL.

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Primary Fuel shall mean coal as supplied by the collieries.

Pool Account means Regional account for payments regarding Unschedule Interchanges

Scheduled Bank means any bank at Lucknow indicated by Purchaser and acceptable to Seller.

Secondary Fuel shall mean the heavy furnace oil (HFO) and/or light diesel oil (LDO) and or Low Sulphur High Speed (LSHS)

SLDC or State Load Dispatch Centre means the centre established under subsection (1) of section 31 by GoUP

Schedule Generation: At any time or for any period or time block means Schedule of Generation in Mw or Mwh ex-bus given by the concerned Load Dispatch centre.

Target Availability or TA means availability as set by the Commission in its Tariff Order.

Tariff means the amounts to be paid by Purchaser to the Seller under this Agreement and as determined by UPERC or any competent authority authorized from time to time.

Tariff Order means the Tariff Order passed by UPERC on 20.01.11 for MYT period FY 2009-10 to 2013-2014 (Ref No UPERC/ Secy/D(G)/2011-1545 dated 20.01.11) and hosted on website: www.uperc.org

Tariff Regulation means the regulations notified in exercise of powers conferred under Section 181 read with Section 61 of the Electricity Act, 2003 by the Uttar Pradesh Electricity Regulatory Commission [vide Notification No. UPERC/Secy/ Generation Regulation/4100, Lucknow dated 31 March 2009, titled as the Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 and as amended from time to time.

Tax means tax, cess, levy, toll, impost, excise, duty, fee or charge of any nature whatsoever levied by or payable to any Government Agency including but not limited to any withholding tax, income tax, corporate tax, VAT, excise tax, works contract tax, stamp duty, customs and import duties, octroi.

Thermal Power Station (TPS) means a thermal generating station having an installation of one or more thermal generating units and covered under this Agreement.

Transfer Scheme shall mean UP Electricity Reforms Transfer Scheme, 2000.

Unit means one kilowatt-hour.

UPERC or Commission means UP Electricity Regulatory Commission.

1.2 INTERPRETATION AND GENERAL

1.2.1 Interpretation Any reference in this Agreement to:

this Agreement shall be construed as references to this Agreement together with all recitals and Schedules hereto;

Clause shall, subject to any contrary indication, be construed as a reference to a clause of this Agreement;

Encumbrance shall be construed as a reference to a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;





Paragraph shall, subject to any contrary indication, be construed as a reference to a paragraph in the Clause or Schedule in which such reference appears;

Person shall be construed as a reference to any person, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing,

1.2.2 General

Save where the contrary is indicated, any reference in this Agreement to:

- (i) **Rupee and Rs.** denote Indian Currency;
- (ii) words importing the singular shall include the plural and vice versa, any person shall be construed so as to include its and any subsequent successors, transferees and assigns in accordance with their respective interests;
- (iii) this Agreement or any other agreement or document shall be construed as a reference to each such agreement or, as the case may be, such other agreement or document as the same may have been, or may, from time to time, be amended, varied, novated, replaced or supplemented;
- (iv) a statute or enactment shall be construed as a reference to such statute as the same may have been, or may from time to time be, amended or re-enacted;
- (v) All orders so issued by UPERC shall be binding on both the parties from the date the same become applicable.
- (vi) In case either party goes in for any Review Petition/Appeal against the order of the UPERC before the competent authority, the order of the competent authority in that regard shall be applicable and binding on both the parties from the date the said order become applicable.
- (vii) a time of day shall, save as otherwise provided in any agreement or document, be construed as a reference to Indian Standard Time; and

Any word or expression used in this Agreement shall, unless otherwise defined or construed herein, bear its ordinary English meaning and, for these purposes, the General Clauses Act, 1897 shall not apply.

2.0 TERM OF AGREEMENT

The term of this Agreement shall be for a period of five years starting from 1st April, 2009 and ending on 31st March, 2014 extendable/renewable by **mutual** consent between UPPCL and UPRVUNL. In case UPPCL continue to get power from the Anpara 'B' Thermal Power Station even after expiry of this agreement without further renewal or formal extension thereof, then all the provisions of this agreement shall continue to operate till this Agreement is formally renewed, extended or replaced except the Tariff, which will be applicable as per order of the UPERC as per provision of clause 6.3. This agreement shall be terminable even from any earlier date from which the PPA with different DisComs has been made effective.

3.0 INSTALLED CAPACITY

- 3.1 The existing installed capacity of Anpara 'B' Thermal Power Station is 1000 MW. The installed capacity is, however, subject to de-rating/re-rating of the generating units as determined from time to time after following the prescribed procedure as laid down by CEA.



3.2 Allocation of Power

Full capacity of Anpara 'B' TPS shall be allocated to UPPCL unless reallocated by GOUP.

3.3 Drawal of Power

The power from Anpara 'B' TPS shall be drawn by UPPCL directly through its own or through the transmission system of other agencies on the basis of availability of capacity of the TPS.

3.4 Generation Schedule

UPRVUNL shall submit daily generation schedule of Anpara 'B' TPS to UPPCL or SLDC, as per UPERC Generation Regulations

3.5 Daily Declared Capacity Notice

UPRVUNL shall deliver to UPPCL or SLDC, as applicable, at each day a notice indicating daily declared capacity of Anpara 'B' TPS as per regulation for next 24 hours. Any change in daily declared capacity notice due to minor or major breakdown in station shall be intimated to UPPCL or SLDC, as applicable as per regulation.

4.0 TRANSMISSION/WHEELING OF POWER

4.1 Power shall be made available by UPRVUNL at the busbars of the Station and it shall be the obligation and responsibility of UPPCL to make the required arrangement for evacuation of power from such delivery points of UPRVUNL.

4.2 UPPCL shall coordinate with the appropriate authorities/agencies including UPPTCL/STU or any other Licensees for power evacuation from the above delivery point.

4.3 UPPCL shall be responsible to coordinate with the UPPTCL/STU or any licensee or other agencies for implementation of the transmission system for evacuation of power from the station matching with the commissioning schedule of the station.

4.4 For wheeling of the power beyond busbars of the Station, charges for utilisation of transmission system(s) owned by UPPTCL/STU/other agencies shall be paid directly by UPPCL to the UPPTCL or other agencies. UPRVUNL shall not be responsible for payment of such charges.

5.0 SUPPLY OF POWER

Power as generated by Anpara 'B' TPS will be supplied to UPPCL only unless mutually agreed otherwise. Terms and conditions as mutually agreed and approved/determined by UPERC from time to time would be applicable.

6.0 TARIFF AND TERMS & CONDITIONS

6.1 The tariff chargeable to UPPCL shall be as per the Tariff Order dated 20.01.11 or any amendment thereof issued by the UPERC.

6.2 The bill for the energy so supplied would be based on energy accounts as given under Clause 7 of this Agreement.

6.3 If Tariff for the period extending beyond 31.03.2014 is not approved by the U.P. Electricity Regulatory Commission the tariff order dated 20.01.11 approved by the Commission will be provisionally applicable till Tariff Order for the concerning period is approved by the UPERC

7.0 SCHEDULING AND ENERGY ACCOUNTING

7.1 Scheduling

7.1.1 Consequent to the implementation of ABT the methodology of generation schedule shall be as per Indian Electricity Grid Code/UP Electricity Grid Code (as revised from time to time) and UPERC orders.

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7.2 Unschedule Interchange

- 7.2.1 UI for generating station shall be equal to its actual generation minus schedule generation. UI should be worked out for each 15 min blocks. Charges for all UI transactions shall be based on average frequency of the time block and rates as specified in notifications issued by UPERC from time to time.
- 7.2.2 In case of zero generation (tripping / shut down of all units) of a Thermal Power Station, the negative DC / negative Revision Schedule (drawl of power from grid) declared by TPS will be accepted by SLDC and the energy supplied from UPPCL system to the TPS during such period shall be charged at the same tariff or as mutually agreed.
- 7.2.3 **Effective date of implementation of ABT:** The effective date of implementation of ABT for Anpara 'B' of UPRVUNL is 1/12/07 without UI Charges and 1/07/09 with UI Charges as per UPERC order dated 05/03/2009.

7.3 Energy Accounting:

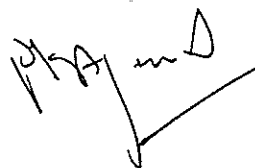
- 7.3.1 Energy drawal by UPPCL will be metered at the Anpara 'B' TPS. The energy account shall be prepared by UPRVUNL based on the monthly joint meter reading taken by the representatives of UPRVUNL and UPPCL/STU. The methodology for energy account would be on mutually agreed basis. The export and import of energy at the metering points shall be computed on net basis, i.e. by difference between export and import meter readings.

Provided that if and when provisions of ABT are implemented the Energy Accounts shall be governed by clause 29 of Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 reproduced as under:

"Metering and Accounting – Metering arrangements, including installation, testing and operation and maintenance of meters and collection, transportation and processing of data required for accounting of energy exchanges and average frequency on 15 minute time block basis shall be organized by the State Transmission Utility in consultation with State Load Despatch Centre. All concerned entities (in whose premises the special energy meters are installed), shall fully cooperate with the State Transmission Utility/State Load Despatch Centre and extend the necessary assistance by taking weekly meter readings and transmitting them to the State Load Despatch Centre. The State Load Despatch Centre, on the basis of processed data of meters along with data relating to declared capability and schedules etc., shall issue the State Accounts for energy on monthly basis as well as UI charges on weekly basis. UI accounting procedures shall be governed by the orders of Central Commission.

Note: This provision shall be applicable with effect from the date these Regulations coming into force except for UI that shall come into force from such date specified by the Commission for implementation of ABT in the State".

- 7.3.2 On implementation of ABT the Regional Energy Account issued by STU/SLDC or any competent authority shall be binding on all the parties for billing and payment purposes.
- 7.3.3 Such consumers other than establishment of Anpara 'B' TPS getting supply directly from Anpara 'B' TPS of UPRVUNL would be UPPCL consumers. The billing shall be done by UPPCL on the basis of joint meter reading taken by representative of UPRVUNL & representative of UPPCL/STU concerned Division of DisComs. Such energy shall be treated as energy exported to UPPCL and accounted for accordingly.



8.0 POINTS OF METERING

- 8.1 The main and check meters at the 400 KV/220 KV/132 KV or other KV bus bars of generating transformers of the Anpara 'B' TPS to be installed by UPRVUNL, shall be maintained by UPRVUNL. Installation and maintenance of main and check meters at locations other than the meters installed and maintained by UPRVUNL shall be the responsibility of UPPCL/STU. The meters shall be sealed after calibration by the concerned parties jointly. The points of metering for Anpara 'B' TPS are as under:

Export Points:-

1. Generator Transformer-4
2. Generator Transformer-5

Import Points:-

1. Station Transformer No.3
2. Station Transformer No.4
3. CW Pump Transformer No. 3

Note: - The above points are subject to addition/alteration, if found necessary

9.0 METERING SYSTEM

- 9.1 A set of CT/PT/Meters (Main and Check) of 0.2 accuracy class, as per IEGC/CEA (Installation & Operation of Meters) Regulations – 2006 as applicable, shall be installed on all outgoing feeders of the station. UPPCL/STU shall make all necessary arrangements for installation of CT/PT/Meters, at all its drawal points. So long as existing CT/PT/Meters of any other class are replaced by 0.2 class, the existing CT/PT/Meters will be used for energy accounting.
- 9.2 All the meters shall be jointly calibrated, inspected and sealed on behalf of the parties and shall not be interfered with except in the presence of other party or for joint testing and calibration and/or replacement and/or any other purposes for which due notice of 7 (Seven) days will be given by UPRVUNL/STU/UPPCL so that this is done in the presence of the authorized representatives of the STU/ UPPCL /UPRVUNL.
- 9.3 Joint meter readings of the main as well as check meters at various energy accounting points as identified shall be taken by the parties as mentioned above at 1200 hrs (noon) on the last day of each calendar month. In case any of the concerned parties is not available for joint meter readings at the specified time, the meter reading taken by the other party shall be binding on both the parties and shall be taken into account for preparation of Energy Accounts. UPPCL shall designate an officer for joint meter reading. On implementation of ABT the data shall be downloaded from the meters at regular interval as decided by STU/SLDC for preparation of REA/UI account.
- 9.4 If the main meter is found to be not working at the time of meter readings or any other time, UPRVUNL shall inform the STU/SLDC for the same and the data from check meters shall be considered by SLDC/STU for energy accounting for the period.

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- 9.5 If in any month the readings of the main energy meter(s) differ from the readings of corresponding check energy meter(s) by more than 0.4% (zero point four percent) the main and check energy meter(s) shall be tested in turn and the errors at various levels as per standard procedures would be determined. If on such testing main energy/check meter error is found to exceed $\pm 0.2\%$ (plus/minus zero point two percent) the energy figures recorded by the main energy/check meter(s) for the above month concerned shall be revised accordingly and the main energy/check meter(s) shall be recalibrated jointly or replaced by the correct energy meter(s). Pending the results of such testing, billing and payment shall continue to be based on the energy recorded by the check meter(s), provided its error is within the prescribed limit.
- 9.6 If both the main and check meter(s) fail to record or if any of the PT fuses are blown out, then the energy will be computed on a mutually agreeable basis between UPRVUNL and UPPCL/STU for the period of defect. In case there is no mutual agreement, the computation of energy shall be on the basis of average of the billing of last three months.
- 9.7 Corrections in billing whenever necessary, shall be applicable for the period between the previous meter reading and the date and time of the replacement or recalibrated correct meter and this correction shall be for the full value of the absolute error. For the purpose of the correction to be applied, the meter shall be tested as per Indian Standard (British Standard where Indian Standard is not existing) The error at the load and power factor nearest to the average monthly load served at the point during the period shall be taken as the error to be applied for correction.
- 9.8 All the meters shall be checked for accuracy on quarterly basis by comparison of the readings of main and check meters by UPRVUNL and UPPCL/STU and shall be treated as working satisfactorily so long as the errors are within the limits prescribed in relevant Indian Standard (or British Standard where Indian Standard is not existing) for meters of the said class. The meter readings of main meters shall form the basis of the Energy Accounts so long as the quarterly check results thereof are within prescribed limits. If the check meters are found to be defective during the quarterly checks, these shall be immediately calibrated jointly/ replaced. Where the quarterly checks indicate errors in the main meter(s) beyond limit but no error is noticed in check meter(s) during quarterly checking computation of total net energy sent out at 400 KV bus bars and/or 220 KV / 132 KV and/or other KV bus bars, as applicable, of the Anpara 'B' TPS for the month shall be done on the basis of check meter(s) and main meter(s) shall be calibrated jointly immediately. If during the quarterly test check, the difference in the main meter(s) and the corresponding check meters readings are found to be beyond the permissible limits of error, i.e. more than 0.40% both the meter(s) shall be immediately calibrated and the correction applicable to main meter shall be applied to the consumption registered by the main meter(s) to arrive at the correct consumption of energy for the purpose of Energy Accounts for the month from the date of last meter reading upto the time of replacement of correct main meter. Billing for the period thereafter, till the next monthly meter reading, shall be as per calibrated main meter. During this period of calibration of main and check meter(s) another set of main and check meters duly calibrated and sealed will be installed by UPRVUNL/STU/UPPCL at the TPS in the presence of UPPCL/STU/UPRVUNL and jointly sealed. The energy accounting during the period of calibration of original meters shall be as per the readings of the substituted main meter. In case spare meters are not available with UPRVUNL/STU/UPPCL the main/check meter shall be calibrated by rotation. During the period of removal of main meter, the energy accounting will be done based on check meter readings applied with correction factor of the check meter obtained during testing/calibration of check meter.
- 9.9 For the purpose of test and calibration, the standard meter calibrated and sealed by GOUN/GOI Authorized Meter Testing House/Laboratory shall be utilized. This standard meter shall be got calibrated once in every six months at the GOUN/GOI Authorized Meter Testing House/Laboratory.
- 9.10 If at any time any party to the Agreement feels that a meter is not recording correctly it shall give notice to the other party. UPRVUNL/STU/UPPCL shall then undertake testing and calibration of the meters owned by UPRVUNL/STU/UPPCL. If errors on such testing is found to exceed the error

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limits specified in the relevant Indian Standard (British Standard where Indian Standard is not existing) for this class of meters necessary adjustment in the bills shall be made from the date of notice or from such other date as can be satisfactorily established to be proper for such adjustment.

- 9.11 Once in every five years, both main and check meters shall be tested for accuracy by a substandard meter either at the station or at any approved testing laboratory. During testing in case of error is found to be more than the permissible limits, then the meter shall be replaced by a correct meter.

10 BILLING AND PAYMENT

- 10.1 All charges under this Agreement shall be billed by UPRVUNL as per Clause 6 and shall be paid by UPPCL in accordance with the following provisions:

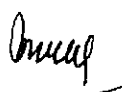
- (i) UPRVUNL shall deliver bills to the UPPCL, generally within 10 days of the billing date for energy supplied for each month to UPPCL from Anpara 'B' TPS. The payments will be made by UPPCL within due date by cheque payable at Lucknow.
- (ii) UPRVUNL shall carry out billing and associated functions. The authority of UPPCL to whom the bills have to be submitted would be informed by UPPCL to UPRVUNL within a month of signing of the Agreement failing which UPRVUNL would submit the bills to the Director (Finance) of UPPCL.
- (iii) UPPCL shall make adequate provisions in their approved budget for respective years during which this PPA continues to ensure regular payment of power purchased by UPPCL from UPRVUNL and shall also furnish a copy of the approved budget to UPRVUNL.
- (iv) PFC conditions applicable for the agreement period are:-
 - (a) UPRVUNL can undertake third party sale of energy within the state or outside the state if the procurer of energy does not clear the dues as per schedule.
 - (b) Provided that revenue of the procurer shall be escrowed if favour of UPRVUNL and in turn in favour of lenders to UPRVUNL.
 - (c) In case of default to PFC by UPRVUNL, than PFC shall have right to transfer the project to themselves or their agents, operate the project and sell energy to third party.

10.2 Schedule of payment of UI Charges

10.2.1 **UI Charges Accounting:** All payments on account of UI charges including the additional UI charges levied under the regulations and interest received on late payment thereof shall be credited to a fund called UI pool account fund which shall be maintained and operated in accordance with provisions of UPERC regulation / grid code or as mutually agreed.

10.2.2 Payment of UI charges shall have a high priority and the concerned constituent shall pay the indicated amount within 10 days of the issue of statement of UI charges including additional UI charges into the UI pool account fund or as mutually agreed.

10.2.3 If payment against UI charges including additional UI charges are delayed by more than two days i.e beyond 12 days from the date of issue of statement by SLDC, the defaulting constituent shall have to pay simple interest @ .04% for each day of delay applicable as per UPERC order / any amendment time to time or as mutually agreed.



11 DISPUTES

In the event of any dispute as to all or any portion of an Invoice, Purchaser shall nevertheless pay the full amount of the undisputed charges plus minimum 50% of the disputed amount of the invoice within due date and shall serve notice on the Seller that the amount of an Invoice is in dispute in which event the provisions of Clause 14 hereof shall be applicable.

12 REGULATION OF SUPPLY

In the event any bill(s) remain unpaid for a period exceeding sixty (60) days, UPRVUNL shall serve a notice on UPPCL giving fifteen (15) days period for affecting regulation of supply from its Anpara 'B' Thermal Power Station with consent of GOUP, unless UPPCL makes full direct payment of the outstanding amount within the notice period. In case regulation of supply is affected, for resumption UPPCL shall pay all the outstanding dues.

13.0 LEVIES, TAXES, DUTIES, CESS, ETC.:

The amount of all lawful taxes/duties/cess, etc. payable by UPRVUNL to GOUP/GOI and/or any other local bodies/authorities on generation of electricity including auxiliary consumption, or any other types of consumption including water, transmission, environment protection, sale or on supply of electricity and/or in respect of any of its installation associated with the TPS and/or Transmission system shall be billed on to UPPCL in the shape of supplementary bill raised by UPRVUNL and UPPCL will make payment accordingly at actuals.

13.1 Income Tax – Income tax on core activity to be charged separately through Tax Escrow Account.

14 INFORMAL DISPUTE RESOLUTION

14.1 The Authorized Representative appointed by the Parties in pursuance be authorized to resolve any dispute, controversy or claim arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination (a "Dispute") in an equitable manner.

14.2 Following notice by one Party to the other setting out the particulars of the Dispute, if the Authorized Representatives are unable to resolve the Dispute under this Agreement within 15 days, such Dispute shall be referred by such Authorized Representatives to a senior officer designated by Seller and a senior officer designated by Purchaser, respectively, who shall attempt to resolve the Dispute within a further period of 15 days.

14.3 The Parties hereto agree to use their best efforts to attempt for resolving all Disputes arising hereunder promptly, equitably and in good faith, and further agree to provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any such Dispute.

15.0 ARBITRATION

15.1 All differences or disputes between the parties arising out of or in connection with this Agreement remained unresolved as per clause 14 above shall be settled through arbitration as provided herein after.

15.2 In the event of such difference or disputes between the parties the matter shall be referred to UPERC for arbitration as per Section 158 of The Electricity Act, 2003 and Section 34 of the U.P. Electricity Reforms Act, 1999.

15.3 Notwithstanding the existence of any question, disputes and differences referred to arbitration, the parties hereto shall continue to perform their respective obligations under this Agreement.





16 FORCE MAJEURE

The parties shall ensure due compliance with the terms of this Agreement. However no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God, strike, lock-out or any other reason beyond the reasonable control of concerned party. But any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within 24 hours thereof to the other party to this effect. Generation /drawal of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

17 SYSTEM OPERATION

All instructions from SLDC / STU will be followed strictly regarding scheduling and operation of the Anpara 'B' TPS.

18.0 IMPLEMENTATION OF THE AGREEMENT

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorized representative(s) that each party may nominate in this behalf and notify in writing to the other party by registered post/courier. Any other nomination of authorized representative(s) shall be informed likewise in writing to/by UPPCL within one month of signing of the Agreement. Notwithstanding any nomination, the Chairman and Managing Director UPRVUNL, Shakti Bhawan, 14, Ashok Marg, Lucknow/ CE(L-1) of Anpara TPS or their authorized representatives shall be authorized to act for and on behalf of UPRVUNL..

19.0 NOTICE

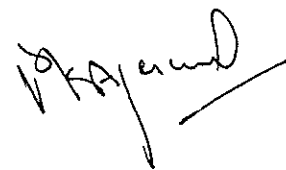
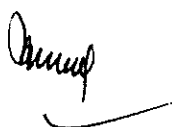
19.1 All notices required or referred to under this Agreement shall be in writing and signed by the respective authorized signatories of the parties mentioned herein unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts/by Courier Service with an acknowledgement due to the other parties in terms of this Agreement.

19.2 All notices or communications given by telefax or telegram/FAX shall be confirmed by deposition of a copy of the same in the post office in an envelope properly addressed to the appropriate party for delivery by registered or certified mail or courier. All notices shall be deemed delivered upon receipt.

20.0 SUCCESSORS AND ASSIGNS

20.1 Neither party shall assign in full or part with any of its rights or obligations under this agreement to any third party without the prior approval in writing of other party.

20.2 In case any of the parties to this Agreement is restructured and/or its generation, transmission and distribution activities are taken over by other organization(s), agency(ies), partly or wholly, the Agreement shall be binding *mutatis mutandis* upon the successor organization(s)/ agency(ies), and shall ensure to the benefits of and shall also be guaranteed by the State Government and shall continue to remain valid with respect to the obligations of the successor organization(s)/agency(ies). In such situation this agreement shall be suitably reviewed and modified as mutually agreed between the parties and shall be binding on all concerned.



21.0 JURISDICTION

All disputes arising out of or relating to this agreement shall be subject to the jurisdiction of High Court of Judicature of Allahabad at Lucknow Bench.

22.0 MISCELLANEOUS

22.1 Writing

No variation, waiver, amendment or modification of any of the terms of the Agreement shall be valid unless approved by UPERC and communicated in writing and signed by or on behalf of the Parties.

22.2 Severability

The invalidity or enforceability, for any reason, of any part of this Agreement shall not prejudice or affect the validity or enforceability of the remainder.

22.3 No Waiver

The failure of any Party to insist in one or more instances upon the strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as waiver of any such provisions or relinquishment of any such rights but the same shall continue in full force and effect.

22.4 Language

The language of this agreement shall be in English and all documents, notices, waivers and any other written communication or otherwise between the parties, in connection with the agreement, shall be in English/Hindi.

22.5 Entirety

This Agreement is intended by the parties as the final expression of their agreement and are intended also as a complete and exclusive statement of the terms of their agreement.

All prior written or oral understanding, offers or communications of every kind pertaining to this agreement or the sale or purchase of electrical output and contracted capacity under this agreement to Purchaser by Seller are abrogated and withdrawn.

22.6 Survival

Notwithstanding anything contained in this Agreement, clause 18 read with clause 2 shall survive this Agreement.

22.7 Waiver of Immunity

Purchaser and Seller are subject to Civil and Commercial Law with respect to their obligations under this Agreement, and the execution, delivery and performance hereof by them constitutes (for the purposes of applicable Indian Law and otherwise) private and commercial acts rather than government and public acts.

To the extent that Purchaser or Seller may in any jurisdiction claim for itself or any of its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgement or otherwise) or other legal process, or to the extent that in any jurisdiction there may be attributed to Purchaser or its assets or revenues any such immunity (whether or not claimed), Purchaser and Seller hereby agree not to claim and irrevocably waive any such immunity.



22.8 Breach of Obligations

The parties acknowledge that a breach of any of the obligations contained herein would result in injuries. The parties acknowledge the damages alone shall not be adequate remedy for such breach. Accordingly each party agrees that in addition to any other rights or remedy which the other party may have at Law or in equity, the non breaching party shall be entitled to specific performance and injunctive relief in any court of competent jurisdiction for any breach or threatened breach by the other party.

22.9 Inconsistency between the Provisions of PPA and Tariff Regulations/Tariff Order:

In the event of any inconsistency between the provisions of this PPA and the UPERC (Terms and Conditions of Generation Tariff) Regulations, 2009 read with the UPERC Tariff Order dated 20.01.11 or any amendment thereof, the later shall prevail.

22.10 This PPA is subject to approval by UPERC.

IN WITNESS WHEREOF the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names as on the date first above written.

SIGNED AND DELIVERED by UPRVUNL (Seller)
by the hand of its authorized official.
Name: **(P. K. AGARWAL)**
Title: **Advisor (Tech.)**
U.P.R.V.U.N.L.:
Shakti Bhawan Extn.
14, Ashok Marg, Lucknow

In the presence of:
1. Witness Name

2. **26.5.11 (M.L. PANDEY)**
Witness Name

अधिकासी अभियंता (वाणिज्यिक)

14वां तल, शक्ति भवन विस्तार

उ.प्र. राज्य विद्युत उत्पादन निगम लि.

In the presence of:

1. Witness Name

2. Witness Name

अधिकासी अभियंता
उ.प्र. राज्य विद्युत निदेशालय
यूपीएनएल, शक्ति भवन विस्तार, लखनऊ

SIGNED AND DELIVERED by UPPCL (Purchaser)
by the hand of its authorized official.
Name: **(नन्द लाल)**
Title: **निदेशक (वाणिज्य)**

Jayant Kumar), IEC (P. K. AGARWAL)

POWER PURCHASE AGREEMENT

BETWEEN

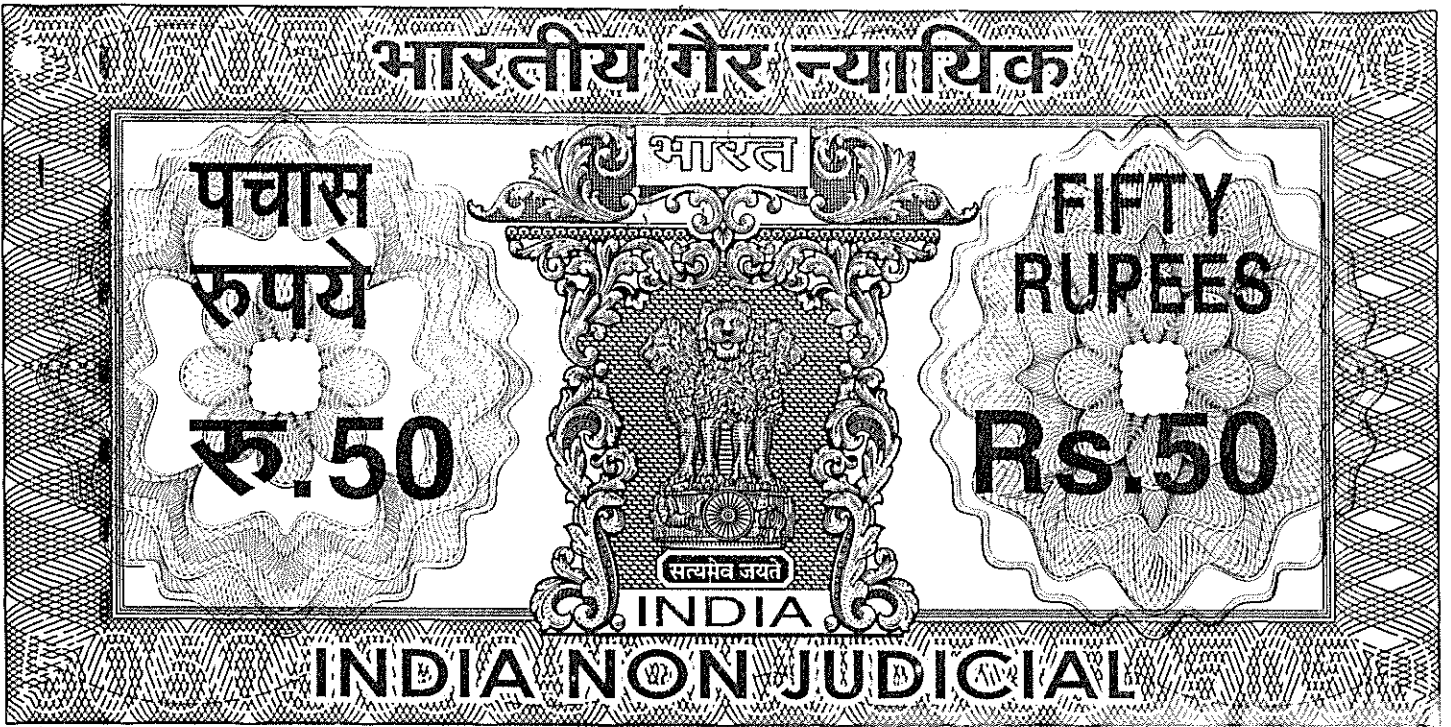
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM LIMITED

AND

UTTAR PRADESH POWER CORPORATION LIMITED

DATED: 26-5, 2010

**For Obra 'A' Thermal Power Station for the Period from April 1, 2009 to
March 31, 2014**



उत्तर प्रदेश UTTAR PRADESH

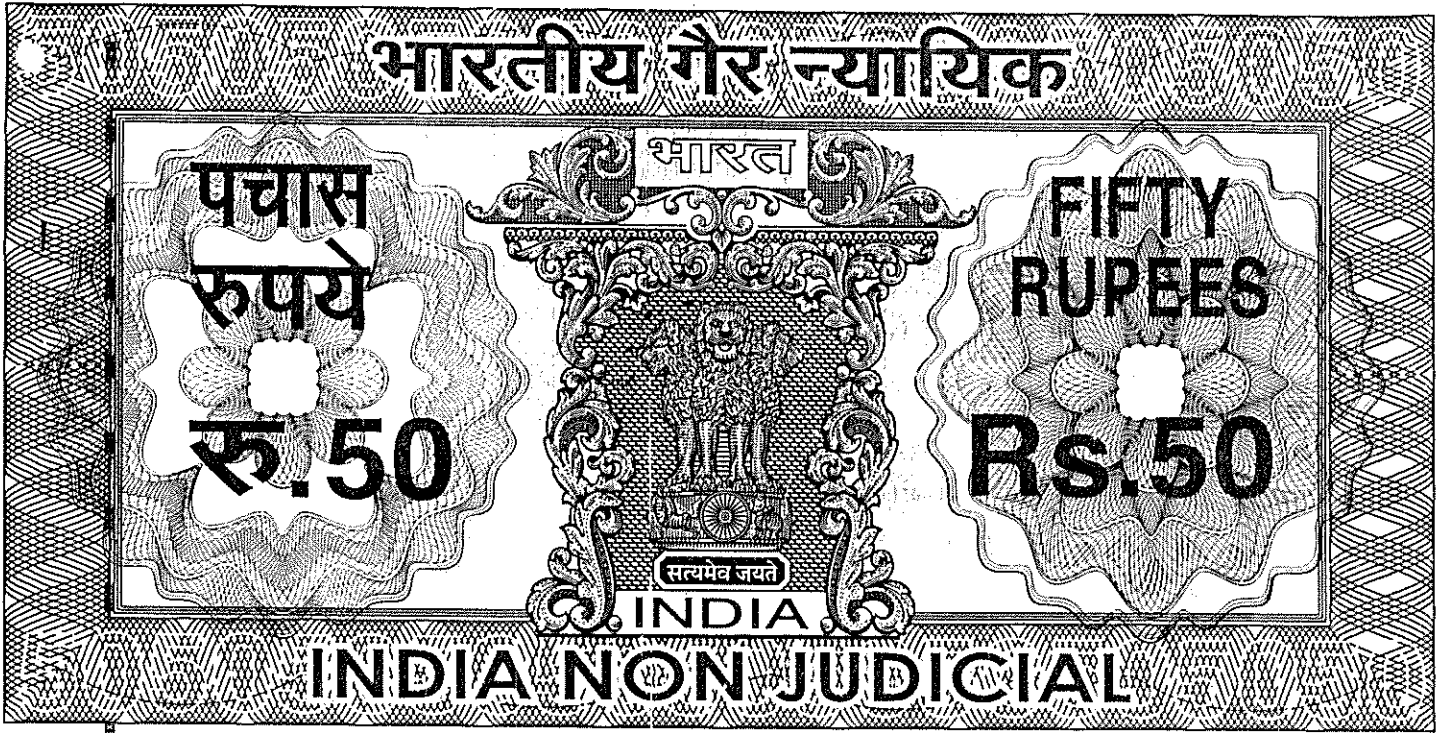
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**POWER PURCHASE AGREEMENT
BETWEEN
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM
LIMITED
AND
UTTAR PRADESH POWER CORPORATION LIMITED**

This Power Purchase Agreement (hereinafter referred to as "Agreement") entered into this^{26th}..... day of May, 2011..... between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd., a company incorporated under the Companies Act, 1956 having its Registered Office, at "Shakti Bhawan Extn", 14 - Ashok Marg, Lucknow - 226001 (hereinafter referred to as "UPRVUNL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns), as party of the FIRST PART which is the party selling the power, and Uttar Pradesh Power Corporation Limited, a company incorporated under the Companies Act, 1956 having its registered office at "Shakti Bhawan " 14 - Ashok Marg, Lucknow-226001 (hereinafter referred to as "UPPCL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns) as party of the SECOND PART, which is the party purchasing the power. This Agreement is subject to Uttar Pradesh Electricity Regulatory Commission's approval in terms of provisions, Section 10 (2) and (3), Section 86 (1) (a) and (b) of the Electricity Act, 2003 and Section 10 (1) (c) of the Uttar Pradesh Electricity Reforms Act, 1999 (U.P. Act no. 24 of 1999).

[Signature]

[Signature]



उत्तर प्रदेश UTTAR PRADESH

Y 585734

WHEREAS

- (i) UPRVUNL is a power generating company, which owns and operates an electric power generating station namely Obra 'A' Thermal Power Station at Obra, District Sonbhadra and otherwise engaged in the business of the generation and sale of electricity so produced, and
- (ii) UPPCL is the holding company of the Distribution Companies (now distribution licensees in the State), as per section 4 of the Companies Act, 1956 and
- (iii) UPRVUNL wishes to sell to UPPCL who in turn wishes to purchase from UPRVUNL its electric energy and capacity from the aforementioned power generating station pursuant to the terms and conditions set forth herein. Further, the reallocation of generating capacity of UPRVUNL amongst various DisComs, as required, will be done as per approval from GoUP, without affecting upon the rights & obligations of UPRVUNL under this agreement. On such reallocation, the rights and obligations of UPPCL under this agreement shall stand transferred to the Distribution Companies, being the successor(s) of UPPCL as per provision in the PPA.

WHEREAS

UPRVUNL with effect from 14 January, 2000 owns and operates the Obra "A" Thermal Power Station having installed capacity of 382 MW as per Table 1 below, which was commissioned by the erstwhile Uttar Pradesh State Electricity Board and was transferred and vested in UPRVUNL in terms of Section 23 of the Uttar Pradesh Electricity Reforms Act, 1999 and Section 5 of Uttar Pradesh Electricity Reforms Transfer Scheme, 2000.

[Handwritten signature]

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TABLE-1

OBRA "A" THERMAL POWER STATION

Sl.No.	Unit No.	Installed Capacity	Derated Capacity	Date of Commissioning	Date of Commercial Operation
1	1	50 MW	50 MW	29.06.67	15.08.67
2	2	50 MW	50 MW	12.02.68	11.03.68
3	6	100 MW	94 MW	18.07.73	04.10.73
4	7	100 MW	94 MW	14.12.74	14.12.74
5	8	100 MW	94 MW	15.09.75	01.01.76

- Unit No.1 Synchronized on 01.05.09 after R & M at uprated capacity of 50 MW.
- Unit No.2 Synchronized on 05.02.09 after R & M at uprated capacity of 50 MW.

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

1.0 DEFINITIONS AND INTERPRETATION

1.1 Definitions

When used herein and in all of the Schedules hereto including, without limitation, the Tariff (as hereinafter defined) or any other document related to this Agreement, the defined terms set forth in this Article 1 shall have the meanings specified herein.

Any term used herein, but not defined herein, shall have the meanings provided in the U.P. Electricity Reforms Act, 1999 and The Electricity Act, 2003, as amended from time to time. Additional defined terms set forth in "The Uttar Pradesh Electricity Regulatory Commission (Terms and conditions of Generation Tariff) Regulations, 2009" shall have the meanings set forth therein.

Availability

In relation to the thermal generating station for any period means the average of the daily average declared capacities (DCs) for all the days during that period expressed as a percentage of the installed capacity of the generating station minus normative auxiliary consumption in MW, and shall be computed in accordance with the following formula:

$$\text{Availability (\%)} = 10000 \times \frac{N}{\sum_{i=1}^N \text{DC}_i / \{ N \times \text{IC} \times (100 - \text{AUX}_n) \}} \%$$

where,

- IC = Installed Capacity of the generating station in MW,
- DC_i = Average declared capacity for the ith day of the period in MW,
- N = Number of days during the period, and
- AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Bill shall have the meaning as ascribed in clause 10 read with clause 6 of this Agreement.

Billing Date shall be the date on which the bill shall be raised. The UPRVUNL shall present the bills after the end of each calendar month as per UPERC Tariff Order for energy supplied to UPPCL from the Power Station as per Energy Account issued by SLDC/STU or any other Competent Authority/JMR at TPS.

Billing Month means the metering date of one calendar month to the metering date of the next calendar month.

Business Day shall construe as a reference to a date (other than Sunday and Public Holidays) on which Banks are open for business in Lucknow.

Business Hours means the period commencing from 10:30 hours to 17:00 hours on any Business day.

Cause means any fact or circumstances which legally entitles the issuing Government Agency, to withhold issuance or renewal of, revoke or amend a Permit, due to any failure by Seller or any of the Lenders, Investors or Contractors in whose name the Permit has been or is to be issued.

CEA means the Central Electricity Authority.

Change in Law means:

- (i) Any enactment or issuance of any new Law;
- (ii) Any change in the interpretation or application of an existing Law by any judicial or quasi-judicial or other authority (including a court, tribunal or regulatory commission) having the legal power to interpret or apply such Law;
- (iii) Any amendment, alteration, or modification of an existing Law;
- (iv) The repeal and re-enactment of any existing Law;
- (v) Any Change in Permits;
- (vi) Imposition (other than for Cause) of a requirement for a permit which did not exist as at the date of this Agreement;
- (vii) A change (other than for cause) in the terms and conditions attaching to a permit after it has been given;
- (viii) To the attachment of any new terms and conditions to such permit; or
- (ix) The revocation or cancellation (other than for Cause) of any permit.

Provided however, no Change in Tax shall qualify as "Change in Law". Law shall not include any "Tax Law" (as hereinafter defined).

Change in Permits means:

- (i) the imposition (other than for Cause) of any material requirement in connection with the issuance, renewal or extension of any Permit or the modification of any Permit after such Permit was issued, in either case subsequent to the date of signing of this Agreement;
- (ii) the imposition (other than for Cause) of a requirement for a Permit which did not exist as on the date of this Agreement;
- (iii) the revocation or cancellation (other than for Cause) of any Permit.

Change in Tax means any introduction, amendment, extension, repeal or authoritative change in interpretation or application of any Tax (including, without limitation, the time, rate, incentive, exemption or incidence applicable to any Tax) after the date hereof.

Check Import/Export Meters means meters for maintaining a check on performance of main import/export meters and shall be used for accounting and billing of electricity in case of failure of main meter.

CLDS means Central Load Dispatch Station of UPPTCL.

Date of effectiveness of Agreement shall be 1st April, 2009.

Day means the 24 (twenty four) hours period ending at 24:00 Hours midnight Indian Standard Time.

Declared Capacity or DC means the capability of the generating station to deliver ex-bus electricity in MW declared by such generating station in relation to any period of the day or whole of the day, duly taking into account the availability of fuel;

Delivery of Bill: Shall have the meaning as defined in clause 10 of this agreement.



Designated Officer means an officer designated by UPPCL/STU for matters relating to meter reading, billing and payment.

Dispute means any material dispute or material difference of any kind between Seller and Purchaser in connection with or arising out of this Agreement.

Due Date of Payment or Due Date means, in relation to any Bill, the date on which the amount referred to in such Bill becomes due for payment which shall be 30 days from the Billing Date to the Authorized Representative of Purchaser. If the due date is not a business day, the next business day will be the due date.

Energy Charges shall cover fuel costs and shall be worked out as specified in Tariff order.

Energy Account shall mean periodic energy account including amendments thereof, if any.

Energy Unit means one-kilowatt hour of electrical energy.

Fixed charges or Capacity Charge amount means the recoverable fixed charge for a Tariff period determined in accordance with the Tariff Order.

Force Majeure shall have the meaning set forth in clause 16 of this Agreement.

Force Outage means an interruption of generating capacity that is not the result of:

- (i) A Scheduled Outage;
- (ii) A Force Majeure event;
- (iii) Any event or condition caused by Purchaser or attributable to an event or condition on Purchaser Facility; or
- (iv) Any Emergency or other curtailment or reduction pursuant to clause 16 in this Agreement.

Generating Unit means Plant, consisting of boiler, turbo generator, and other auxiliaries, which is capable of generating the specified power, independently.

GOI means the Government of India.

GOUP means the Government of Uttar Pradesh and its successors.

Government Agency means the GOI, GOUP, UPERC, or any ministry, department, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with Seller) or commission under the direct or indirect control of the GOI or the GOUP or any political subdivision of either of them owned or controlled by GOI or GOUP or any of their subdivisions, or any court, tribunal or judicial body within India.

Grid means the total system of electrical generation using any means other than Seller's Generating Unit, evacuation and transmission circuits, transformers, switchgear and other equipment (including the interconnection Facility) on Purchaser's side of the Interconnection Point.

'Gross Calorific Value' or GCV in relation to a thermal power generating station means the heat produced in kCal by complete combustion of one kilogram of solid fuel or one litre of liquid fuel, as the case may be;

Interconnection Point means the point or points at which interconnection is made between the Unit and the Transmission Utility System and unless otherwise mutually decided, shall be at the outgoing sides of circuit breakers connecting the EHV/HT lines.



Installed Capacity or IC means the summation of the name plate capacities of all the units of the generating station or the capacity of the generating station reckoned at the generator terminals as approved by the Commission from time to time;

KW means kilowatt.

kWH means kilowatt hour.

Law means the Constitution of India and any Act, rule, regulation, notification, directive, ordinance, order or any interpretation thereof or instruction having the force of law enacted or issued by any Government Agency.

Main Import Meter shall mean meter for measurement of active energy import at TPS Busbar for energy accounting.

Main Export Meter shall mean meter for measurement of active energy export at TPS Busbar for energy accounting.

Metering Date shall mean mid-day (12:00 hrs) of the last day of each calendar month.

Monthly Fixed Charge amount means the prescribed recoverable fixed charges as per Tariff Order.

MU shall mean one million Units.

MW means Megawatts.

Net Electrical Energy is the energy, supplied by Obra 'A' of UPRVUNL and measured in kWh, at the point of interconnection in accordance with the provisions of Clause 5.

O & M shall mean operation and maintenance.

Permit or Permits means any consent, license, approval, permit, no objection certificate or other authorization of any nature whatsoever, which is required to be granted to Purchaser or Seller, as the case may be, by any Government Agency for the purpose of owning, developing, designing, financing, insuring, constructing, operating or maintaining the Project as contemplated under this Agreement.

Plant Load Factor or PLF for a given period, means the total sent out energy corresponding to scheduled generation during the period, expressed as a percentage of sent out energy corresponding to installed capacity in that period and shall be computed in accordance with the following formula:

$$PLF (\%) = 10000 \times \frac{\sum_{i=1}^N SG_i}{\{ N \times IC \times (100 - AUX_n) \}} \%$$

where,

IC = Installed Capacity of the generating station in MW,

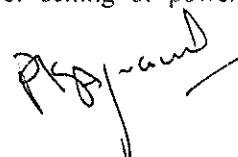
SG_i = Scheduled Generation in MW for the ith time block of the period,

N = Number of time blocks during the period, and

AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Power Grid means Power Grid Corporation Ltd.

Power Purchase Agreement means the Agreement for selling of power by UPRVUNL and purchase by UPPCL.



Primary Fuel shall mean coal as supplied by the collieries.

Pool Account means Regional account for payments regarding Unschedule Interchanges

Scheduled Bank means any bank at Lucknow indicated by Purchaser and acceptable to Seller.

Secondary Fuel shall mean the heavy furnace oil (HFO) and/or light diesel oil (LDO) and or Low Sulphur High Speed (LSHS)

SLDC or State Load Dispatch Centre means the centre established under subsection (1) of section 31 by GoUP

Schedule Generation: At any time or for any period or time block means Schedule of Generation in Mw or Mwh ex-bus given by the concerned Load Dispatch centre.

Target Availability or TA means availability as set by the Commission in its Tariff Order

Tariff means the amounts to be paid by Purchaser to the Seller under this Agreement and as determined by UPERC or any competent authority authorized from time to time.

Tariff Order means the Tariff Order passed by UPERC on 20.01.11 for MYT period FY 2009-10 to 2013-2014 (Ref No UPERC/ Secy/D(G)/2011-1545 dated 20.01.11) and hosted on website: www.uperc.org

Tariff Regulation means the regulations notified in exercise of powers conferred under Section 181 read with Section 61 of the Electricity Act, 2003 by the Uttar Pradesh Electricity Regulatory Commission [vide Notification No. UPERC/Secy/ Generation Regulation/4100, Lucknow dated 31 March 2009, titled as the Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 and as amended from time to time.

Tax means tax, cess, levy, toll, impost, excise, duty, fee or charge of any nature whatsoever levied by or payable to any Government Agency including but not limited to any withholding tax, income tax, corporate tax, VAT, excise tax, works contract tax, stamp duty, customs and import duties, octroi.

Thermal Power Station (TPS) means a thermal generating station having an installation of one or more thermal generating units and covered under this Agreement.

Transfer Scheme shall mean UP Electricity Reforms Transfer Scheme, 2000.

Unit means one kilowatt-hour.

UPERC or Commission means UP Electricity Regulatory Commission.

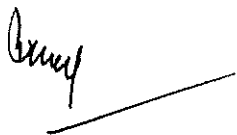
1.2 INTERPRETATION AND GENERAL

1.2.1 Interpretation Any reference in this Agreement to:

this Agreement shall be construed as references to this Agreement together with all recitals and Schedules hereto;

Clause shall, subject to any contrary indication, be construed as a reference to a clause of this Agreement;

Encumbrance shall be construed as a reference to a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;



Paragraph shall, subject to any contrary indication, be construed as a reference to a paragraph in the Clause or Schedule in which such reference appears;

Person shall be construed as a reference to any person, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing.

1.2.2 General

Save where the contrary is indicated, any reference in this Agreement to:

- (i) **Rupee and Rs.** denote Indian Currency;
- (ii) words importing the singular shall include the plural and vice versa, any person shall be construed so as to include its and any subsequent successors, transferees and assigns in accordance with their respective interests;
- (iii) this Agreement or any other agreement or document shall be construed as a reference to each such agreement or, as the case may be, such other agreement or document as the same may have been, or may, from time to time, be amended, varied, novated, replaced or supplemented;
- (iv) a statute or enactment shall be construed as a reference to such statute as the same may have been, or may from time to time be, amended or re-enacted;
- (v) All orders so issued by UPERC shall be binding on both the parties from the date the same become applicable.
- (vi) In case either party goes in for any Review Petition/Appeal against the order of the UPERC before the competent authority, the order of the competent authority in that regard shall be applicable and binding on both the parties from the date the said order become applicable.
- (vii) a time of day shall, save as otherwise provided in any agreement or document, be construed as a reference to Indian Standard Time; and

Any word or expression used in this Agreement shall, unless otherwise defined or construed herein, bear its ordinary English meaning and, for these purposes, the General Clauses Act, 1897 shall not apply.

2.0 TERM OF AGREEMENT

The term of this Agreement shall be for a period of five years starting from 1st April, 2009 and ending on 31st March, 2014 extendable/renewable by **mutual** consent between UPPCL and UPRVUNL. In case UPPCL continue to get power from the Obra 'A' Thermal Power Station even after expiry of this agreement without further renewal or formal extension thereof, then all the provisions of this agreement shall continue to operate till this Agreement is formally renewed, extended or replaced except the Tariff, which will be applicable as per order of the UPERC as per provision of clause 6.3. This agreement shall be terminable even from any earlier date from which the PPA with different DisComs has been made effective.

3.0 INSTALLED CAPACITY

3.1 The existing installed capacity of Obra 'A' Thermal Power Station is 382 MW. The installed capacity is, however, subject to de-rating/re-rating of the generating units as determined from time to time after following the prescribed procedure as laid down by CEA.

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PKA jawal

3.2 Allocation of Power

Full capacity of Obra 'A' TPS shall be allocated to UPPCL unless reallocated by GOUP.

3.3 Drawal of Power

The power from Obra 'A' TPS shall be drawn by UPPCL directly through its own or through the transmission system of other agencies on the basis of availability of capacity of the TPS.

3.4 Generation Schedule

UPRVUNL shall submit daily generation schedule of Obra 'A' TPS to UPPCL or SLDC, as per UPERC Generation Regulation

3.5 Daily Declared Capacity Notice

UPRVUNL shall deliver to UPPCL or SLDC, as applicable, at each day a notice indicating daily declared capacity of Obra 'A' TPS as per regulation for next 24 hours. Any change in daily declared capacity notice due to minor or major breakdown in station shall be intimated to UPPCL or SLDC, as applicable as per regulation.

4.0 TRANSMISSION/WHEELING OF POWER

4.1 Power shall be made available by UPRVUNL at the busbars of the Station and it shall be the obligation and responsibility of UPPCL to make the required arrangement for evacuation of power from such delivery points of UPRVUNL.

4.2 UPPCL shall coordinate with the appropriate authorities/agencies including UPPTCL/STU or any other Licensees for power evacuation from the above delivery point.

4.3 UPPCL shall be responsible to coordinate with the UPPTCL/STU or any licensee or other agencies for implementation of the transmission system for evacuation of power from the station matching with the commissioning schedule of the station.

4.4 For wheeling of the power beyond busbars of the Station, charges for utilisation of transmission system(s) owned by UPPTCL/STU/other agencies shall be paid directly by UPPCL to the UPPTCL or other agencies. UPRVUNL shall not be responsible for payment of such charges.

5.0 SUPPLY OF POWER

Power as generated by Obra 'A' TPS will be supplied to UPPCL only unless mutually agreed otherwise. Terms and conditions as mutually agreed and approved/determined by UPERC from time to time would be applicable.

6.0 TARIFF AND TERMS & CONDITIONS

6.1 The tariff chargeable to UPPCL shall be as per the Tariff Order dated 20.01.11 or any amendment thereof issued by the UPERC.

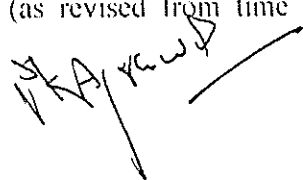
6.2 The bill for the energy so supplied would be based on energy accounts as given under Clause 7 of this Agreement.

6.3 If Tariff for the period extending beyond 31.03.2014 is not approved by the U.P. Electricity Regulatory Commission the tariff order dated 20.01.11 approved by the Commission will be provisionally applicable till Tariff Order for the concerning period is approved by the UPERC.

7 SCHEDULING AND ENERGY ACCOUNTING

7.1 Scheduling

Consequent to the implementation of ABT the methodology of generation schedule shall be as per Indian Electricity Grid Code/UP Electricity Grid Code (as revised from time to time) and UPERC orders.



7.2 Unschedule Interchange

- 7.2.1 UI for generating station shall be equal to its actual generation minus schedule generation. UI should be worked out for each 15 min blocks. Charges for all UI transactions shall be based on average frequency of the time block and rates as specified in notifications issued by UPERC from time to time.
- 7.2.2 In case of zero generation (tripping / shut down of all units) of a Thermal Power Station, the negative DC / negative Revision Schedule (drawl of power from grid) declared by TPS will be accepted by SLDC and the energy supplied from UPPCL system to the TPS during such period shall be charged at the same tariff or as mutually agreed.
- 7.2.3 **Effective date of implementation of ABT:** The effective date of implementation of ABT for Obra 'A' of UPRVUNL is 1/12/07 without UI Charges as per UPERC order dated 05/03/2009.

7.3 Energy Accounting :

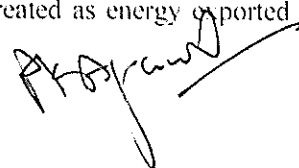
- 7.3.1 Energy drawal by UPPCL will be metered at the Obra 'A' TPS. The energy account shall be prepared by UPRVUNL based on the monthly joint meter reading taken by the representatives of UPRVUNL and UPPCL/STU. The methodology for energy account would be on mutually agreed basis. The export and import of energy at the metering points shall be computed on net basis, i.e. by difference between export and import meter readings.

Provided that if and when provisions of ABT are implemented the Energy Accounts shall be governed by clause 29 of Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 reproduced as under:

"Metering and Accounting - Metering arrangements, including installation, testing and operation and maintenance of meters and collection, transportation and processing of data required for accounting of energy exchanges and average frequency on 15 minute time block basis shall be organized by the State Transmission Utility in consultation with State Load Despatch Centre. All concerned entities (in whose premises the special energy meters are installed), shall fully cooperate with the State Transmission Utility/State Load Despatch Centre and extend the necessary assistance by taking weekly meter readings and transmitting them to the State Load Despatch Centre. The State Load Despatch Centre, on the basis of processed data of meters along with data relating to declared capability and schedules etc., shall issue the State Accounts for energy on monthly basis as well as UI charges on weekly basis. UI accounting procedures shall be governed by the orders of Central Commission.

Note: This provision shall be applicable with effect from the date these Regulations coming into force except for UI that shall come into force from such date specified by the Commission for implementation of ABT in the State".

- 7.3.2 On implementation of ABT the Regional Energy Account issued by STU/SLDC or any competent authority shall be binding on all the parties for billing and payment purposes.
- 7.3.3 Such consumers other than establishment of Obra 'A' TPS getting supply directly from Obra 'A' TPS of UPRVUNL would be UPPCL consumers. The billing shall be done by UPPCL on the basis of joint meter reading taken by representative of UPRVUNL & representative of UPPCL/ STU concerned Division of DisComs. Such energy shall be treated as energy exported to UPPCL and accounted for accordingly.



8 POINTS OF METERING

The main and check meters at the 400 KV/220 KV/132 KV or other KV bus bars of generating transformers of the Obra 'A' TPS to be installed by UPRVUNL shall be maintained by UPRVUNL. Installation and maintenance of main and check meters at locations other than the meters installed and maintained by UPRVUNL shall be the responsibility of UPPCL. The meters shall be sealed after calibration by the concerned parties jointly. The points of metering for Obra 'A' TPS are as under:

Export Points:-

1. Generator Transformer-1
2. Generator Transformer-2
3. Generator Transformer-6
4. Generator Transformer-7
5. Generator Transformer-8
6. 0.5 MVA 606/11 KV Transformer [37T]
7. 0.5 MVA 606/11 KV Transformer [38T]

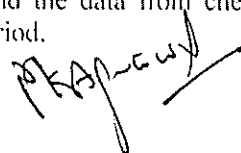
Import Points:-

1. 10 MVA Station Transformer No. 1 [9T]
2. 10 MVA Station Transformer No. 2 [10T]
3. 20 MVA Station Transformer No. 1
4. 20 MVA Station Transformer No. 2

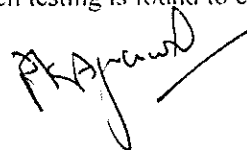
Note: - The above points are subject to addition/alteration, if found necessary

9.0 METERING SYSTEM

- 9.1 A set of CT/PT/Meters (Main and check) of 0.2 accuracy class, as per IEGC/CEA (Installation & Operation of Meters) Regulations – 2006 as applicable, shall be installed on all outgoing feeders of the station. UPPCL/STU shall make all necessary arrangements for installation of CT/PT/Meters, at all its drawal points. So long as existing CT/PT/Meters of any other class are replaced by 0.2 class, the existing CT/PT/Meters will be used for energy accounting.
- 9.2 All the meters shall be jointly calibrated, inspected and sealed on behalf of the parties and shall not be interfered with except in the presence of other party or for joint testing and calibration and/or replacement and/or any other purposes for which due notice of 7 (Seven) days will be given by UPRVUNL/STU/UPPCL so that this is done in the presence of the authorized representatives of the STU/UPPCL/UPRVUNL.
- 9.3 Joint meter readings of the main as well as check meters at various energy accounting points as identified shall be taken by the parties as mentioned above at 1200 hrs (noon) on the last day of each calendar month. In case any of the concerned parties is not available for joint meter readings at the specified time, the meter reading taken by the other party shall be binding on both the parties and shall be taken into account for preparation of Energy Accounts. UPPCL shall designate an officer for joint meter reading. On implementation of ABT the data shall be downloaded from the meters at regular interval as decided by STU/SLDC for preparation of REA/UI account.
- 9.4 If the main meter is found to be not working at the time of meter readings or any other time, UPRVUNL shall inform the STU/SLDC for the same and the data from check meters shall be considered by SLDC/STU for energy accounting for the period.



- 9.5 If in any month the readings of the main energy meter(s) differ from the readings of corresponding check energy meter(s) by more than 0.4% (zero point four percent) the main and check energy meter(s) shall be tested in turn and the errors at various levels as per standard procedures would be determined. If on such testing main energy/check meter error is found to exceed $\pm 0.2\%$ (plus/minus zero point two percent) the energy figures recorded by the main energy/check meter(s) for the above month concerned shall be revised accordingly and the main energy/check meter(s) shall be recalibrated jointly or replaced by the correct energy meter(s). Pending the results of such testing, billing and payment shall continue to be based on the energy recorded by the check meter(s), provided its error is within the prescribed limit.
- 9.6 If both the main and check meter(s) fail to record or if any of the PT fuses are blown out, then the energy will be computed on a mutually agreeable basis between UPRVUNL and UPPCL/STU for the period of defect. In case there is no mutual agreement, the computation of energy shall be on the basis of average of the billing of last three months.
- 9.7 Corrections in billing whenever necessary, shall be applicable for the period between the previous meter reading and the date and time of the replacement or recalibrated correct meter and this correction shall be for the full value of the absolute error. For the purpose of the correction to be applied, the meter shall be tested as per Indian Standard (British Standard where Indian Standard is not existing) The error at the load and power factor nearest to the average monthly load served at the point during the period shall be taken as the error to be applied for correction.
- 9.8 All the meters shall be checked for accuracy on quarterly basis by comparison of the readings of main and check meters by UPRVUNL and UPPCL/STU and shall be treated as working satisfactorily so long as the errors are within the limits prescribed in relevant Indian Standard (or British Standard where Indian Standard is not existing) for meters of the said class. The meter readings of main meters shall form the basis of the Energy Accounts so long as the quarterly check results thereof are within prescribed limits. If the check meters are found to be defective during the quarterly checks, these shall be immediately calibrated jointly/ replaced. Where the quarterly checks indicate errors in the main meter(s) beyond limit but no error is noticed in check meter(s) during quarterly checking computation of total net energy sent out at 400 KV bus bars and/or 220 KV / 132 KV and/or other KV bus bars, as applicable, of the Obra 'A' TPS for the month shall be done on the basis of check meter(s) and main meter(s) shall be calibrated jointly immediately. If during the quarterly test check, the difference in the main meter(s) and the corresponding check meters readings are found to be beyond the permissible limits of error, i.e. more than 0.40% both the meter(s) shall be immediately calibrated and the correction applicable to main meter shall be applied to the consumption registered by the main meter(s) to arrive at the correct consumption of energy for the purpose of Energy Accounts for the month from the date of last meter reading upto the time of replacement of correct main meter. Billing for the period thereafter, till the next monthly meter reading, shall be as per calibrated main meter. During this period of calibration of main and check meter(s) another set of main and check meters duly calibrated and sealed will be installed by UPRVUNL/STU/UPPCL at the TPS in the presence of UPPCL/STU/UPRVUNL and jointly sealed. The energy accounting during the period of calibration of original meters shall be as per the readings of the substituted main meter. In case spare meters are not available with UPRVUNL/STU/UPPCL the main/check meter shall be calibrated by rotation. During the period of removal of main meter, the energy accounting will be done based on check meter readings applied with correction factor of the check meter obtained during testing/calibration of check meter.
- 9.9 For the purpose of test and calibration, the standard meter calibrated and sealed by GOUP/GOI Authorized Meter Testing House/Laboratory shall be utilized. This standard meter shall be got calibrated once in every six months at the GOUP/GOI Authorized Meter Testing House/Laboratory.
- 9.10 If at any time any party to the Agreement feels that a meter is not recording correctly it shall give notice to the other party. UPRVUNL/STU/UPPCL shall then undertake testing and calibration of the meters owned by UPRVUNL/STU/UPPCL. If errors on such testing is found to exceed the error



limits specified in the relevant Indian Standard (British Standard where Indian Standard is not existing) for this class of meters necessary adjustment in the bills shall be made from the date of notice or from such other date as can be satisfactorily established to be proper for such adjustment.

- 9.11 Once in every five years, both main and check meters shall be tested for accuracy by a substandard meter either at the station or at any approved testing laboratory. During testing in case of error is found to be more than the permissible limits, then the meter shall be replaced by a correct meter.

10 BILLING AND PAYMENT

- 10.1 All charges under this Agreement shall be billed by UPRVUNL as per Clause 6 and shall be paid by UPPCL in accordance with the following provisions:

- (i) UPRVUNL shall deliver bills to the UPPCL generally within 5 days of the billing date for energy supplied for each month to UPPCL from Obra 'A' TPS. The payments will be made by UPPCL within due date by cheque payable at Lucknow.
- (ii) UPRVUNL shall carry out billing and associated functions. The authority of UPPCL to whom the bills have to be submitted would be informed by UPPCL to UPRVUNL within a month of signing of the Agreement failing which UPRVUNL would submit the bills to the Director (Finance) of UPPCL.
- (iii) UPPCL shall make adequate provisions in their approved budget for respective years during which this PPA continues to ensure regular payment of power purchased by UPPCL from UPRVUNL and shall also furnish a copy of the approved budget to UPRVUNL.
- (iv) PFC conditions applicable for the agreement period are:-
 - (a) UPRVUNL can undertake third party sale of energy within the state or outside the state if the procurer of energy does not clear the dues as per schedule.
 - (b) Provided that revenue of the procurer shall be escrowed in favour of UPRVUNL and in turn in favour of lenders to UPRVUNL.
 - (c) In case of default to PFC by UPRVUNL, than PFC shall have right to transfer the project to themselves or their agents, operate the project and sell energy to third party.

10.2 Schedule of payment of UI Charges

- 10.2.1 **UI Charges Accounting:** All payments on account of UI charges including the additional UI charges levied under the regulations and interest received on late payment thereof shall be credited to a fund called UI pool account fund which shall be maintained and operated in accordance with provisions of UPERC regulation / grid code or as mutually agreed.
- 10.2.2 Payment of UI charges shall have a high priority and the concerned constituent shall pay the indicated amount within 10 days of the issue of statement of UI charges including additional UI charges into the UI pool account fund or as mutually agreed.
- 10.2.3 If payment against UI charges including additional UI charges are delayed by more than two days i.e beyond 12 days from the date of issue of statement by SLDC, the defaulting constituent shall have to pay simple interest @ .04% for each day of delay applicable as per UPERC order / any amendment time to time or as mutually agreed.



11 DISPUTES

In the event of any dispute as to all or any portion of an Invoice, Purchaser shall nevertheless pay the full amount of the undisputed charges subject to minimum 50% of the total amount of the invoice within due date and shall serve notice on the Seller that the amount of an Invoice is in dispute in which event the provisions of Clause 14 hereof shall be applicable.

12 REGULATION OF SUPPLY

In the event any bill(s) remain unpaid for a period exceeding sixty (60) days, UPRVUNL shall serve a notice on UPPCL giving fifteen (15) days period for effecting regulation of supply from its Obra 'A' Thermal Power Station with consent of GOUP, unless UPPCL makes full direct payment of the outstanding amount within the notice period. In case regulation of supply is effected, for resumption UPPCL shall pay all the outstanding dues.

13.0 LEVIES, TAXES, DUTIES, CESS, ETC.:

The amount of all lawful taxes/duties/cess, etc. payable by UPRVUNL to GOUP/GOI and/or any other local bodies/authorities on generation of electricity including auxiliary consumption, or any other types of consumption including water, transmission, environment protection, sale or on supply of electricity and/or in respect of any of its installation associated with the TPS and/or Transmission system shall be billed on to UPPCL in the shape of supplementary bill raised by UPRVUNL and UPPCL will make payment accordingly at actuals.

13.1 **Income Tax** – Income tax on core activity to be charged separately through Tax Escrow Account.

14.0 INFORMAL DISPUTE RESOLUTION

14.1 The Authorized Representative appointed by the Parties in pursuance be authorized to resolve any dispute, controversy or claim arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination (a "Dispute") in an equitable manner.

14.2 Following notice by one Party to the other setting out the particulars of the Dispute, if the Authorized Representatives are unable to resolve the Dispute under this Agreement within 15 days, such Dispute shall be referred by such Authorized Representatives to a senior officer designated by Seller and a senior officer designated by Purchaser, respectively, who shall attempt to resolve the Dispute within a further period of 15 days.

14.3 The Parties hereto agree to use their best efforts to attempt for resolving all Disputes arising hereunder promptly, equitably and in good faith, and further agree to provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any such Dispute.

15.0 ARBITRATION

15.1 All differences or disputes between the parties arising out of or in connection with this Agreement remained unresolved as per clause 14 above shall be settled through arbitration as provided herein after.

15.2 In the event of such difference or disputes between the parties the matter shall be referred to UPERC for arbitration as per Section 158 of The Electricity Act, 2003 and Section 34 of the U.P. Electricity Reforms Act, 1999.

15.3 Notwithstanding the existence of any question, disputes and differences referred to arbitration, the parties hereto shall continue to perform their respective obligations under this Agreement.



16.0 FORCE MAJEURE

The parties shall ensure due compliance with the terms of this Agreement. However no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God, strike, lock-out or any other reason beyond the reasonable control of concerned party, But any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within 24 hours thereof to the other party to this effect. Generation /drawal of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

17.0 SYSTEM OPERATION

All instructions from SLDC/STU will be followed strictly regarding scheduling and operation of the Obra 'A' TPS.

18.0 IMPLEMENTATION OF THE AGREEMENT

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorized representative(s) that each party may nominate in this behalf and notify in writing to the other party by registered post/courier. Any other nomination of authorized representative(s) shall be informed likewise in writing to/by UPPCL within one month of signing of the Agreement. Notwithstanding any nomination, the Chairman and Managing Director UPRVUNL, Shakti Bhawan, 14, Ashok Marg, Lucknow/ CE(L-1) of Obra TPS or their authorized representatives shall be authorized to act for and on behalf of UPRVUNL.

19.0 NOTICE

19.1 All notices required or referred to under this Agreement shall be in writing and signed by the respective authorized signatories of the parties mentioned herein unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts/by Courier Service with an acknowledgement due to the other parties in terms of this Agreement.

19.2 All notices or communications given by telefax or telegram/FAX shall be confirmed by deposition of a copy of the same in the post office in an envelope properly addressed to the appropriate party for delivery by registered or certified mail or courier. All notices shall be deemed delivered upon receipt.

20.0 SUCCESSORS AND ASSIGNS

20.1 Neither party shall assign in full or part with any of its rights or obligations under this agreement to any third party without the prior approval in writing of other party.

20.2 In case any of the parties to this Agreement is restructured and/or its generation, transmission and distribution activities are taken over by other organization(s), agency(ies), partly or wholly, the Agreement shall be binding *mutatis mutandis* upon the successor organization(s)/ agency(ies), and shall ensure to the benefits of and shall also be guaranteed by the State Government and shall continue to remain valid with respect to the obligations of the successor organization(s)/agency(ies). In such situation this agreement shall be suitably reviewed and modified as mutually agreed between the parties and shall be binding on all concerned.

21.0 JURISDICTION

All disputes arising out of or relating to this agreement shall be subject to the jurisdiction of High Court of Judicature of Allahabad at Lucknow Bench.

22.0 MISCELLANEOUS

22.1 Writing

No variation, waiver, amendment or modification of any of the terms of the Agreement shall be valid unless approved by UPERC and communicated in writing and signed by or on behalf of the Parties.

22.2 Severability

The invalidity or enforceability, for any reason, of any part of this Agreement shall not prejudice or affect the validity or enforceability of the remainder.

22.3 No Waiver

The failure of any Party to insist in one or more instances upon the strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as waiver of any such provisions or relinquishment of any such rights but the same shall continue in full force and effect.

22.4 Language

The language of this agreement shall be in English and all documents, notices, waivers and any other written communication or otherwise between the parties, in connection with the agreement, shall be in English/Hindi.

22.5 Entirety

This Agreement is intended by the parties as the final expression of their agreement and are intended also as a complete and exclusive statement of the terms of their agreement.

All prior written or oral understanding, offers or communications of every kind pertaining to this agreement or the sale or purchase of electrical output and contracted capacity under this agreement to Purchaser by Seller are abrogated and withdrawn.

22.6 Survival

Notwithstanding anything contained in this Agreement, clause 18 read with clause 2 shall survive this Agreement.

22.7 Waiver of Immunity

Purchaser and Seller are subject to Civil and Commercial Law with respect to their obligations under this Agreement, and the execution, delivery and performance hereof by them constitutes (for the purposes of applicable Indian Law and otherwise) private and commercial acts rather than government and public acts.

To the extent that Purchaser or Seller may in any jurisdiction claim for itself or any of its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgement or otherwise) or other legal process, or to the extent that in any jurisdiction there may be attributed to Purchaser or its assets or revenues any such immunity (whether or not claimed), Purchaser and Seller hereby agree not to claim and irrevocably waive any such immunity.



22.8 Breach of Obligations

The parties acknowledge that a breach of any of the obligations contained herein would result in injuries. The parties acknowledge the damages alone shall not be adequate remedy for such breach. Accordingly each party agrees that in addition to any other rights or remedy which the other party may have at Law or in equity, the non breaching party shall be entitled to specific performance and injunctive relief in any court of competent jurisdiction for any breach or threatened breach by the other party.

22.9 Inconsistency between the Provisions of PPA and Tariff Regulations/Tariff Order:

In the event of any inconsistency between the provisions of this PPA and the UPERC (Terms and Conditions of Generation Tariff) Regulations, 2009 read with the UPERC Tariff Order dated 20.01.11 or any amendment thereof, the later shall prevail.

22.10 This PPA is subject to approval by UPERC.

IN WITNESS WHEREOF the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names as on the date first above written.

SIGNED AND DELIVERED by UPRVUNL (Seller) by the hand of (P.K. GARWAL) Name: Advisor (Tech.) Title: U.P.R.V.U.N.L. Shakti Bhawan Extn. 14, Ashok Marg, Lucknow

Er. Ramesh Chandra Chief Engineer (Commercial) U.P.R.V.U.N.L. Shakti Bhawan, Extn. Lucknow

In the presence of: 1. Witness Name 2. Witness Name (M.L. PANDEY)

SIGNED AND DELIVERED by UPPCL (Purchaser) by the hand of its authorized official. Name: Title: (नरेश कुमार) निदेशक (वाणिज्य)

Jyoti (Jyoti Verma) I.E. (PPA)

अधिसूची अधिवक्ता (वाणिज्यिक) 14वां तल, शक्ति भवन विस्तार स.प्र.नि.स.प.स. लि. 1. Witness Name

2. Witness Name

अधिसूची अधिवक्ता ऊर्जा क्षेत्र समन्वय निदेशालय यू.पी.वी.एन.एल. शक्ति भवन विस्तार, लखनऊ

POWER PURCHASE AGREEMENT

BETWEEN

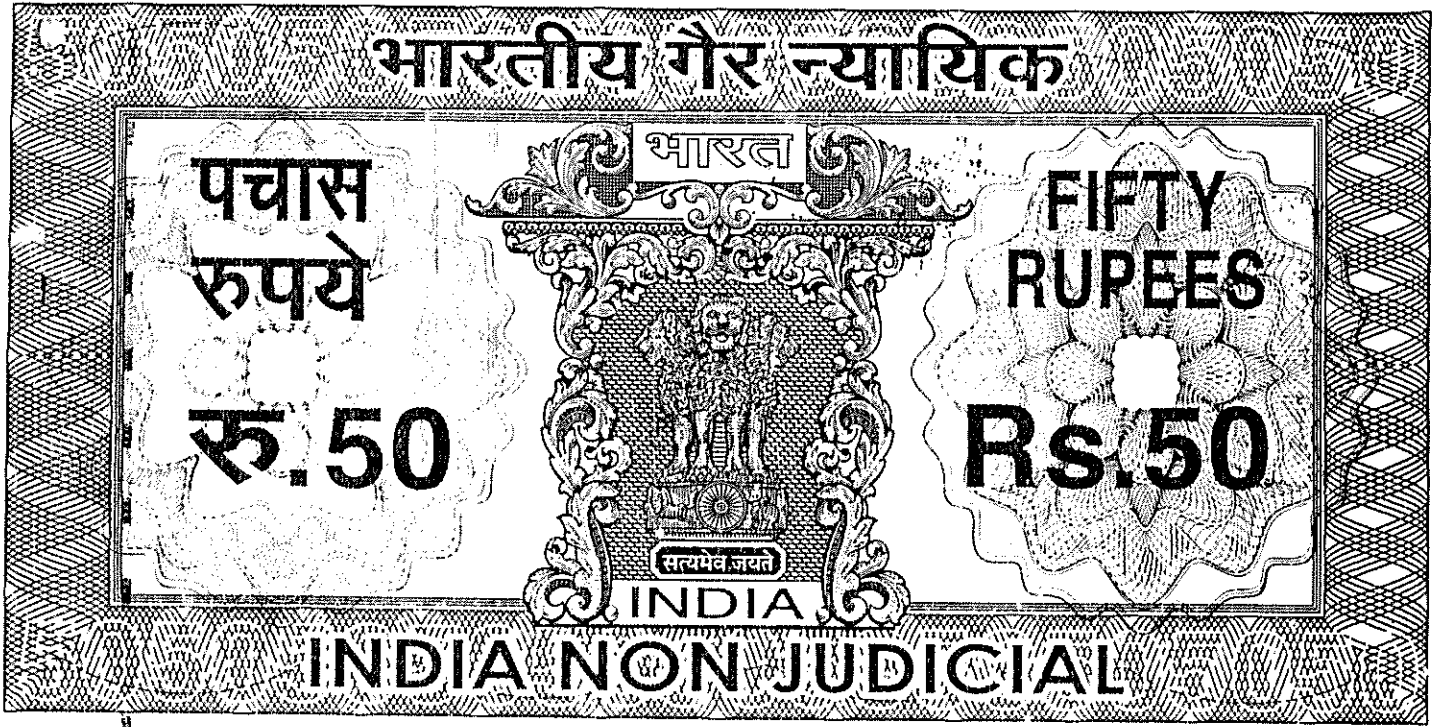
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM LIMITED

AND

UTTAR PRADESH POWER CORPORATION LIMITED

DATED: 26-5-, 2010

**For Obra 'B' Thermal Power Station for the Period from April 1, 2009 to
March 31, 2014**



उत्तर प्रदेश UTTAR PRADESH

Y 585735

POWER PURCHASE AGREEMENT
BETWEEN
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM
LIMITED
AND
UTTAR PRADESH POWER CORPORATION LIMITED

This Power Purchase Agreement (hereinafter referred to as "Agreement") entered into this 26th day of ... May, 2011, ... between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd., a company incorporated under the Companies Act, 1956 having its Registered Office, at "Shakti Bhawan Extn", 14 - Ashok Marg, Lucknow - 226001 (hereinafter referred to as "UPRVUNL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns), as party of the FIRST PART which is the party selling the power, and Uttar Pradesh Power Corporation Limited, a company incorporated under the Companies Act, 1956 having its registered office at "Shakti Bhawan" 14 - Ashok Marg, Lucknow-226001 (hereinafter referred to as "UPPCL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns) as party of the SECOND PART, which is the party purchasing the power. This Agreement is subject to Uttar Pradesh Electricity Regulatory Commission's approval in terms of provisions, Section 10 (2) and (3), Section 86 (1) (a) and (b) of the Electricity Act, 2003 and Section 10 (1) (c) of the Uttar Pradesh Electricity Reforms Act, 1999 (U.P. Act no. 24 of 1999).

[Handwritten signature]

[Handwritten signature]



उत्तर प्रदेश **UTTAR PRADESH**

Y 585736

- (i) UPRVUNL is a power generating company, which owns and operates an electric power generating station namely Obra 'B' Thermal Power Station at Obra, District Sonbhadra and otherwise engaged in the business of the generation and sale of electricity so produced, and
- (ii) UPPCL is the holding company of the Distribution Companies (now distribution licensees in the State), as per section 4 of the Companies Act, 1956 and
- (iii) UPRVUNL wishes to sell to UPPCL who in turn wishes to purchase from UPRVUNL its electric energy and capacity from the aforementioned power generating station pursuant to the terms and conditions set forth herein. Further, the reallocation of generating capacity of UPRVUNL amongst various DisComs, as required, will be done as per approval from GoUP, without affecting upon the rights & obligations of UPRVUNL under this agreement. On such reallocation, the rights and obligations of UPPCL under this agreement shall stand transferred to the Distribution Companies, being the successor(s) of UPPCL as per provision in the PPA.

WHEREAS

UPRVUNL with effect from 14 January, 2000 owns and operates the Obra "B" Thermal Power Station having installed capacity of 1000 MW as per Table I below, which was commissioned by the erstwhile Uttar Pradesh State Electricity Board and was transferred and vested in UPRVUNL in terms of Section 23 of the Uttar Pradesh Electricity Reforms Act, 1999 and Section 5 of Uttar Pradesh Electricity Reforms Transfer Scheme, 2000.

[Signature]

[Signature]

TABLE-1

OBRA "B" THERMAL POWER STATION

Sl.No.	Unit No.	Installed Capacity	Derated Capacity	Date of Commissioning	Date of Commercial Operation
1	9	200 MW	200 MW	26.01.80	15.03.80
2	10	200 MW	200 MW	14.01.79	06.03.79
3	11	200 MW	200 MW	31.12.77	14.03.78
4	12	200 MW	200 MW	28.03.81	29.05.81
5	13	200 MW	200 MW	21.07.82	29.07.82

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

1.0 DEFINITIONS AND INTERPRETATION

1.1 Definitions

When used herein and in all of the Schedules hereto including, without limitation, the Tariff (as hereinafter defined) or any other document related to this Agreement, the defined terms set forth in this Article 1 shall have the meanings specified herein.

Any term used herein, but not defined herein, shall have the meanings provided in the U.P. Electricity Reforms Act, 1999 and The Electricity Act, 2003, as amended from time to time. Additional defined terms set forth in "The Uttar Pradesh Electricity Regulatory Commission (Terms and conditions of Generation Tariff) Regulations, 2009" shall have the meanings set forth therein.

Availability

In relation to the thermal generating station for any period means the average of the daily average declared capacities (DCs) for all the days during that period expressed as a percentage of the installed capacity of the generating station minus normative auxiliary consumption in MW, and shall be computed in accordance with the following formula:

$$\text{Availability (\%)} = 10000 \times \frac{\sum_{i=1}^N \text{DC}_i}{\{ N \times \text{IC} \times (100 - \text{AUX}_n) \}} \%$$

where,

IC = Installed Capacity of the generating station in MW,

DC_i = Average declared capacity for the ith day of the period in MW,

N = Number of days during the period, and

AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Bill shall have the meaning as ascribed in clause 10 read with clause 6 of this Agreement.

Billing Date shall be the date on which the bill shall be raised. The UPRVUNI shall present the bills after the end of each calendar month as per UPERC Tariff Order for energy supplied to UPPCL from the Power Station as per Energy Account issued by SLDC/SIU or any other Competent Authority/JMR at TPS.

Billing Month means the metering date of one calendar month to the metering date of the next calendar month.

Business Day shall construe as a reference to a date (other than Sunday and Public Holidays) on which Banks are open for business in Lucknow.

Business Hours means the period commencing from 10:30 hours to 17:00 hours on any Business day.

Cause means any fact or circumstances which legally entitles the issuing Government Agency, to withhold issuance or renewal of, revoke or amend a Permit, due to any failure by Seller or any of the Lenders, Investors or Contractors in whose name the Permit has been or is to be issued.

CEA means the Central Electricity Authority.

Change in Law means:

- (i) Any enactment or issuance of any new Law;
- (ii) Any change in the interpretation or application of an existing Law by any judicial or quasi-judicial or other authority (including a court, tribunal or regulatory commission) having the legal power to interpret or apply such Law;
- (iii) Any amendment, alteration, or modification of an existing Law;
- (iv) The repeal and re-enactment of any existing Law;
- (v) Any Change in Permits;
- (vi) Imposition (other than for Cause) of a requirement for a permit which did not exist as at the date of this Agreement;
- (vii) A change (other than for cause) in the terms and conditions attaching to a permit after it has been given;
- (viii) To the attachment of any new terms and conditions to such permit; or
- (ix) The revocation or cancellation (other than for Cause) of any permit.

Provided however, no Change in Tax shall qualify as "Change in Law". Law shall not include any "Tax Law" (as hereinafter defined).

Change in Permits means:

- (i) the imposition (other than for Cause) of any material requirement in connection with the issuance, renewal or extension of any Permit or the modification of any Permit after such Permit was issued, in either case subsequent to the date of signing of this Agreement;
- (ii) the imposition (other than for Cause) of a requirement for a Permit which did not exist as on the date of this Agreement;
- (iii) the revocation or cancellation (other than for Cause) of any Permit.

Change in Tax means any introduction, amendment, extension, repeal or authoritative change in interpretation or application of any Tax (including, without limitation, the time, rate, incentive, exemption or incidence applicable to any Tax) after the date hereof.

Check Import/Export Meters means meters for maintaining a check on performance of main import/export meters and shall be used for accounting and billing of electricity in case of failure of main meter.

CLDS means Central Load Dispatch Station of UPPTCL.

Date of effectiveness of Agreement shall be 1st April, 2009.

Day means the 24 (twenty four) hours period ending at 24:00 Hours midnight Indian Standard Time.



Declared Capacity or DC means the capability of the generating station to deliver ex-bus electricity in MW declared by such generating station in relation to any period of the day or whole of the day, duly taking into account the availability of fuel;

Delivery of Bill: Shall have the meaning as defined in clause 10 of this agreement.

Designated Officer means an officer designated by UPPCL/STU for matters relating to meter reading, billing and payment.

Dispute means any material dispute or material difference of any kind between Seller and Purchaser in connection with or arising out of this Agreement.

Due Date of Payment or Due Date means, in relation to any Bill, the date on which the amount referred to in such Bill becomes due for payment which shall be 30 days from the Billing Date to the Authorized Representative of Purchaser. If the due date is not a business day, the next business day will be the due date.

Energy Charges shall cover fuel costs and shall be worked out as specified in Tariff order.

Energy Account shall mean periodic energy account including amendments thereof, if any.

Energy Unit means one-kilowatt hour of electrical energy.

Fixed Charges or Capacity Charge amount means the recoverable fixed charge for a Tariff period determined in accordance with the Tariff Order.

Force Majeure shall have the meaning set forth in clause 16 of this Agreement.

Force Outage means an interruption of generating capacity that is not the result of:

- (i) A Scheduled Outage;
- (ii) A Force Majeure event;
- (iii) Any event or condition caused by Purchaser or attributable to an event or condition on Purchaser Facility; or
- (iv) Any Emergency or other curtailment or reduction pursuant to clause 16 in this Agreement.

Generating Unit means Plant, consisting of boiler, turbo generator, and other auxiliaries, which is capable of generating the specified power, independently.

GOI means the Government of India.

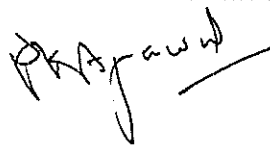
GOUP means the Government of Uttar Pradesh and its successors.

Government Agency means the GOI, GOUP, UPERC, or any ministry, department, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with Seller) or commission under the direct or indirect control of the GOI or the GOUP or any political subdivision of either of them owned or controlled by GOI or GOUP or any of their subdivisions, or any court, tribunal or judicial body within India.

Grid means the total system of electrical generation using any means other than Seller's Generating Unit, evacuation and transmission circuits, transformers, switchgear and other equipment (including the interconnection Facility) on Purchaser's side of the Interconnection Point.

'Gross Calorific Value' or GCV' in relation to a thermal power generating station means the heat produced in kCal by complete combustion of one kilogram of solid fuel or one litre of liquid fuel, as the case may be:





Interconnection Point means the point or points at which interconnection is made between the Unit and the Transmission Utility System and unless otherwise mutually decided, shall be at the outgoing sides of circuit breakers connecting the EHT/HT lines.

Installed Capacity or IC means the summation of the name plate capacities of all the units of the generating station or the capacity of the generating station reckoned at the generator terminals as approved by the Commission from time to time;

KW means kilowatt.

kWH means kilowatt hour.

Law means the Constitution of India and any Act, rule, regulation, notification, directive, ordinance, order or any interpretation thereof or instruction having the force of law enacted or issued by any Government Agency.

Main Import Meter shall mean meter for measurement of active energy import at TPS Busbar for energy accounting.

Main Export Meter shall mean meter for measurement of active energy export at TPS Busbar for energy accounting.

Metering Date shall mean mid-day (12:00 hrs) of the last day of each calendar month.

Monthly Fixed Charge amount means the prescribed recoverable fixed charges as per Tariff Order.

MU shall mean one million Units.

MW means Megawatts.

Net Electrical Energy is the energy, supplied by Obra 'B' TPS of UPRVUNL and measured in kWh. at the point of interconnection in accordance with the provisions of Clause 5.

O & M shall mean operation and maintenance.

Permit or Permits means any consent, license, approval, permit, no objection certificate or other authorization of any nature whatsoever, which is required to be granted to Purchaser or Seller, as the case may be, by any Government Agency for the purpose of owning, developing, designing, financing, insuring, constructing, operating or maintaining the Project as contemplated under this Agreement.

Plant Load Factor or PLF for a given period, means the total sent out energy corresponding to scheduled generation during the period, expressed as a percentage of sent out energy corresponding to installed capacity in that period and shall be computed in accordance with the following formula;

$$PLF (\%) = 10000 \times \frac{\sum_{i=1}^N SG_i}{\{ N \times IC \times (100 - AUX_n) \}} \%$$

where,

IC = Installed Capacity of the generating station in MW,

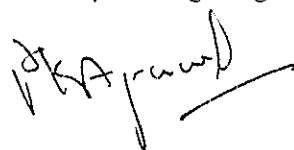
SG_i = Scheduled Generation in MW for the ith time block of the period,

N = Number of time blocks during the period, and

AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Power Grid means Power Grid Corporation Ltd.





Power Purchase Agreement means the Agreement for selling of power by UPRVUNL and purchase by UPPCL.

Pool Account means Regional account for payments regarding Unschedule Interchanges

Primary Fuel shall mean coal as supplied by the collieries.

Scheduled Bank means any bank at Lucknow indicated by Purchaser and acceptable to Seller.

Secondary Fuel shall mean the heavy furnace oil (HFO) and/or light diesel oil (LDO) and or Low Sulphur High Speed (LSHS)

SLDC or State Load Dispatch Centre means the centre established under subsection (1) of section 31 by GoUP

Schedule Generation: At any time or for any period or time block means Schedule of Generation in Mw or Mwh ex-bus given by the concerned Load Dispatch centre.

Target Availability or TA means availability as set by the Commission in its Tariff Order

Tariff means the amounts to be paid by Purchaser to the Seller under this Agreement and as determined by UPERC or any competent authority authorized from time to time.

Tariff Order means the Tariff Order passed by UPERC on 20.01.11 for MYT period FY 2009-10 to 2013-2014 (Ref No UPERC/ Secy/D(G)/2011-1545 dated 20.01.11) and hosted on website: www.uperc.org

Tariff Regulation means the regulations notified in exercise of powers conferred under Section 181 read with Section 61 of the Electricity Act, 2003 by the Uttar Pradesh Electricity Regulatory Commission [vide Notification No. UPERC/Secy/ Generation Regulation/4100, Lucknow dated 31 March 2009, titled as the Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 and as amended from time to time.

Tax means tax, cess, levy, toll, impost, excise, duty, fee or charge of any nature whatsoever levied by or payable to any Government Agency including but not limited to any withholding tax, income tax, corporate tax, VAT, excise tax, works contract tax, stamp duty, customs and import duties, octroi.

Thermal Power Station (TPS) means a thermal generating station having an installation of one or more thermal generating units and covered under this Agreement.

Transfer Scheme shall mean UP Electricity Reforms Transfer Scheme, 2000.

Unit means one kilowatt-hour.

UPERC or Commission means UP Electricity Regulatory Commission.

1.2 INTERPRETATION AND GENERAL

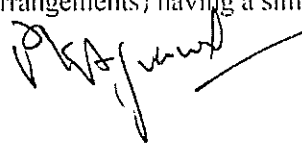
1.2.1 Interpretation

Any reference in this Agreement to:

this Agreement shall be construed as references to this Agreement together with all recitals and Schedules hereto;

Clause shall, subject to any contrary indication, be construed as a reference to a clause of this Agreement:

Encumbrance shall be construed as a reference to a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;



Paragraph shall, subject to any contrary indication, be construed as a reference to a paragraph in the Clause or Schedule in which such reference appears;

Person shall be construed as a reference to any person, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing,

1.2.2 General

Save where the contrary is indicated, any reference in this Agreement to:

- (i) **Rupee and Rs.** denote Indian Currency;
- (ii) words importing the singular shall include the plural and vice versa, any person shall be construed so as to include its and any subsequent successors, transferees and assigns in accordance with their respective interests;
- (iii) this Agreement or any other agreement or document shall be construed as a reference to each such agreement or, as the case may be, such other agreement or document as the same may have been, or may, from time to time, be amended, varied, novated, replaced or supplemented;
- (iv) a statute or enactment shall be construed as a reference to such statute as the same may have been, or may from time to time be, amended or re-enacted;
- (v) All orders so issued by UPERC shall be binding on both the parties from the date the same become applicable.
- (vi) In case either party goes in for any Review Petition/Appeal against the order of the UPERC before the competent authority, the order of the competent authority in that regard shall be applicable and binding on both the parties from the date the said order become applicable.
- (vii) a time of day shall, save as otherwise provided in any agreement or document, be construed as a reference to Indian Standard Time; and

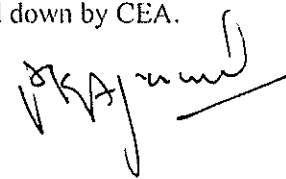
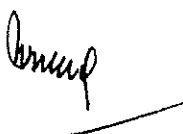
Any word or expression used in this Agreement shall, unless otherwise defined or construed herein, bear its ordinary English meaning and, for these purposes, the General Clauses Act, 1897 shall not apply.

2.0 TERM OF AGREEMENT

The term of this Agreement shall be for a period of five years starting from 1st April, 2009 and ending on 31st March, 2014 extendable/renewable by mutual consent between UPPCL and UPRVUNL. In case UPPCL continue to get power from the Obra 'B' Thermal Power Station even after expiry of this agreement without further renewal or formal extension thereof, then all the provisions of this agreement shall continue to operate till this Agreement is formally renewed, extended or replaced except the Tariff, which will be applicable as per order of the UPERC as per provision of clause 6.3. This agreement shall be terminable even from any earlier date from which the PPA with different DisComs has been made effective.

3.0 INSTALLED CAPACITY

3.1 The existing installed capacity of Obra 'B' Thermal Power Station is 1000 MW. The installed capacity is, however, subject to de-rating/re-rating of the generating units as determined from time to time after following the prescribed procedure as laid down by CEA.



3.2 Allocation of Power

Full capacity of Obra 'B' TPS shall be allocated to UPPCL, unless reallocated by GOUP.

3.3 Drawal of Power

The power from Obra 'B' TPS shall be drawn by UPPCL directly through its own or through the transmission system of other agencies on the basis of availability of capacity of the TPS.

3.4 Generation Schedule

UPRVUNL shall submit daily generation schedule of Obra 'B' TPS to UPPCL, or SLDC, as per UPERC Generation Regulation

3.5 Daily Declared Capacity Notice

UPRVUNL shall deliver to UPPCL or SLDC, as applicable, at each day a notice indicating daily declared capacity of Obra 'B' TPS as per regulation for next 24 hours. Any change in daily declared capacity notice due to minor or major breakdown in station shall be intimated to UPPCL or SLDC, as applicable as per regulation.

4.0 TRANSMISSION/WHEELING OF POWER

4.1 Power shall be made available by UPRVUNL at the busbars of the Station and it shall be the obligation and responsibility of UPPCL to make the required arrangement for evacuation of power from such delivery points of UPRVUNL.

4.2 UPPCL shall coordinate with the appropriate authorities/agencies including UPPTCL/STU or any other Licensees for power evacuation from the above delivery point.

4.3 UPPCL shall be responsible to coordinate with the UPPTCL/STU or any licensee or other agencies for implementation of the transmission system for evacuation of power from the station matching with the commissioning schedule of the station.

4.4 For wheeling of the power beyond busbars of the Station, charges for utilisation of transmission system(s) owned by UPPTCL/STU/other agencies shall be paid directly by UPPCL to the UPPTCL or other agencies. UPRVUNL shall not be responsible for payment of such charges.

5.0 SUPPLY OF POWER

Power as generated by Obra 'B' TPS will be supplied to UPPCL, only unless mutually agreed otherwise. Terms and conditions as mutually agreed and approved/determined by UPERC from time to time would be applicable.

6.0 TARIFF AND TERMS & CONDITIONS

6.1 The tariff chargeable to UPPCL shall be as per the Tariff Order dated 20.01.11 or any amendment thereof issued by the UPERC.

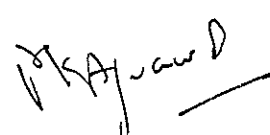
6.2 The bill for the energy so supplied would be based on energy accounts as given under Clause 7 of this Agreement.

6.3 If Tariff for the period extending beyond 31.03.2014 is not approved by the U.P. Electricity Regulatory Commission the tariff order dated 20.01.11 approved by the Commission will be provisionally applicable till Tariff Order for the concerning period is approved by the UPERC.

7.0 SCHEDULING AND ENERGY ACCOUNTING

7.1 Scheduling

Consequent to the implementation of ABT the methodology of generation schedule shall be as per Indian Electricity Grid Code/UP Electricity Grid Code (as revised from time to time) and UPERC orders.



7.2 Unschedule Interchange

- 7.2.1 UI for generating station shall be equal to its actual generation minus schedule generation. UI should be worked out for each 15 min blocks. Charges for all UI transactions shall be based on average frequency of the time block and rates as specified in notifications issued by UPERC from time to time.
- 7.2.2 In case of zero generation (tripping / shut down of all units) of a Thermal Power Station, the negative DC / negative Revision Schedule (drawl of power from grid) declared by TPS will be accepted by SLDC and the energy supplied from UPPCL system to the TPS during such period shall be charged at the same tariff or as mutually agreed.
- 7.2.3 **Effective date of implementation of ABT:** The effective date of implementation of ABT for Obra 'B' of UPRVUNL is 1/12/07 without UI Charges as per UPERC order dated 05/03/2009.

7.3 Energy Accounting :

- 7.3.1 Energy drawal by UPPCL will be metered at the Obra 'B' TPS. The energy account shall be prepared by UPRVUNL based on the monthly joint meter reading taken by the representatives of UPRVUNL and UPPCL/STU. The methodology for energy account would be on mutually agreed basis. The export and import of energy at the metering points shall be computed on net basis, i.e. by difference between export and import meter readings.

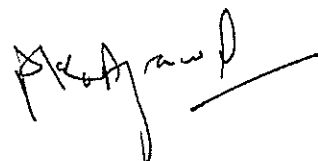
Provided that if and when provisions of ABT are implemented the Energy Accounts shall be governed by clause 29 of Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 reproduced as under:

"Metering and Accounting - Metering arrangements, including installation, testing and operation and maintenance of meters and collection, transportation and processing of data required for accounting of energy exchanges and average frequency on 15 minute time block basis shall be organized by the State Transmission Utility in consultation with State Load Despatch Centre. All concerned entities (in whose premises the special energy meters are installed), shall fully cooperate with the State Transmission Utility/State Load Despatch Centre and extend the necessary assistance by taking weekly meter readings and transmitting them to the State Load Despatch Centre. The State Load Despatch Centre, on the basis of processed data of meters along with data relating to declared capability and schedules etc., shall issue the State Accounts for energy on monthly basis as well as UI charges on weekly basis. UI accounting procedures shall be governed by the orders of Central Commission.

Note: This provision shall be applicable with effect from the date these Regulations coming into force except for UI that shall come into force from such date specified by the Commission for implementation of ABT in the State".

- 7.3.2 On implementation of ABT the Regional Energy Account issued by STU/SLDC or any competent authority shall be binding on all the parties for billing and payment purposes.
- 7.3.3 Such consumers other than establishment of Obra 'B' TPS getting supply directly from Obra 'B' TPS of UPRVUNL would be UPPCL consumers. The billing shall be done by UPPCL on the basis of joint meter reading taken by representative of UPRVUNL & representative of UPPCL/ STU concerned Division of DisComs. Such energy shall be treated as energy exported to UPPCL and accounted for accordingly.





8.0 POINTS OF METERING

The main and check meters at the 400 KV/220 KV/132 KV or other KV bus bars of generating transformers of the Obra 'B' TPS to be installed by UPRVUNL shall be maintained by UPRVUNL. Installation and maintenance of main and check meters at locations other than the meters installed and maintained by UPRVUNL shall be the responsibility of UPPCL. The meters shall be sealed after calibration by the concerned parties jointly. The points of metering for Obra 'B' TPS are as under:

Export Points:-

1. Generator Transformer-9
2. Generator Transformer-10
3. Generator Transformer-11
4. Generator Transformer-12
5. Generator Transformer-13
6. 11 KV Millat Nagar Feeder
7. 11 KV Khairatia Village Transformer 1
8. 11 KV Khairatia Village Transformer 2

Import Points:-

1. 30 MVA Station Transformer No. 1
2. 30 MVA Station Transformer No. 2
3. 33 KV Dalla - Obra - 1
4. 33 KV Dalla - Obra - 2

Note: - The above points are subject to addition/alteration, if found necessary

9.0 METERING SYSTEM

- 9.1 A set of CT/PT/Meters (Main and check) of 0.2 accuracy class, as per IECG/CEA (Installation & Operation of Meters) Regulations -- 2006 as applicable, shall be installed on all outgoing feeders of the station. UPPCL/STU shall make all necessary arrangements for installation of CT/PT/Meters, at all its drawal points. So long as existing CT/PT/Meters of any other class are replaced by 0.2 class, the existing CT/PT/Meters will be used for energy accounting.
- 9.2 All the meters shall be jointly calibrated, inspected and sealed on behalf of the parties and shall not be interfered with except in the presence of other party or for joint testing and calibration and/or replacement and/or any other purposes for which due notice of 7 (Seven) days will be given by UPRVUNL/STU/UPPCL so that this is done in the presence of the authorized representatives of the STU/UPPCL/UPRVUNL.
- 9.3 Joint meter readings of the main as well as check meters at various energy accounting points as identified shall be taken by the parties as mentioned above at 1200 hrs (noon) on the last day of each calendar month. In case any of the concerned parties is not available for joint meter readings at the specified time, the meter reading taken by the other party shall be binding on both the parties and shall be taken into account for preparation of Energy Accounts. UPPCL shall designate an officer for joint meter reading. On implementation of ABT the data shall be downloaded from the meters at regular interval as decided by STU/SLDC for preparation of REA/UI account.
- 9.4 If the main meter is found to be not working at the time of meter readings or any other time, UPRVUNL shall inform the STU/SLDC for the same and the data from check meters shall be considered by SLDC/STU for energy accounting for the period



- 9.5 If in any month the readings of the main energy meter(s) differ from the readings of corresponding check energy meter(s) by more than 0.4% (zero point four percent) the main and check energy meter(s) shall be tested in turn and the errors at various levels as per standard procedures would be determined. If on such testing main energy/check meter error is found to exceed $\pm 0.2\%$ (plus/minus zero point two percent) the energy figures recorded by the main energy/check meter(s) for the above month concerned shall be revised accordingly and the main energy/check meter(s) shall be recalibrated jointly or replaced by the correct energy meter(s). Pending the results of such testing, billing and payment shall continue to be based on the energy recorded by the check meter(s), provided its error is within the prescribed limit.
- 9.6 If both the main and check meter(s) fail to record or if any of the PT fuses are blown out, then the energy will be computed on a mutually agreeable basis between UPRVUNL and UPPCL/STU for the period of defect. In case there is no mutual agreement, the computation of energy shall be on the basis of average of the billing of last three months.
- 9.7 Corrections in billing whenever necessary, shall be applicable for the period between the previous meter reading and the date and time of the replacement or recalibrated correct meter and this correction shall be for the full value of the absolute error. For the purpose of the correction to be applied, the meter shall be tested as per Indian Standard (British Standard where Indian Standard is not existing) The error at the load and power factor nearest to the average monthly load served at the point during the period shall be taken as the error to be applied for correction.
- 9.8 All the meters shall be checked for accuracy on quarterly basis by comparison of the readings of main and check meters by UPRVUNL and UPPCL/STU and shall be treated as working satisfactorily so long as the errors are within the limits prescribed in relevant Indian Standard (or British Standard where Indian Standard is not existing) for meters of the said class. The meter readings of main meters shall form the basis of the Energy Accounts so long as the quarterly check results thereof are within prescribed limits. If the check meters are found to be defective during the quarterly checks, these shall be immediately calibrated jointly/ replaced. Where the quarterly checks indicate errors in the main meter(s) beyond limit but no error is noticed in check meter(s) during quarterly checking computation of total net energy sent out at 400 KV bus bars and/or 220 KV / 132 KV and/or other KV bus bars, as applicable, of the Obra 'B' TPS for the month shall be done on the basis of check meter(s) and main meter(s) shall be calibrated jointly immediately. If during the quarterly test check, the difference in the main meter(s) and the corresponding check meters readings are found to be beyond the permissible limits of error, i.e. more than 0.40% both the meter(s) shall be immediately calibrated and the correction applicable to main meter shall be applied to the consumption registered by the main meter(s) to arrive at the correct consumption of energy for the purpose of Energy Accounts for the month from the date of last meter reading upto the time of replacement of correct main meter. Billing for the period thereafter, till the next monthly meter reading, shall be as per calibrated main meter. During this period of calibration of main and check meter(s) another set of main and check meters duly calibrated and sealed will be installed by UPRVUNL/STU/UPPCL at the TPS in the presence of UPPCL/STU/UPRVUNL and jointly sealed. The energy accounting during the period of calibration of original meters shall be as per the readings of the substituted main meter. In case spare meters are not available with UPRVUNL/STU/UPPCL the main/check meter shall be calibrated by rotation. During the period of removal of main meter, the energy accounting will be done based on check meter readings applied with correction factor of the check meter obtained during testing/calibration of check meter.
- 9.9 For the purpose of test and calibration, the standard meter calibrated and sealed by GOUP/GOI Authorized Meter Testing House/Laboratory shall be utilized. This standard meter shall be got calibrated once in every six months at the GOUP/GOI Authorized Meter Testing House/Laboratory.



- 9.10 If at any time any party to the Agreement feels that a meter is not recording correctly it shall give notice to the other party. UPRVUNL/STU/UPPCL shall then undertake testing and calibration of the meters owned by UPRVUNL/STU/UPPCL. If errors on such testing is found to exceed the error limits specified in the relevant Indian Standard (British Standard where Indian Standard is not existing) for this class of meters necessary adjustment in the bills shall be made from the date of notice or from such other date as can be satisfactorily established to be proper for such adjustment.
- 9.11 Once in every five years, both main and check meters shall be tested for accuracy by a substandard meter either at the station or at any approved testing laboratory. During testing in case of error is found to be more than the permissible limits, then the meter shall be replaced by a correct meter.

10 BILLING AND PAYMENT

10.1 All charges under this Agreement shall be billed by UPRVUNL as per Clause 6 and shall be paid by UPPCL in accordance with the following provisions:

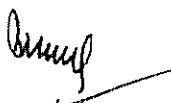
- (i) UPRVUNL shall deliver bills to the UPPCL generally within 5 days of the billing date for energy supplied for each month to UPPCL from Obra 'B' TPS. The payments will be made by UPPCL within due date by cheque payable at Lucknow.
- (ii) UPRVUNL shall carry out billing and associated functions. The authority of UPPCL to whom the bills have to be submitted would be informed by UPPCL to UPRVUNL within a month of signing of the Agreement failing which UPRVUNL would submit the bills to the Director (Finance) of UPPCL.
- (iii) UPPCL shall make adequate provisions in their approved budget for respective years during which this PPA continues to ensure regular payment of power purchased by UPPCL from UPRVUNL and shall also furnish a copy of the approved budget to UPRVUNL.
- (iv) PFC conditions applicable for the agreement period are:-
 - (a) UPRVUNL can undertake third party sale of energy within the state or outside the state if the procurer of energy does not clear the dues as per schedule.
 - (b) Provided that revenue of the procurer shall be escrowed in favour of UPRVUNL and in turn in favour of lenders to UPRVUNL.
 - (c) In case of default to PFC by UPRVUNL, then PFC shall have right to transfer the project to themselves or their agents, operate the project and sell energy to third party.

10.2 Schedule of payment of UI Charges

10.2.1 **UI Charges Accounting:** All payments on account of UI charges including the additional UI charges levied under the regulations and interest received on late payment thereof shall be credited to a fund called UI pool account fund which shall be maintained and operated in accordance with provisions of UPERC regulation / grid code or as mutually agreed.

10.2.2 Payment of UI charges shall have a high priority and the concerned constituent shall pay the indicated amount within 10 days of the issue of statement of UI charges including additional UI charges into the UI pool account fund or as mutually agreed.

10.2.3 If payment against UI charges including additional UI charges are delayed by more than two days i.e beyond 12 days from the date of issue of statement by SLDC, the defaulting constituent shall have to pay simple interest @ .04% for each day of delay applicable as per UPERC order / any amendment time to time or as mutually agreed.



11 DISPUTES

In the event of any dispute as to all or any portion of an Invoice, Purchaser shall nevertheless pay the full amount of the undisputed charges subject to minimum 50% of the total amount of the invoice within due date and shall serve notice on the Seller that the amount of an Invoice is in dispute in which event the provisions of Clause 14 hereof shall be applicable.

12 REGULATION OF SUPPLY

12.1 In the event any bill(s) remain unpaid for a period exceeding sixty (60) days, UPRVUNL shall serve a notice on UPPCL giving fifteen (15) days period for effecting regulation of supply from its Obra 'B' Thermal Power Station with consent of GOUP, unless UPPCL makes full direct payment of the outstanding amount within the notice period. In case regulation of supply is effected, for resumption UPPCL shall pay all the outstanding dues.

13 LEVIES, TAXES, DUTIES, CESS, ETC.:

The amount of all lawful taxes/duties/cess, etc. payable by UPRVUNL to GOUP/GOI and/or any other local bodies/authorities on generation of electricity including auxiliary consumption, or any other types of consumption including water, transmission, environment protection, sale or on supply of electricity and/or in respect of any of its installation associated with the TPS and/or Transmission system shall be billed on to UPPCL in the shape of supplementary bill raised by UPRVUNL and UPPCL will make payment accordingly at actuals.

13.1 **Income Tax** – Income tax on core activity to be charged separately through Tax Escrow Account.

14 INFORMAL DISPUTE RESOLUTION

14.1 The Authorized Representative appointed by the Parties in pursuance be authorized to resolve any dispute, controversy or claim arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination (a "Dispute") in an equitable manner.

14.2 Following notice by one Party to the other setting out the particulars of the Dispute, if the Authorized Representatives are unable to resolve the Dispute under this Agreement within 15 days, such Dispute shall be referred by such Authorized Representatives to a senior officer designated by Seller and a senior officer designated by Purchaser, respectively, who shall attempt to resolve the Dispute within a further period of 15 days.

14.3 The Parties hereto agree to use their best efforts to attempt for resolving all Disputes arising hereunder promptly, equitably and in good faith, and further agree to provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any such Dispute.

15.0 ARBITRATION

15.1 All differences or disputes between the parties arising out of or in connection with this Agreement remained unresolved as per clause 14 above shall be settled through arbitration as provided herein after

15.2 In the event of such difference or disputes between the parties the matter shall be referred to UPERC for arbitration as per Section 158 of The Electricity Act, 2003 and Section 34 of the U.P. Electricity Reforms Act, 1999.

15.3 Notwithstanding the existence of any question, disputes and differences referred to arbitration, the parties hereto shall continue to perform their respective obligations under this Agreement.

Group

PPCL

16 FORCE MAJEURE

The parties shall ensure due compliance with the terms of this Agreement. However no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God, strike, lock-out or any other reason beyond the reasonable control of concerned party. But any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within 24 hours thereof to the other party to this effect. Generation /drawal of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

17.0 SYSTEM OPERATION

All instructions from SLDC/STU will be followed strictly regarding scheduling and operation of the Obra 'B' TPS.

18 IMPLEMENTATION OF THE AGREEMENT

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorized representative(s) that each party may nominate in this behalf and notify in writing to the other party by registered post/courier. Any other nomination of authorized representative(s) shall be informed likewise in writing to/by UPPCI, within one month of signing of the Agreement. Notwithstanding any nomination, the Chairman and Managing Director UPRVUNL, Shakti Bhawan, 14, Ashok Marg, Lucknow/ CE(L-1) of Obra TPS or their authorized representatives shall be authorized to act for and on behalf of UPRVUNL.

19 NOTICE

19.1 All notices required or referred to under this Agreement shall be in writing and signed by the respective authorized signatories of the parties mentioned herein unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts/by Courier Service with an acknowledgement due to the other parties in terms of this Agreement.

19.2 All notices or communications given by telefax or telegram/FAX shall be confirmed by deposition of a copy of the same in the post office in an envelope properly addressed to the appropriate party for delivery by registered or certified mail or courier. All notices shall be deemed delivered upon receipt.

20.0 SUCCESSORS AND ASSIGNS

20.1 Neither party shall assign in full or part with any of its rights or obligations under this agreement to any third party without the prior approval in writing of other party.

20.2 In case any of the parties to this Agreement is restructured and/or its generation, transmission and distribution activities are taken over by other organization(s), agency(ies), partly or wholly, the Agreement shall be binding *mutatis mutandis* upon the successor organization(s)/ agency(ies), and shall ensure to the benefits of and shall also be guaranteed by the State Government and shall continue to remain valid with respect to the obligations of the successor organization(s)/agency(ies). In such situation this agreement shall be suitably reviewed and modified as mutually agreed between the parties and shall be binding on all concerned.



21.0 JURISDICTION

All disputes arising out of or relating to this agreement shall be subject to the jurisdiction of High Court of Judicature of Allahabad at Lucknow Bench.

22 MISCELLANEOUS

22.1 Writing

No variation, waiver, amendment or modification of any of the terms of the Agreement shall be valid unless approved by UPERC and communicated in writing and signed by or on behalf of the Parties.

22.2 Severability

The invalidity or enforceability, for any reason, of any part of this Agreement shall not prejudice or affect the validity or enforceability of the remainder.

22.3 No Waiver

The failure of any Party to insist in one or more instances upon the strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as waiver of any such provisions or relinquishment of any such rights but the same shall continue in full force and effect.

22.4 Language

The language of this agreement shall be in English and all documents, notices, waivers and any other written communication or otherwise between the parties, in connection with the agreement, shall be in English/Hindi.

22.5 Entirety

This Agreement is intended by the parties as the final expression of their agreement and are intended also as a complete and exclusive statement of the terms of their agreement.

All prior written or oral understanding, offers or communications of every kind pertaining to this agreement or the sale or purchase of electrical output and contracted capacity under this agreement to Purchaser by Seller are abrogated and withdrawn.

22.6 Survival

Notwithstanding anything contained in this Agreement, clause 18 read with clause 2 shall survive this Agreement.

22.7 Waiver of Immunity

Purchaser and Seller are subject to Civil and Commercial Law with respect to their obligations under this Agreement, and the execution, delivery and performance hereof by them constitutes (for the purposes of applicable Indian Law and otherwise) private and commercial acts rather than government and public acts.

To the extent that Purchaser or Seller may in any jurisdiction claim for itself or any of its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgement or otherwise) or other legal process, or to the extent that in any jurisdiction there may be attributed to Purchaser or its assets or revenues any such immunity (whether or not claimed), Purchaser and Seller hereby agree not to claim and irrevocably waive any such immunity.



22.8 Breach of Obligations

The parties acknowledge that a breach of any of the obligations contained herein would result in injuries. The parties acknowledge the damages alone shall not be adequate remedy for such breach. Accordingly each party agrees that in addition to any other rights or remedy which the other party may have at Law or in equity, the non breaching party shall be entitled to specific performance and injunctive relief in any court of competent jurisdiction for any breach or threatened breach by the other party.

22.9 Inconsistency between the Provisions of PPA and Tariff Regulations/Tariff Order:

In the event of any inconsistency between the provisions of this PPA and the UPERC (Terms and Conditions of Generation Tariff) Regulations, 2009 read with the UPERC Tariff Order dated 20.01.11 or any amendment thereof, the later shall prevail.

22.10 This PPA is subject to approval by UPERC.

IN WITNESS WHEREOF the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names as on the date first above written.

SIGNED AND DELIVERED BY U.P.R.V.U.N.L. (Seller)

by the hand of its authorized official.

Name: (P. K. AGARWAL)

Title: Advisor (Tech.)

U.P.R.V.U.N.L.

Shakti Bhawan Extn.

14, Ashok Marg, Lucknow

In the presence of:

1. Witness Name

2. Witness Name

अविश्वामी अधिवक्ता (वाणिज्यिक)

14वीं मार्ग, शक्ति भवन विस्तार

उ.प्र. राज्य विद्युत उत्पादन विभाग

In the presence of

1. Witness Name

2. Witness Name

अविश्वामी अधिवक्ता

उ.प्र. राज्य विद्युत उत्पादन विभाग

14वीं मार्ग, शक्ति भवन विस्तार, लखनऊ

Er. Ramesh Chandra
Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

SIGNED AND DELIVERED BY UPPCL (Purchaser)

by the hand of its authorized official.

Name: (नन्द लाल)

Title: निदेशक (वाणिज्य)

POWER PURCHASE AGREEMENT

BETWEEN

UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM LIMITED

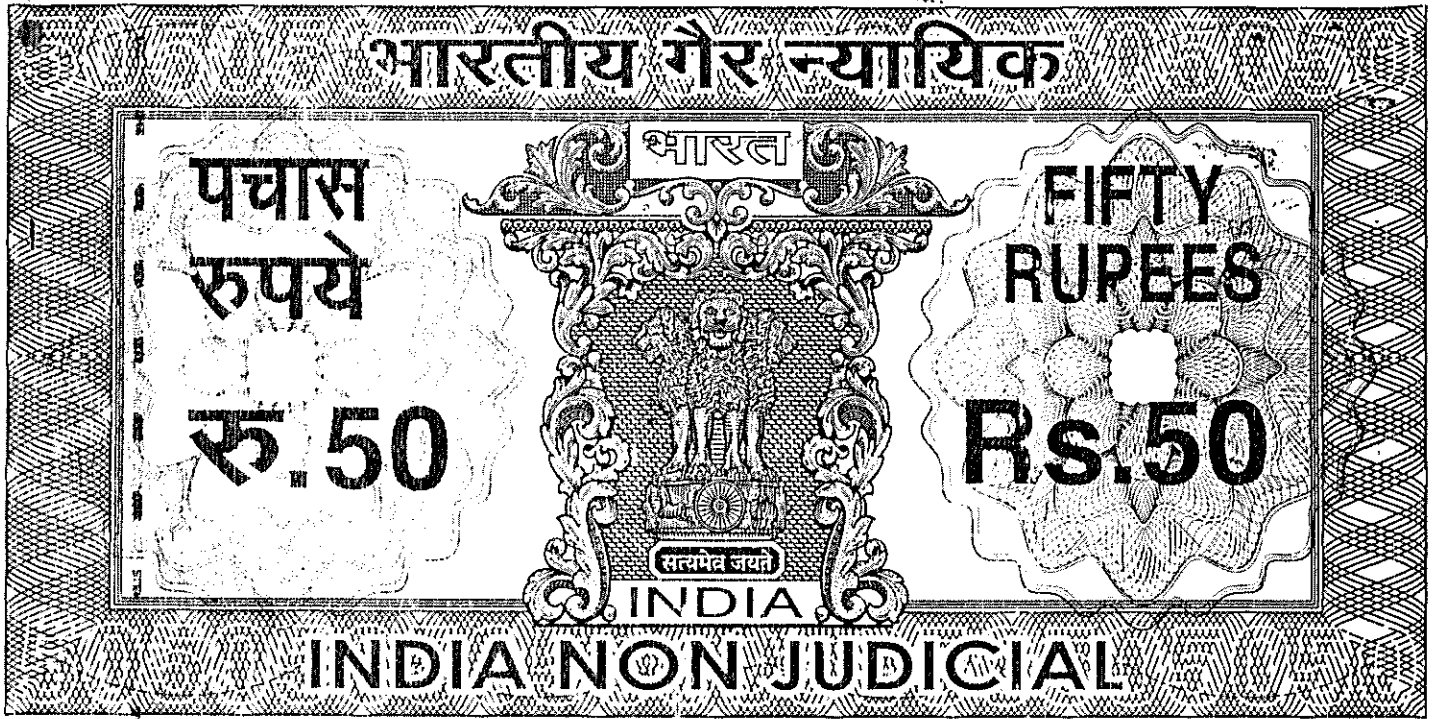
AND

UTTAR PRADESH POWER CORPORATION LIMITED

Dated: 26-5-2011

For Panki Thermal Power Station for the Period from

April 1, 2009 to March 31, 2014



उत्तर प्रदेश UTTAR PRADESH

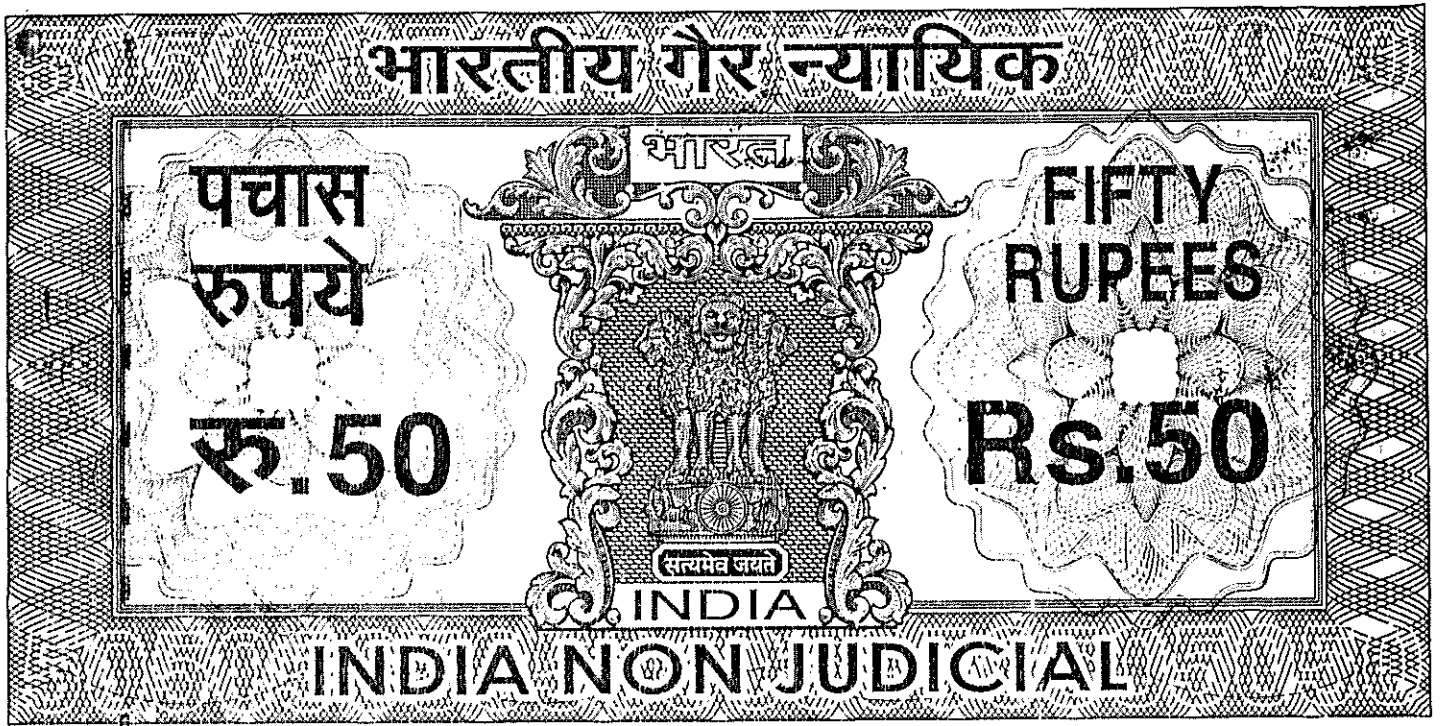
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POWER PURCHASE AGREEMENT
BETWEEN
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM
LIMITED
AND
UTTAR PRADESH POWER CORPORATION LIMITED

This Power Purchase Agreement (hereinafter referred to as "Agreement") entered into this 26th day of ..May.. 2011..... between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd., a company incorporated under the Companies Act, 1956 having its Registered Office, at "Shakti Bhawan Extn", 14 - Ashok Marg, Lucknow - 226001 (hereinafter referred to as "UPRVUNL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns), as party of the FIRST PART which is the party selling the power, and Uttar Pradesh Power Corporation Limited, a company incorporated under the Companies Act, 1956 having its registered office at "Shakti Bhawan " 14 - Ashok Marg, Lucknow-226001 (hereinafter referred to as "UPPCL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns) as party of the SECOND PART, which is the party purchasing the power. This Agreement is subject to Uttar Pradesh Electricity Regulatory Commission's approval in terms of provisions, Section 10 (2) and (3), Section 86 (1) (a) and (b) of the Electricity Act, 2003 and Section 10 (1) (c) of the Uttar Pradesh Electricity Reforms Act, 1999 (U.P. Act no. 24 of 1999).

[Signature]

[Signature]



उत्तर प्रदेश UTTAR PRADESH

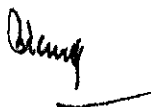
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WHEREAS

- (i) UPRVUNL is a power generating company, which owns and operates an electric power generating station namely Panki Thermal Power Station at Panki, District Kanpur and otherwise engaged in the business of the generation and sale of electricity so produced, and
- (ii) UPPCL is the holding company of the Distribution Companies (now distribution licensees in the State), as per section 4 of the Companies Act, 1956 and
- (iii) UPRVUNL wishes to sell to UPPCL, who in turn wishes to purchase from UPRVUNL its electric energy and capacity from the aforementioned power generating station pursuant to the terms and conditions set forth herein. Further, the reallocation of generating capacity of UPRVUNL amongst various DisComs, as required, will be done as per approval from GoUP, without affecting upon the rights & obligations of UPRVUNL under this agreement. On such reallocation, the rights and obligations of UPPCL under this agreement shall stand transferred to the Distribution Companies, being the successor(s) of UPPCL as per provision in the PPA.

WHEREAS

UPRVUNL with effect from 14 January, 2000 owns and operates the Panki Thermal Power Station having installed capacity of 210 MW as per Table 1 below, which was commissioned by the erstwhile Uttar Pradesh State Electricity Board and was transferred and vested in UPRVUNL in terms of Section 23 of the Uttar Pradesh Electricity Reforms Act, 1999 and Section 5 of Uttar Pradesh Electricity Reforms Transfer Scheme, 2000.



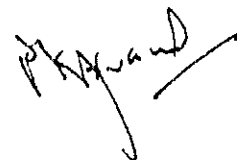


TABLE-I

PANKI THERMAL POWER STATION

Sl.No.	Unit No.	Installed Capacity	Derated Capacity	Date of Commissioning	Date of Commercial Operation
1	3	110 MW	105	11.11.76	29.01.77
2	4	110 MW	105	24.03.77	29.05.77

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

1.0 DEFINITIONS AND INTERPRETATION

1.1 Definitions

When used herein and in all of the Schedules hereto including, without limitation, the Tariff (as hereinafter defined) or any other document related to this Agreement, the defined terms set forth in this Article 1 shall have the meanings specified herein.

Any term used herein, but not defined herein, shall have the meanings provided in the U.P. Electricity Reforms Act, 1999 and The Electricity Act, 2003, as amended from time to time. Additional defined terms set forth in "The Uttar Pradesh Electricity Regulatory Commission (Terms and conditions of Generation Tariff) Regulations, 2009" shall have the meanings set forth therein.

Availability

In relation to the thermal generating station for any period means the average of the daily average declared capacities (DCs) for all the days during that period expressed as a percentage of the installed capacity of the generating station minus normative auxiliary consumption in MW, and shall be computed in accordance with the following formula:

$$\text{Availability (\%)} = 10000 \times \frac{\sum_{i=1}^N \text{DC}_i}{\{ N \times \text{IC} \times (100 - \text{AUX}_n) \}} \%$$

where,

- IC = Installed Capacity of the generating station in MW.
- DC_i = Average declared capacity for the ith day of the period in MW.
- N = Number of days during the period, and
- AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Bill shall have the meaning as ascribed in clause 10 read with clause 6 of this Agreement.

Billing Date shall be the date on which the bill shall be raised. The UPRVUNL shall present the bills after the end of each calendar month as per UPERC Tariff Order for energy supplied to UPPCL from the Power Station as per Energy Account issued by SLDC/STU or any other Competent Authority/JMR at TPS.

Billing Month means the metering date of one calendar month to the metering date of the next calendar month.

Business Day shall construe as a reference to a date (other than Sunday and Public Holidays) on which Banks are open for business in Lucknow.

Business Hours means the period commencing from 10:30 hours to 17:00 hours on any Business day.

Cause means any fact or circumstances which legally entitles the issuing Government Agency, to withhold issuance or renewal of, revoke or amend a Permit, due to any failure by Seller or any of the Lenders, Investors or Contractors in whose name the Permit has been or is to be issued.

CEA means the Central Electricity Authority.

Change in Law means:

- (i) Any enactment or issuance of any new Law;
- (ii) Any change in the interpretation or application of an existing Law by any judicial or quasi-judicial or other authority (including a court, tribunal or regulatory commission) having the legal power to interpret or apply such Law;
- (iii) Any amendment, alteration, or modification of an existing Law;
- (iv) The repeal and re-enactment of any existing Law;
- (v) Any Change in Permits;
- (vi) Imposition (other than for Cause) of a requirement for a permit which did not exist as at the date of this Agreement;
- (vii) A change (other than for cause) in the terms and conditions attaching to a permit after it has been given;
- (viii) To the attachment of any new terms and conditions to such permit; or
- (ix) The revocation or cancellation (other than for Cause) of any permit.

Provided however, no Change in Tax shall qualify as "Change in Law". Law shall not include any "Tax Law" (as hereinafter defined).

Change in Permits means:

- (i) the imposition (other than for Cause) of any material requirement in connection with the issuance, renewal or extension of any Permit or the modification of any Permit after such Permit was issued, in either case subsequent to the date of signing of this Agreement;
- (ii) the imposition (other than for Cause) of a requirement for a Permit which did not exist as on the date of this Agreement;
- (iii) the revocation or cancellation (other than for Cause) of any Permit.

Change in Tax means any introduction, amendment, extension, repeal or authoritative change in interpretation or application of any Tax (including, without limitation, the time, rate, incentive, exemption or incidence applicable to any Tax) after the date hereof.

Check Import/Export Meters means meters for maintaining a check on performance of main import/export meters and shall be used for accounting and billing of electricity in case of failure of main meter.

CLDS means Central Load Dispatch Station of UPPTCL.

Date of effectiveness of Agreement shall be 1st April, 2009.

Day means the 24 (twenty four) hours period ending at 24:00 Hours midnight Indian Standard Time.

Declared Capacity or DC means the capability of the generating station to deliver ex-bus electricity in MW declared by such generating station in relation to any period of the day or whole of the day, duly taking into account the availability of fuel;

Delivery of Bill: Shall have the meaning as defined in clause 10 of this agreement.



Designated Officer means an officer designated by UPPCL/STU for matters relating to meter reading, billing and payment.

Dispute means any material dispute or material difference of any kind between Seller and Purchaser in connection with or arising out of this Agreement.

Due Date of Payment or Due Date means, in relation to any Bill, the date on which the amount referred to in such Bill becomes due for payment which shall be 30 days from the Billing Date to the Authorized Representative of Purchaser. If the due date is not a business day, the next business day will be the due date.

Energy Charges shall cover fuel costs and shall be worked out as specified in Tariff order.

Energy Account shall mean periodic energy account including amendments thereof, if any.

Energy Unit means one-kilowatt hour of electrical energy.

Fixed charges or Capacity Charge amount means the recoverable fixed charge for a Tariff period determined in accordance with the Tariff Order.

Force Majeure shall have the meaning set forth in clause 16 of this Agreement.

Force Outage means an interruption of generating capacity that is not the result of:

- (i) A Scheduled Outage;
- (ii) A Force Majeure event;
- (iii) Any event or condition caused by Purchaser or attributable to an event or condition on Purchaser Facility; or
- (iv) Any Emergency or other curtailment or reduction pursuant to clause 16 in this Agreement.

Generating Unit means Plant, consisting of boiler, turbo generator, and other auxiliaries, which is capable of generating the specified power, independently.

GOI means the Government of India.


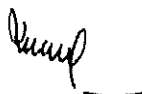
GOUP means the Government of Uttar Pradesh and its successors.

Government Agency means the GOI, GOUP, UPERC, or any ministry, department, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with Seller) or commission under the direct or indirect control of the GOI or the GOUP or any political subdivision of either of them owned or controlled by GOI or GOUP or any of their subdivisions, or any court, tribunal or judicial body within India.

Grid means the total system of electrical generation using any means other than Seller's Generating Unit, evacuation and transmission circuits, transformers, switchgear and other equipment (including the interconnection Facility) on Purchaser's side of the Interconnection Point.

'Gross Calorific Value' or GCV' in relation to a thermal power generating station means the heat produced in kCal by complete combustion of one kilogram of solid fuel or one litre of liquid fuel, as the case may be;

Interconnection Point means the point or points at which interconnection is made between the Unit and the Transmission Utility System and unless otherwise mutually decided, shall be at the outgoing sides of circuit breakers connecting the EHT/HT lines.



Installed Capacity or IC means the summation of the name plate capacities of all the units of the generating station or the capacity of the generating station reckoned at the generator terminals as approved by the Commission from time to time;

KW means kilowatt.

kWH means kilowatt hour.

Law means the Constitution of India and any Act, rule, regulation, notification, directive, ordinance, order or any interpretation thereof or instruction having the force of law enacted or issued by any Government Agency.

Main Import Meter shall mean meter for measurement of active energy import at TPS Busbar for energy accounting.

Main Export Meter shall mean meter for measurement of active energy export at TPS Busbar for energy accounting.

Metering Date shall mean mid-day (12:00 hrs) of the last day of each calendar month.

Monthly Fixed Charge amount means the prescribed recoverable fixed charges as per Tariff Order.

MU shall mean one million Units.

MW means Megawatts.

Net Electrical Energy is the energy, supplied by Panki TPS of UPRVUNL and measured in kWh, at the point of interconnection in accordance with the provisions of Clause 5.

O & M shall mean operation and maintenance.

Permit or Permits means any consent, license, approval, permit, no objection certificate or other authorization of any nature whatsoever, which is required to be granted to Purchaser or Seller, as the case may be, by any Government Agency for the purpose of owning, developing, designing, financing, insuring, constructing, operating or maintaining the Project as contemplated under this Agreement.

Plant Load Factor or PLF for a given period, means the total sent out energy corresponding to scheduled generation during the period, expressed as a percentage of sent out energy corresponding to installed capacity in that period and shall be computed in accordance with the following formula;

$$PLF (\%) = 10000 \times \frac{\sum_{i=1}^N SG_i}{\{ N \times IC \times (100 - AUX_n) \}} \%$$

where,

IC = Installed Capacity of the generating station in MW,

SG_i = Scheduled Generation in MW for the ⁱth time block of the period,

N = Number of time blocks during the period, and

AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Power Grid means Power Grid Corporation Ltd.





Power Purchase Agreement means the Agreement for selling of power by UPRVUNL and purchase by UPPCL.

Primary Fuel shall mean coal as supplied by the collieries.

Pool Account means Regional account for payments regarding Unschedule Interchanges

Scheduled Bank means any bank at Lucknow indicated by Purchaser and acceptable to Seller.

Secondary Fuel shall mean the heavy furnace oil (HFO) and/or light diesel oil (LDO) and or Low Sulphur High Speed (LSHS)

SLDC or State Load Dispatch Centre means the centre established under subsection (1) of section 31 by GoUP

Schedule Generation: At any time or for any period or time block means Schedule of Generation in Mw or Mwh ex-bus given by the concerned Load Dispatch centre.

Target Availability or TA means availability as set by the Commission in its Tariff Order

Tariff means the amounts to be paid by Purchaser to the Seller under this Agreement and as determined by UPERC or any competent authority authorized from time to time.

Tariff Order means the Tariff Order passed by UPERC on 20.01.11 for MYT period FY 2009-10 to 2013-2014 (Ref No UPERC/ Secy/D(G)/2011-1545 dated 20.01.11) and hosted on website: www.uperc.org

Tariff Regulation means the regulations notified in exercise of powers conferred under Section 181 read with Section 61 of the Electricity Act, 2003 by the Uttar Pradesh Electricity Regulatory Commission [vide Notification No. UPERC/Secy/ Generation Regulation/4100, Lucknow dated 31 March 2009, titled as the Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 and as amended from time to time

Tax means tax, cess, levy, toll, impost, excise, duty, fee or charge of any nature whatsoever levied by or payable to any Government Agency including but not limited to any withholding tax, income tax, corporate tax, VAT, excise tax, works contract tax, stamp duty, customs and import duties, octroi.

Thermal Power Station (TPS) means a thermal generating station having an installation of one or more thermal generating units and covered under this Agreement.

Transfer Scheme shall mean UP Electricity Reforms Transfer Scheme, 2000.

Unit means one kilowatt-hour.

UPERC or Commission means UP Electricity Regulatory Commission.

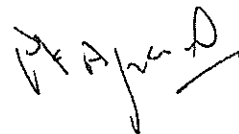
1.2 INTERPRETATION AND GENERAL

1.2.1 Interpretation Any reference in this Agreement to:

this Agreement shall be construed as references to this Agreement together with all recitals and Schedules hereto;

Clause shall, subject to any contrary indication, be construed as a reference to a clause of this Agreement;





Encumbrance shall be construed as a reference to a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;

Paragraph shall, subject to any contrary indication, be construed as a reference to a paragraph in the Clause or Schedule in which such reference appears;

Person shall be construed as a reference to any person, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing,

1.2.2 General

Save where the contrary is indicated, any reference in this Agreement to:

- (i) **Rupee and Rs.** denote Indian Currency;
- (ii) words importing the singular shall include the plural and vice versa, any person shall be construed so as to include its and any subsequent successors, transferees and assigns in accordance with their respective interests;
- (iii) this Agreement or any other agreement or document shall be construed as a reference to each such agreement or, as the case may be, such other agreement or document as the same may have been, or may, from time to time, be amended, varied, novated, replaced or supplemented;
- (iv) a statute or enactment shall be construed as a reference to such statute as the same may have been, or may from time to time be, amended or re-enacted;
- (v) All orders so issued by UPERC shall be binding on both the parties from the date the same become applicable.
- (vi) In case either party goes in for any Review Petition/Appeal against the order of the UPERC before the competent authority, the order of the competent authority in that regard shall be applicable and binding on both the parties from the date the said order become applicable.
- (vii) a time of day shall, save as otherwise provided in any agreement or document, be construed as a reference to Indian Standard Time; and

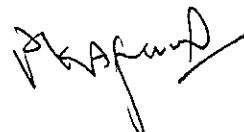
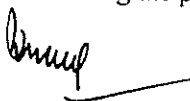
Any word or expression used in this Agreement shall, unless otherwise defined or construed herein, bear its ordinary English meaning and, for these purposes, the General Clauses Act, 1897 shall not apply.

2.0 TERM OF AGREEMENT

The term of this Agreement shall be for a period of five years starting from 1st April, 2009 and ending on 31st March, 2014 extendable/renewable by **mutual** consent between UPPCL and UPRVUNL. In case UPPCL continue to get power from the Panki Thermal Power Station even after expiry of this agreement without further renewal or formal extension thereof, then all the provisions of this agreement shall continue to operate till this Agreement is formally renewed, extended or replaced except the Tariff, which will be applicable as per order of the UPERC as per provision of clause 6.3. This agreement shall be terminable even from any earlier date from which the PPA with different DisComs has been made effective.

3.0 INSTALLED CAPACITY

3.1 The existing installed capacity of Panki Thermal Power Station is 210 MW. The installed capacity is, however, subject to de-rating/re-rating of the generating units as determined from time to time after following the prescribed procedure as laid down by CEA.



3.2 Allocation of Power

Full capacity of Panki TPS shall be allocated to UPPCL unless reallocated by GOUP.

3.3 Drawal of Power

The power from Panki TPS shall be drawn by UPPCL directly through its own or through the transmission system of other agencies on the basis of availability of capacity of the TPS.

3.4 Generation Schedule

UPRVUNL shall submit daily generation schedule of Panki TPS to UPPCL or SLDC, as per UPERC Generation Regulation

3.5 Daily Declared Capacity Notice

UPRVUNL shall deliver to UPPCL or SLDC, as applicable, at each day a notice indicating daily declared capacity of Panki TPS as per regulation for next 24 hours. Any change in daily declared capacity notice due to minor or major breakdown in station shall be intimated to UPPCL or SLDC, as applicable as per regulation.

4.0 TRANSMISSION/WHEELING OF POWER

4.1 Power shall be made available by UPRVUNL at the busbars of the Station and it shall be the obligation and responsibility of UPPCL to make the required arrangement for evacuation of power from such delivery points of UPRVUNL.

4.2 UPPCL shall coordinate with the appropriate authorities/agencies including UPPTCL/STU or any other Licensees for power evacuation from the above delivery point.

4.3 UPPCL shall be responsible to coordinate with the UPPTCL/STU or any licensee or other agencies for implementation of the transmission system for evacuation of power from the station matching with the commissioning schedule of the station.

4.4 For wheeling of the power beyond busbars of the Station, charges for utilisation of transmission system(s) owned by UPPTCL/STU/other agencies shall be paid directly by UPPCL to the UPPTCL or other agencies. UPRVUNL shall not be responsible for payment of such charges.

5.0 SUPPLY OF POWER

5.1 Power as generated by Panki TPS will be supplied to UPPCL only unless mutually agreed otherwise. Terms and conditions as mutually agreed and approved/determined by UPERC from time to time would be applicable.

6.0 TARIFF AND TERMS & CONDITIONS

6.1 The tariff chargeable to UPPCL shall be as per the Tariff Order dated 20.01.11 or any amendment thereof issued by the UPERC.

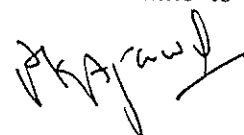
6.2 The bill for the energy so supplied would be based on energy accounts as given under Clause 7 of this Agreement.

6.3 If Tariff for the period extending beyond 31.03.2014 is not approved by the U.P. Electricity Regulatory Commission the tariff order dated 20.01.11 approved by the Commission will be provisionally applicable till Tariff Order for the concerning period is approved by the UPERC

7.0 SCHEDULING AND ENERGY ACCOUNTING

7.1 Scheduling

Consequent to the implementation of ABT the methodology of generation schedule shall be as per Indian Electricity Grid Code/UP Electricity Grid Code (as revised from time to time) and UPERC orders.



7.2 Unschedule Interchange

- 7.2.1 UI for generating station shall be equal to its actual generation minus schedule generation. UI should be worked out for each 15 min blocks. Charges for all UI transactions shall be based on average frequency of the time block and rates as specified in notifications issued by UPERC from time to time.
- 7.2.2 In case of zero generation (tripping / shut down of all units) of a Thermal Power Station, the negative DC / negative Revision Schedule (drawl of power from grid) declared by TPS will be accepted by SLDC and the energy supplied from UPPCL system to the TPS during such period shall be charged at the same tariff or as mutually agreed.
- 7.2.3 **Effective date of implementation of ABT:** The effective date of implementation of ABT for Panki of UPRVUNL is 1/12/07 without UI Charges and 1/07/09 with UI Charges as per UPERC order dated 05/03/2009.

7.3 Energy Accounting :

- 7.3.1 Energy drawal by UPPCL will be metered at the Panki TPS. The energy account shall be prepared by UPRVUNL based on the monthly joint meter reading taken by the representatives of UPRVUNL and UPPCL/STU. The methodology for energy account would be on mutually agreed basis. The export and import of energy at the metering points shall be computed on net basis, i.e. by difference between export and import meter readings.

Provided that if and when provisions of ABT are implemented the Energy Accounts shall be governed by clause 29 of Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 reproduced as under:

“Metering and Accounting - Metering arrangements, including installation, testing and operation and maintenance of meters and collection, transportation and processing of data required for accounting of energy exchanges and average frequency on 15 minute time block basis shall be organized by the State Transmission Utility in consultation with State Load Despatch Centre. All concerned entities (in whose premises the special energy meters are installed), shall fully cooperate with the State Transmission Utility/State Load Despatch Centre and extend the necessary assistance by taking weekly meter readings and transmitting them to the State Load Despatch Centre. The State Load Despatch Centre, on the basis of processed data of meters along with data relating to declared capability and schedules etc., shall issue the State Accounts for energy on monthly basis as well as UI charges on weekly basis. UI accounting procedures shall be governed by the orders of Central Commission.

Note: This provision shall be applicable with effect from the date these Regulations coming into force except for UI that shall come into force from such date specified by the Commission for implementation of ABT in the State”.

- 7.3.2 On implementation of ABT the Regional Energy Account issued by STU/SLDC or any competent authority shall be binding on all the parties for billing and payment purposes.
- 7.3.3 Such consumers other than establishment of Panki TPS getting supply directly from Panki TPS of UPRVUNL would be UPPCL consumers. The billing shall be done by UPPCL on the basis of joint meter reading taken by representative of UPRVUNL & representative of UPPCL/ STU concerned Division of DisComs. Such energy shall be treated as energy exported to UPPCL and accounted for accordingly.



8.0 POINTS OF METERING

The main and check meters at the 400 KV/220 KV/132 KV or other KV bus bars of generating transformers of the Panki TPS to be installed by UPRVUNL shall be maintained by UPRVUNL. Installation and maintenance of main and check meters at locations other than the meters installed and maintained by UPRVUNL shall be the responsibility of UPPCL. The meters shall be sealed after calibration by the concerned parties jointly. The points of metering for Panki TPS are as under:

Export Points:-

1. Generator Transformer-3
2. Generator Transformer-4
3. export Points at 440/220 V
 - Office of the DGM Transmission
 - Office of the EE 400 KV S/S
 - Office of the EE 220 KV S/S
 - Office of the EE T & C
 - Transformer Repair Unit
 - 400 KVA Transfer KESCO
 - Office of AE [Civil] UPPCL
 - Central Store Panki [Mati]
 - AEE. S.C. Store, Panki
 - Office of the major Store
 - Ratanpur Village

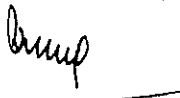
Import Points:-

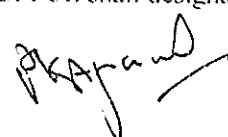
1. 33 KV, 5 MVA Transformer No.1
2. 33 KV, 5 MVA Transformer No. 2
3. Reserve Transformer RIA
4. Reserve Transformer RIB
5. 11 KV Construction Feeder
6. 11 KV Pump House Feeder
7. 11 KV Officer Colony Feeder – I
8. 11 KV Officer Colony Feeder – II
9. 33 KV PTPS

Note: - The above points are subject to addition/alteration, if found necessary

9.0 METERING SYSTEM

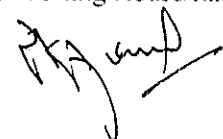
- 9.1 A set of CT/PT/Meters (Main and check) of 0.2 accuracy class, as per IEGC/CEA (Installation & Operation of Meters) Regulations – 2006 as applicable, shall be installed on all outgoing feeders of the station. UPPCL/STU shall make all necessary arrangements for installation of CT/PT/Meters, at all its drawal points. So long as existing CT/PT/Meters of any other class are replaced by 0.2 class, the existing CT/PT/Meters will be used for energy accounting.
- 9.2 All the meters shall be jointly calibrated, inspected and sealed on behalf of the parties and shall not be interfered with except in the presence of other party or for joint testing and calibration and/or replacement and/or any other purposes for which due notice of 7 (Seven) days will be given by UPRVUNL/STU/UPPCL so that this is done in the presence of the authorized representatives of the STU/UPPCL/UPRVUNL.
- 9.3 Joint meter readings of the main as well as check meters at various energy accounting points as identified shall be taken by the parties as mentioned above at 1200 hrs (noon) on the last day of each calendar month. In case any of the concerned parties is not available for joint meter readings at the specified time, the meter reading taken by the other party shall be binding on both the parties and shall be taken into account for preparation of Energy Accounts. UPPCL shall designate an officer





for joint meter reading. On implementation of ABT the data shall be downloaded from the meters at regular interval as decided by STU/SLDC for preparation of REA/UI account.

- 9.4 If the main meter is found to be not working at the time of meter readings or any other time, UPRVUNL shall inform the STU/SLDC for the same and the data from check meters shall be considered by SLDC/STU for energy accounting for the period
- 9.5 If in any month the readings of the main energy meter(s) differ from the readings of corresponding check energy meter(s) by more than 0.4% (zero point four percent) the main and check energy meter(s) shall be tested in turn and the errors at various levels as per standard procedures would be determined. If on such testing main energy/check meter error is found to exceed $\pm 0.2\%$ (plus/minus zero point two percent) the energy figures recorded by the main energy/check meter(s) for the above month concerned shall be revised accordingly and the main energy/check meter(s) shall be recalibrated jointly or replaced by the correct energy meter(s). Pending the results of such testing, billing and payment shall continue to be based on the energy recorded by the check meter(s), provided its error is within the prescribed limit.
- 9.6 If both the main and check meter(s) fail to record or if any of the PT fuses are blown out, then the energy will be computed on a mutually agreeable basis between UPRVUNL and UPPCL/STU for the period of defect. In case there is no mutual agreement, the computation of energy shall be on the basis of average of the billing of last three months.
- 9.7 Corrections in billing whenever necessary, shall be applicable for the period between the previous meter reading and the date and time of the replacement or recalibrated correct meter and this correction shall be for the full value of the absolute error. For the purpose of the correction to be applied, the meter shall be tested as per Indian Standard (British Standard where Indian Standard is not existing) The error at the load and power factor nearest to the average monthly load served at the point during the period shall be taken as the error to be applied for correction.
- 9.8 All the meters shall be checked for accuracy on quarterly basis by comparison of the readings of main and check meters by UPRVUNL and UPPCL/STU and shall be treated as working satisfactorily so long as the errors are within the limits prescribed in relevant Indian Standard (or British Standard where Indian Standard is not existing) for meters of the said class. The meter readings of main meters shall form the basis of the Energy Accounts so long as the quarterly check results thereof are within prescribed limits. If the check meters are found to be defective during the quarterly checks, these shall be immediately calibrated jointly/ replaced. Where the quarterly checks indicate errors in the main meter(s) beyond limit but no error is noticed in check meter(s) during quarterly checking computation of total net energy sent out at 400 KV bus bars and/or 220 KV / 132 KV and/or other KV bus bars, as applicable, of the Panki TPS for the month shall be done on the basis of check meter(s) and main meter(s) shall be calibrated jointly immediately. If during the quarterly test check, the difference in the main meter(s) and the corresponding check meters readings are found to be beyond the permissible limits of error, i.e. more than 0.40% both the meter(s) shall be immediately calibrated and the correction applicable to main meter shall be applied to the consumption registered by the main meter(s) to arrive at the correct consumption of energy for the purpose of Energy Accounts for the month from the date of last meter reading upto the time of replacement of correct main meter. Billing for the period thereafter, till the next monthly meter reading, shall be as per calibrated main meter. During this period of calibration of main and check meter(s) another set of main and check meters duly calibrated and sealed will be installed by UPRVUNL/STU/UPPCL at the TPS in the presence of UPPCL/STU/UPRVUNL and jointly sealed. The energy accounting during the period of calibration of original meters shall be as per the readings of the substituted main meter. In case spare meters are not available with UPRVUNL/STU/UPPCL the main/check meter shall be calibrated by rotation. During the period of removal of main meter, the energy accounting will be done based on check meter readings applied with correction factor of the check meter obtained during testing/calibration of check meter.
- 9.9 For the purpose of test and calibration, the standard meter calibrated and sealed by GOUP/GOI Authorized Meter Testing House/Laboratory shall be utilized. This standard meter shall be got calibrated once in every six months at the GOUP/GOI Authorized Meter Testing House/Laboratory.



- 9.10 If at any time any party to the Agreement feels that a meter is not recording correctly, it shall give notice to the other party. UPRVUNL/STU/UPPCL shall then undertake testing and calibration of the meters owned by UPRVUNL/STU/UPPCL. If errors on such testing are found to exceed the error limits specified in the relevant Indian Standard (British Standard where Indian Standard is not existing) for this class of meters, necessary adjustment in the bills shall be made from the date of notice or from such other date as can be satisfactorily established to be proper for such adjustment.
- 9.11 Once in every five years, both main and check meters shall be tested for accuracy by a substandard meter either at the station or at any approved testing laboratory. During testing, in case of error is found to be more than the permissible limits, then the meter shall be replaced by a correct meter.

10 BILLING AND PAYMENT

10.1 All charges under this Agreement shall be billed by UPRVUNL as per Clause 6 and shall be paid by UPPCL in accordance with the following provisions:

- (i) UPRVUNL shall deliver bills to the UPPCL generally within 5 days of the billing date for energy supplied for each month to UPPCL from Panki TPS. The payments will be made by UPPCL within due date by cheque payable at Lucknow.
- (ii) UPRVUNL shall carry out billing and associated functions. The authority of UPPCL to whom the bills have to be submitted would be informed by UPPCL to UPRVUNL within a month of signing of the Agreement, failing which UPRVUNL would submit the bills to the Director (Finance) of UPPCL.
- (iii) UPPCL shall make adequate provisions in their approved budget for respective years during which this PPA continues to ensure regular payment of power purchased by UPPCL from UPRVUNL and shall also furnish a copy of the approved budget to UPRVUNL.
- (iv) PFC conditions applicable for the agreement period are:-
 - (a) UPRVUNL can undertake third party sale of energy within the state or outside the state if the procurer of energy does not clear the dues as per schedule.
 - (b) Provided that revenue of the procurer shall be escrowed in favour of UPRVUNL and in turn in favour of lenders to UPRVUNL.
 - (c) In case of default to PFC by UPRVUNL, then PFC shall have right to transfer the project to themselves or their agents, operate the project and sell energy to third party.

10.2 Schedule of payment of UI Charges

10.2.1 **UI Charges Accounting:** All payments on account of UI charges including the additional UI charges levied under the regulations and interest received on late payment thereof shall be credited to a fund called UI pool account fund which shall be maintained and operated in accordance with provisions of UPERC regulation / grid code or as mutually agreed.

10.2.2 Payment of UI charges shall have a high priority and the concerned constituent shall pay the indicated amount within 10 days of the issue of statement of UI charges including additional UI charges into the UI pool account fund or as mutually agreed.

10.2.3 If payment against UI charges including additional UI charges are delayed by more than two days i.e. beyond 12 days from the date of issue of statement by SLDC, the defaulting constituent shall have to pay simple interest @ .04% for each day of delay applicable as per UPERC order / any amendment time to time or as mutually agreed.



11 DISPUTES

- 11.1 In the event of any dispute as to all or any portion of an Invoice, Purchaser shall nevertheless pay the full amount of the undisputed charges subject to minimum 50% of the total amount of the invoice within due date and shall serve notice on the Seller that the amount of an Invoice is in dispute in which event the provisions of Clause 14 hereof shall be applicable.

12 REGULATION OF SUPPLY

- 12.1 In the event any bill(s) remain unpaid for a period exceeding sixty (60) days, UPRVUNL shall serve a notice on UPPCL giving fifteen (15) days period for effecting regulation of supply from its Panki Thermal Power Station with consent of GOUP, unless UPPCL makes full direct payment of the outstanding amount within the notice period. In case regulation of supply is effected, for resumption UPPCL shall pay all the outstanding dues.

13.0 LEVIES, TAXES, DUTIES, CESS, ETC.:

The amount of all lawful taxes/duties/cess, etc. payable by UPRVUNL to GOUP/GOI and/or any other local bodies/authorities on generation of electricity including auxiliary consumption, or any other types of consumption including water, transmission, environment protection, sale or on supply of electricity and/or in respect of any of its installation associated with the TPS and/or Transmission system shall be billed on to UPPCL in the shape of supplementary bill raised by UPRVUNL and UPPCL will make payment accordingly at actuals.

- 13.1 **Income Tax** – Income tax on core activity to be charged separately through Tax Escrow Account.

14 INFORMAL DISPUTE RESOLUTION

- 14.1 The Authorized Representative appointed by the Parties in pursuance be authorized to resolve any dispute, controversy or claim arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination (a “Dispute”) in an equitable manner.
- 14.2 Following notice by one Party to the other setting out the particulars of the Dispute, if the Authorized Representatives are unable to resolve the Dispute under this Agreement within 15 days, such Dispute shall be referred by such Authorized Representatives to a senior officer designated by Seller and a senior officer designated by Purchaser, respectively, who shall attempt to resolve the Dispute within a further period of 15 days.
- 14.3 The Parties hereto agree to use their best efforts to attempt for resolving all Disputes arising hereunder promptly, equitably and in good faith, and further agree to provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any such Dispute.

15.0 ARBITRATION

- 15.1 All differences or disputes between the parties arising out of or in connection with this Agreement remained unresolved as per clause 14 above shall be settled through arbitration as provided herein after.
- 15.2 In the event of such difference or disputes between the parties the matter shall be referred to UPERC for arbitration as per Section 158 of The Electricity Act, 2003 and Section 34 of the U.P. Electricity Reforms Act, 1999.
- 15.3 Notwithstanding the existence of any question, disputes and differences referred to arbitration, the parties hereto shall continue to perform their respective obligations under this Agreement.



16.0 FORCE MAJEURE

The parties shall ensure due compliance with the terms of this Agreement. However no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God, strike, lock-out or any other reason beyond the reasonable control of concerned party. But any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within 24 hours thereof to the other party to this effect. Generation /drawal of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

17.0 SYSTEM OPERATION

All instructions from SLDC / STU will be followed strictly regarding scheduling and operation of the Panki TPS.

18.0 IMPLEMENTATION OF THE AGREEMENT

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorized representative(s) that each party may nominate in this behalf and notify in writing to the other party by registered post/courier. Any other nomination of authorized representative(s) shall be informed likewise in writing to/by UPPCL within one month of signing of the Agreement. Notwithstanding any nomination, the Chairman and Managing Director UPRVUNL, Shakti Bhawan, 14, Ashok Marg, Lucknow /CE(L-2) of Panki or their authorized representatives shall be authorized to act for and on behalf of UPRVUNL.

19.0 NOTICE

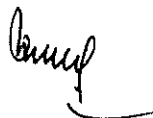
19.1 All notices required or referred to under this Agreement shall be in writing and signed by the respective authorized signatories of the parties mentioned herein unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts/by Courier Service with an acknowledgement due to the other parties in terms of this Agreement.

19.2 All notices or communications given by telefax or telegram/FAX shall be confirmed by deposition of a copy of the same in the post office in an envelope properly addressed to the appropriate party for delivery by registered or certified mail or courier. All notices shall be deemed delivered upon receipt.

20.0 SUCCESSORS AND ASSIGNS

20.1 Neither party shall assign in full or part with any of its rights or obligations under this agreement to any third party without the prior approval in writing of other party.

20.2 In case any of the parties to this Agreement is restructured and/or its generation, transmission and distribution activities are taken over by other organization(s), agency(ies), partly or wholly, the Agreement shall be binding *mutatis mutandis* upon the successor organization(s)/ agency(ies), and shall ensure to the benefits of and shall also be guaranteed by the State Government and shall continue to remain valid with respect to the obligations of the successor organization(s)/agency(ies). In such situation this agreement shall be suitably reviewed and modified as mutually agreed between the parties and shall be binding on all concerned.



21.0 JURISDICTION

All disputes arising out of or relating to this agreement shall be subject to the jurisdiction of High Court of Judicature of Allahabad at Lucknow Bench.

22.0 MISCELLANEOUS

22.1 Writing

No variation, waiver, amendment or modification of any of the terms of the Agreement shall be valid unless approved by UPERC and communicated in writing and signed by or on behalf of the Parties.

22.2 Severability

The invalidity or enforceability, for any reason, of any part of this Agreement shall not prejudice or affect the validity or enforceability of the remainder.

22.3 No Waiver

The failure of any Party to insist in one or more instances upon the strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as waiver of any such provisions or relinquishment of any such rights but the same shall continue in full force and effect.

22.4 Language

The language of this agreement shall be in English and all documents, notices, waivers and any other written communication or otherwise between the parties, in connection with the agreement, shall be in English/Hindi.

22.5 Entirety

This Agreement is intended by the parties as the final expression of their agreement and are intended also as a complete and exclusive statement of the terms of their agreement.

All prior written or oral understanding, offers or communications of every kind pertaining to this agreement or the sale or purchase of electrical output and contracted capacity under this agreement to Purchaser by Seller are abrogated and withdrawn.

22.6 Survival

Notwithstanding anything contained in this Agreement, clause 18 read with clause 2 shall survive this Agreement.

22.7 Waiver of Immunity

Purchaser and Seller are subject to Civil and Commercial Law with respect to their obligations under this Agreement, and the execution, delivery and performance hereof by them constitutes (for the purposes of applicable Indian Law and otherwise) private and commercial acts rather than government and public acts.

To the extent that Purchaser or Seller may in any jurisdiction claim for itself or any of its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgement or otherwise) or other legal process, or to the extent that in any jurisdiction there may be attributed to Purchaser or its assets or revenues any such immunity (whether or not claimed), Purchaser and Seller hereby agree not to claim and irrevocably waive any such immunity.



22.8 Breach of Obligations

The parties acknowledge that a breach of any of the obligations contained herein would result in injuries. The parties acknowledge the damages alone shall not be adequate remedy for such breach. Accordingly each party agrees that in addition to any other rights or remedy which the other party may have at Law or in equity, the non breaching party shall be entitled to specific performance and injunctive relief in any court of competent jurisdiction for any breach or threatened breach by the other party.

22.9 Inconsistency between the Provisions of PPA and Tariff Regulations/Tariff Order:

In the event of any inconsistency between the provisions of this PPA and the UPERC (Terms and Conditions of Generation Tariff) Regulations, 2009 read with the UPERC Tariff Order dated 20.01.11 or any amendment thereof, the later shall prevail.

22.10 This PPA is subject to approval by UPERC.

IN WITNESS WHEREOF the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names as on the date first above written.

SIGNED AND DELIVERED by ~~UPPCL~~ (Seller)
by the hand of its authorized official.
Name: **(P. K. AGARWAL)**
Title: **Advisor (Tech.)**
..... **U.P.R.V.U.N.L.**.....

**Shakti Bhawan Extn.
14, Ashok Marg, Lucknow**

In the presence of:
1. Witness Name
2. Witness Name

Handwritten signature
Er. Ramesh Chandra
Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

Handwritten signature
अभिषेक अभियन्ता (वाणिज्यिक)
14वाँ तल, शादश भवन विस्तार
उ.प्र. राज्य विद्युत उत्पादन निगम लि.

SIGNED AND DELIVERED by UPPCL (Purchaser)
by the hand of its authorized official.
Name: **(नन्द लाल)**
Title: **निदेशक (वाणिज्य)**

In the presence of:
1. Witness Name
2. Witness Name

Handwritten signature
अभिषेक अभियन्ता
ऊर्जा क्रय अनुबंध निदेशालय
यूपीएनएल शादश भवन विस्तार, लखनऊ

POWER PURCHASE AGREEMENT

BETWEEN

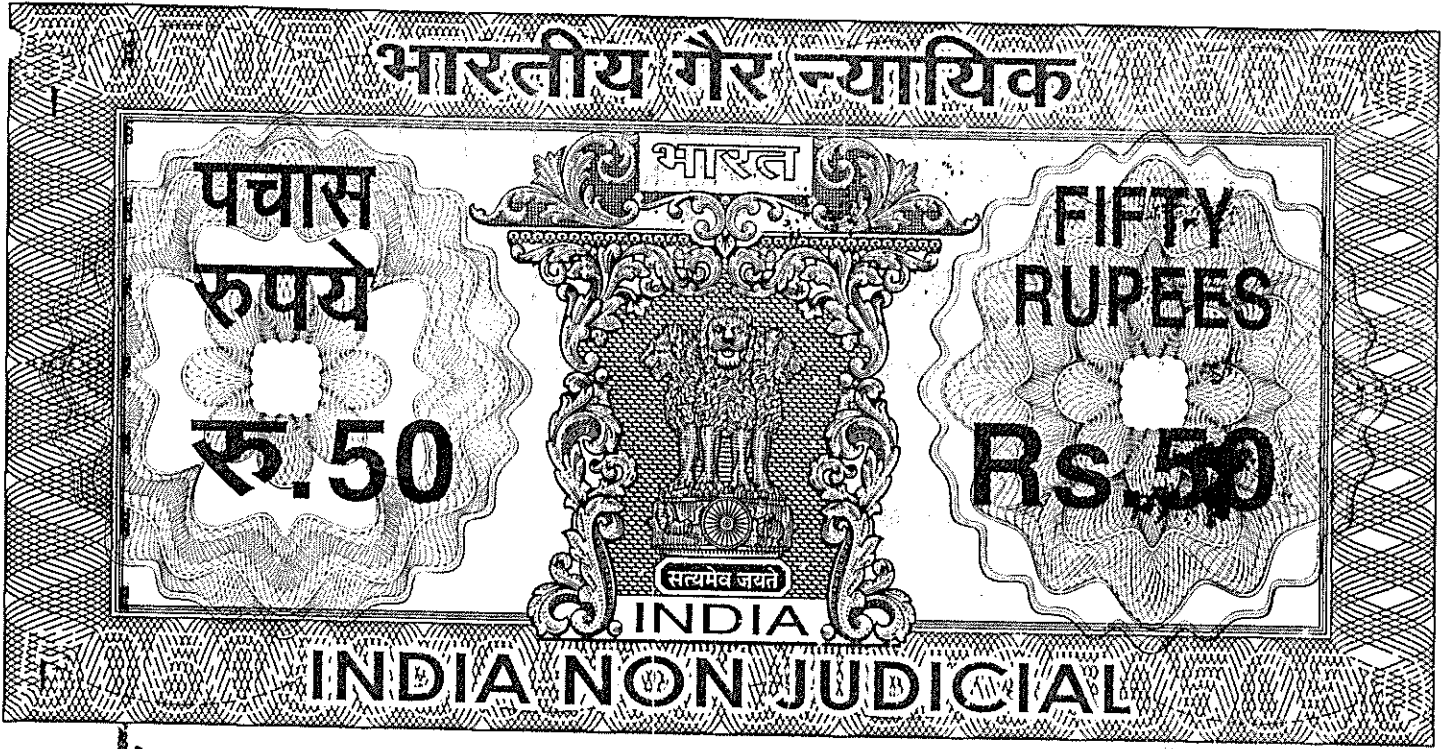
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM LIMITED

AND

UTTAR PRADESH POWER CORPORATION LIMITED

Dr. 26.05.2011

**For Harduaganj Thermal Power Station for the Period from
April 1, 2009 to March 31, 2014**



उत्तर प्रदेश UTTAR PRADESH

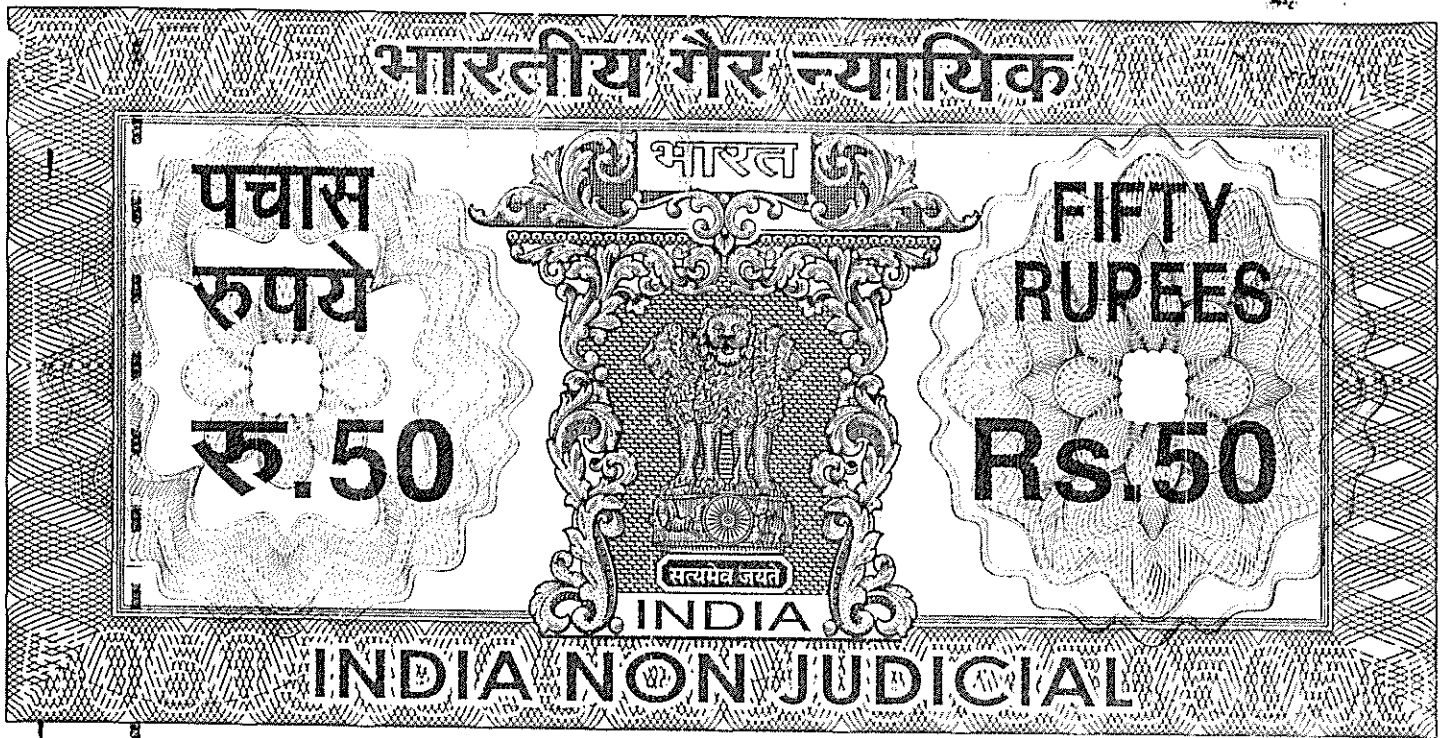
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POWER PURCHASE AGREEMENT
BETWEEN
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM
LIMITED
AND
UTTAR PRADESH POWER CORPORATION LIMITED

This Power Purchase Agreement (hereinafter referred to as "Agreement") entered into this 26th day of ..May..2011..... between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd., a company incorporated under the Companies Act, 1956 having its Registered Office, at "Shakti Bhawan Extn", 14 - Ashok Marg, Lucknow - 226001 (hereinafter referred to as "UPRVUNL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns), as party of the FIRST PART which is the party selling the power, and Uttar Pradesh Power Corporation Limited, a company incorporated under the Companies Act, 1956 having its registered office at "Shakti Bhawan " 14 - Ashok Marg, Lucknow-226001 (hereinafter referred to as "UPPCL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns) as party of the SECOND PART, which is the party purchasing the power. This Agreement is subject to Uttar Pradesh Electricity Regulatory Commission's approval in terms of provisions in Section 10 (2) and (3), Section 86 (1) (a) and (b) of the Electricity Act, 2003 and Section 10 (1) (c) of the Uttar Pradesh Electricity Reforms Act, 1999 (U.P. Act no. 24 of 1999).

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WHEREAS

- (i) UPRVUNL is a power generating company, which owns and operates an electric power generating station namely Harduaganj Thermal Power Station at Harduaganj, District Aligarh and otherwise engaged in the business of the generation and sale of electricity so produced, and
- (ii) UPPCL is the holding company of the Distribution Companies (now distribution licensees in the State), as per section 4 of the Companies Act, 1956 and
- (iii) UPRVUNL wishes to sell to UPPCL who in turn wishes to purchase from UPRVUNL its electric energy and capacity from the aforementioned power generating station pursuant to the terms and conditions set forth herein. Further, the reallocation of generating capacity of UPRVUNL amongst various DisComs, as required, will be done as per approval from GoUP, without affecting upon the rights & obligations of UPRVUNL under this agreement. On such reallocation, the rights and obligations of UPPCL under this agreement shall stand transferred to the Distribution Companies, being the successor(s) of UPPCL as per provision in the PPA.

WHEREAS

UPRVUNL with effect from 14 January, 2000 owns and operates the Harduaganj Thermal Power Station having installed capacity of 220 MW as per Table 1 below, which was commissioned by the erstwhile Uttar Pradesh State Electricity Board and was transferred and vested in UPRVUNL in terms of Section 23 of the Uttar Pradesh Electricity Reforms Act, 1999 and Section 5 of Uttar Pradesh Electricity Reforms Transfer Scheme, 2000.

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TABLE-1

HARDUAGANJ THERMAL POWER STATION

Sl.No.	Unit No.	Installed Capacity	Derated Capacity	Date of Commissioning	Date of Commercial Operation
3	3	55 MW	55 MW	17.01.72	01.03.72
5	5	60 MW	60 MW	21.03.77	14.05.77
7	7	110 MW	105 MW	28.05.78	01.08.78

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

1.0 DEFINITIONS AND INTERPRETATION**1.1 Definitions**

When used herein and in all of the Schedules hereto including, without limitation, the Tariff (as hereinafter defined) or any other document related to this Agreement, the defined terms set forth in this Article 1 shall have the meanings specified herein.

Any term used herein, but not defined herein, shall have the meanings provided in the U.P. Electricity Reforms Act, 1999 and The Electricity Act, 2003, as amended from time to time. Additional defined terms set forth in "The Uttar Pradesh Electricity Regulatory Commission (Terms and conditions of Generation Tariff) Regulations, 2009" shall have the meanings set forth therein.

Availability

In relation to the thermal generating station for any period means the average of the daily average declared capacities (DCs) for all the days during that period expressed as a percentage of the installed capacity of the generating station minus normative auxiliary consumption in MW, and shall be computed in accordance with the following formula:

$$\text{Availability (\%)} = 10000 \times \frac{\sum_{i=1}^N \text{DC}_i}{\{N \times \text{IC} \times (100 - \text{AUX}_n)\}} \%$$

where,

- IC = Installed Capacity of the generating station in MW,
DC_i = Average declared capacity for the ith day of the period in MW,
N = Number of days during the period, and
AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Bill shall have the meaning as ascribed in clause 10 read with clause 6 of this Agreement.

Billing Date shall be the date on which the bill shall be raised. The UPRVUNL shall present the bills after the end of each calendar month as per UPERC Tariff Order for energy supplied to UPPCL from the Power Station as per Energy Account issued by SLDC/STU or any other Competent Authority/JMR at TPS.

Billing Month means the metering date of one calendar month to the metering date of the next calendar month.

Business Day shall construe as a reference to a date (other than Sunday and Public Holidays) on which Banks are open for business in Lucknow.





Business Hours means the period commencing from 10:30 hours to 17:00 hours on any Business day.

Cause means any fact or circumstances which legally entitles the issuing Government Agency, to withhold issuance or renewal of, revoke or amend a Permit, due to any failure by Seller or any of the Lenders, Investors or Contractors in whose name the Permit has been or is to be issued.

CEA means the Central Electricity Authority.

Change in Law means:

- (i) Any enactment or issuance of any new Law;
- (ii) Any change in the interpretation or application of an existing Law by any judicial or quasi-judicial or other authority (including a court, tribunal or regulatory commission) having the legal power to interpret or apply such Law;
- (iii) Any amendment, alteration, or modification of an existing Law;
- (iv) The repeal and re-enactment of any existing Law;
- (v) Any Change in Permits;
- (vi) Imposition (other than for Cause) of a requirement for a permit which did not exist as at the date of this Agreement;
- (vii) A change (other than for cause) in the terms and conditions attaching to a permit after it has been given;
- (viii) To the attachment of any new terms and conditions to such permit; or
- (ix) The revocation or cancellation (other than for Cause) of any permit.

Provided however, no Change in Tax shall qualify as "Change in Law". Law shall not include any "Tax Law" (as hereinafter defined).

Change in Permits means:

- (i) the imposition (other than for Cause) of any material requirement in connection with the issuance, renewal or extension of any Permit or the modification of any Permit after such Permit was issued, in either case subsequent to the date of signing of this Agreement;
- (ii) the imposition (other than for Cause) of a requirement for a Permit which did not exist as on the date of this Agreement;
- (iii) the revocation or cancellation (other than for Cause) of any Permit.

Change in Tax means any introduction, amendment, extension, repeal or authoritative change in interpretation or application of any Tax (including, without limitation, the time, rate, incentive, exemption or incidence applicable to any Tax) after the date hereof.

Check Import/Export Meters means meters for maintaining a check on performance of main import/export meters and shall be used for accounting and billing of electricity in case of failure of main meter.

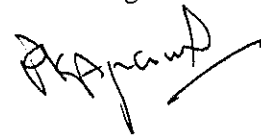
CLDS means Central Load Dispatch Station of UPPTCL.

Date of effectiveness of Agreement shall be 1st April, 2009.

Day means the 24 (twenty four) hours period ending at 24:00 Hours midnight Indian Standard Time.

Declared Capacity or DC means the capability of the generating station to deliver ex-bus electricity in MW declared by such generating station in relation to any period of the day or whole of the day, duly taking into account the availability of fuel;

Delivery of Bill: Shall have the meaning as defined in clause 10 of this agreement.



Designated Officer means an officer designated by UPPCL/STU for matters relating to meter reading, billing and payment.

Dispute means any material dispute or material difference of any kind between Seller and Purchaser in connection with or arising out of this Agreement.

Due Date of Payment or Due Date means, in relation to any Bill, the date on which the amount referred to in such Bill becomes due for payment which shall be 30 days from the Billing Date to the Authorized Representative of Purchaser. If the due date is not a business day, the next business day will be the due date.

Energy Charges shall cover fuel costs and shall be worked out as specified in Tariff order.

Energy Account shall mean periodic energy account including amendments thereof, if any.

Energy Unit means one-kilowatt hour of electrical energy.

Fixed Charges or Capacity Charge amount means the recoverable fixed charge for a Tariff period determined in accordance with the Tariff Order.

Force Majeure shall have the meaning set forth in clause 16 of this Agreement.

Force Outage means an interruption of generating capacity that is not the result of:

- (i) A Scheduled Outage;
- (ii) A Force Majeure event;
- (iii) Any event or condition caused by Purchaser or attributable to an event or condition on Purchaser Facility; or
- (iv) Any Emergency or other curtailment or reduction pursuant to clause 16 in this Agreement.

Generating Unit means Plant, consisting of boiler, turbo generator, and other auxiliaries, which is capable of generating the specified power, independently.

GOI means the Government of India.

GOUP means the Government of Uttar Pradesh and its successors.

Government Agency means the GOI, GOUP, UPERC, or any ministry, department, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with Seller) or commission under the direct or indirect control of the GOI or the GOUP or any political subdivision of either of them owned or controlled by GOI or GOUP or any of their subdivisions, or any court, tribunal or judicial body within India.

Grid means the total system of electrical generation using any means other than Seller's Generating Unit, evacuation and transmission circuits, transformers, switchgear and other equipment (including the interconnection Facility) on Purchaser's side of the Interconnection Point.

'Gross Calorific Value' or GCV in relation to a thermal power generating station means the heat produced in kCal by complete combustion of one kilogram of solid fuel or one litre of liquid fuel, as the case may be;

Interconnection Point means the point or points at which interconnection is made between the Unit and the Transmission Utility System and unless otherwise mutually decided, shall be at the outgoing sides of circuit breakers connecting the EHT/HT lines.



Installed Capacity or IC means the summation of the name plate capacities of all the units of the generating station or the capacity of the generating station reckoned at the generator terminals as approved by the Commission from time to time:

KW means kilowatt.

kWH means kilowatt hour.

Law means the Constitution of India and any Act, rule, regulation, notification, directive, ordinance, order or any interpretation thereof or instruction having the force of law enacted or issued by any Government Agency.

Main Import Meter shall mean meter for measurement of active energy import at TPS Busbar for energy accounting.

Main Export Meter shall mean meter for measurement of active energy export at TPS Busbar for energy accounting.

Metering Date shall mean mid-day (12:00 hrs) of the last day of each calendar month.

Monthly Fixed Charge amount means the prescribed recoverable fixed charges as per Tariff Order.

MU shall mean one million Units.

MW means Megawatts.

Net Electrical Energy is the energy, supplied by Harduaganj TPS of UPRVUNL and measured in kWh, at the point of interconnection in accordance with the provisions of Clause 5.

O & M shall mean operation and maintenance.

Permit or Permits means any consent, license, approval, permit, no objection certificate or other authorization of any nature whatsoever, which is required to be granted to Purchaser or Seller, as the case may be, by any Government Agency for the purpose of owning, developing, designing, financing, insuring, constructing, operating or maintaining the Project as contemplated under this Agreement.

Plant Load Factor or PLF for a given period, means the total sent out energy corresponding to scheduled generation during the period, expressed as a percentage of sent out energy corresponding to installed capacity in that period and shall be computed in accordance with the following formula;

$$PLF (\%) = 10000 \times \frac{\sum_{i=1}^N SGi}{\{ N \times IC \times (100 - AUX_n) \}} \%$$

where,

IC = Installed Capacity of the generating station in MW,

SG_i = Scheduled Generation in MW for the ith time block of the period,

N = Number of time blocks during the period, and

AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Power Grid means Power Grid Corporation Ltd.

Power Purchase Agreement means the Agreement for selling of power by UPRVUNL and purchase by UPPCL.



Primary Fuel shall mean coal as supplied by the collieries.

Pool Account means Regional account for payments regarding Unschedule Interchanges

Scheduled Bank means any bank at Lucknow indicated by Purchaser and acceptable to Seller.

Secondary Fuel shall mean the heavy furnace oil (HFO) and/or light diesel oil (LDO) and or Low Sulphur High Speed (LSHS)

SLDC or State Load Dispatch Centre means the centre established under subsection (1) of section 31 by GoUP

Schedule Generation: At any time or for any period or time block means Schedule of Generation in Mw or Mwh ex-bus given by the concerned Load Dispatch centre.

Target Availability or TA means availability as set by the Commission in its Tariff Order

Tariff means the amounts to be paid by Purchaser to the Seller under this Agreement and as determined by UPERC or any competent authority authorized from time to time.

Tariff Order means the Tariff Order passed by UPERC on 20.01.11 for MYT period FY 2009-10 to 2013-2014 (Ref No UPERC/ Secy/D(G)/2011-1545 dated 20.01.11) and hosted on website: www.uperc.org

Tariff Regulation means the regulations notified in exercise of powers conferred under Section 181 read with Section 61 of the Electricity Act, 2003 by the Uttar Pradesh Electricity Regulatory Commission [vide Notification No. UPERC/Secy/ Generation Regulation/4100, Lucknow dated 31 March 2009, titled as the Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 and as amended from time to time

Tax means tax, cess, levy, toll, impost, excise, duty, fee or charge of any nature whatsoever levied by or payable to any Government Agency including but not limited to any withholding tax, income tax, corporate tax, VAT, excise tax, works contract tax, stamp duty, customs and import duties, octroi.

Thermal Power Station (TPS) means a thermal generating station having an installation of one or more thermal generating units and covered under this Agreement.

Transfer Scheme shall mean UP Electricity Reforms Transfer Scheme, 2000.

Unit means one kilowatt-hour.

UPERC or Commission means UP Electricity Regulatory Commission.

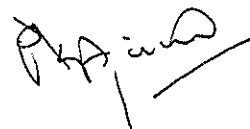
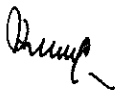
1.2 INTERPRETATION AND GENERAL

1.2.1 Interpretation Any reference in this Agreement to:

this Agreement shall be construed as references to this Agreement together with all recitals and Schedules hereto;

Clause shall, subject to any contrary indication, be construed as a reference to a clause of this Agreement;

Encumbrance shall be construed as a reference to a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;



Paragraph shall, subject to any contrary indication, be construed as a reference to a paragraph in the Clause or Schedule in which such reference appears;

Person shall be construed as a reference to any person, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing,

1.2.2 General

Save where the contrary is indicated, any reference in this Agreement to:

- (i) **Rupee and Rs.** denote Indian Currency;
- (ii) words importing the singular shall include the plural and vice versa, any person shall be construed so as to include its and any subsequent successors, transferees and assigns in accordance with their respective interests;
- (iii) this Agreement or any other agreement or document shall be construed as a reference to each such agreement or, as the case may be, such other agreement or document as the same may have been, or may, from time to time, be amended, varied, novated, replaced or supplemented;
- (iv) a statute or enactment shall be construed as a reference to such statute as the same may have been, or may from time to time be, amended or re-enacted;
- (v) All orders so issued by UPERC shall be binding on both the parties from the date the same become applicable.
- (vi) In case either party goes in for any Review Petition/Appeal against the order of the UPERC before the competent authority, the order of the competent authority in that regard shall be applicable and binding on both the parties from the date the said order become applicable.
- (vii) a time of day shall, save as otherwise provided in any agreement or document, be construed as a reference to Indian Standard Time; and

Any word or expression used in this Agreement shall, unless otherwise defined or construed herein, bear its ordinary English meaning and, for these purposes, the General Clauses Act, 1897 shall not apply.

2.0 TERM OF AGREEMENT

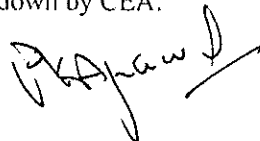
The term of this Agreement shall be for a period of five years starting from 1st April, 2009 and ending on 31st March, 2014 extendable/renewable by **mutual** consent between UPPCL and UPRVUNL. In case UPPCL continue to get power from the Harduaganj Thermal Power Station even after expiry of this agreement without further renewal or formal extension thereof, then all the provisions of this agreement shall continue to operate till this Agreement is formally renewed, extended or replaced except the Tariff, which will be applicable as per order of the UPERC as per provision of clause 6.3. This agreement shall be terminable even from any earlier date from which the PPA with different DisComs has been made effective.

3.0 INSTALLED CAPACITY

- 3.1 The existing installed capacity of Harduaganj Thermal Power Station is 220 MW. The installed capacity is, however, subject to de-rating/re-rating of the generating units as determined from time to time after following the prescribed procedure as laid down by CEA.



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Harduaganj

3.2 Allocation of Power

Full capacity of Harduaganj TPS shall be allocated to UPPCL unless reallocated by GOUP.

3.3 Drawal of Power

The power from Harduaganj TPS shall be drawn by UPPCL directly through its own or through the transmission system of other agencies on the basis of availability of capacity of the TPS.

3.4 Generation Schedule

UPRVUNL shall submit daily generation schedule of Harduaganj TPS to UPPCL or SLDC, as per UPERC Generation Regulation

3.5 Daily Declared Capacity Notice

UPRVUNL shall deliver to UPPCL or SLDC, as applicable, at each day a notice indicating daily declared capacity of Harduaganj TPS as per regulation for next 24 hours. Any change in daily declared capacity notice due to minor or major breakdown in station shall be intimated to UPPCL or SLDC, as applicable as per regulation.

4.0 TRANSMISSION/WHEELING OF POWER

4.1 Power shall be made available by UPRVUNL at the busbars of the Station and it shall be the obligation and responsibility of UPPCL to make the required arrangement for evacuation of power from such delivery points of UPRVUNL.

4.2 UPPCL shall coordinate with the appropriate authorities/agencies including UPPTCL/STU or any other Licensees for power evacuation from the above delivery point.

4.3 UPPCL shall be responsible to coordinate with the UPPTCL/STU or any licensee or other agencies for implementation of the transmission system for evacuation of power from the station matching with the commissioning schedule of the station.

4.4 For wheeling of the power beyond busbars of the Station, charges for utilization of transmission system(s) owned by UPPTCL/STU/other agencies shall be paid directly by UPPCL to the UPPTCL or other agencies. UPRVUNL shall not be responsible for payment of such charges.

5.0 SUPPLY OF POWER

Power as generated by Harduaganj TPS will be supplied to UPPCL only unless mutually agreed otherwise. Terms and conditions as mutually agreed and approved/determined by UPERC from time to time would be applicable.

6.0 TARIFF AND TERMS & CONDITIONS

6.1 The tariff chargeable to UPPCL shall be as per the Tariff Order dated 20.01.11 or any amendment thereof issued by the UPERC.

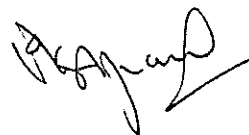
6.2 The bill for the energy so supplied would be based on energy accounts as given under Clause 7 of this Agreement.

6.3 If Tariff for the period extending beyond 31.03.2014 is not approved by the U.P. Electricity Regulatory Commission the tariff order dated 20.01.11 approved by the Commission will be provisionally applicable till Tariff Order for the concerning period is approved by the UPERC.

7.0 SCHEDULING AND ENERGY ACCOUNTING

7.1 Scheduling

Consequent to the implementation of ABT the methodology of generation schedule shall be as per Indian Electricity Grid Code/UP Electricity Grid Code (as revised from time to time) and UPERC orders.



7.2 Unschedule Interchange

- 7.2.1 UI for generating station shall be equal to its actual generation minus schedule generation. UI should be worked out for each 15 min blocks. Charges for all UI transactions shall be based on average frequency of the time block and rates as specified in notifications issued by UPERC from time to time.
- 7.2.2 In case of zero generation (tripping / shut down of all units) of a Thermal Power Station, the negative DC / negative Revision Schedule (drawl of power from grid) declared by TPS will be accepted by SLDC and the energy supplied from UPPCL system to the TPS during such period shall be charged at the same tariff or as mutually agreed.
- 7.2.3 **Effective date of implementation of ABT:** The effective date of implementation of ABT for Harduaganj of UPRVUNL is 1/12/07 without UI Charges as per UPERC order dated 05/03/2009.

7.3 Energy Accounting:


- 7.3.1 Energy drawal by UPPCL will be metered at the Harduaganj TPS. The energy account shall be prepared by UPRVUNL based on the monthly joint meter reading taken by the representatives of UPRVUNL and UPPCL/STU. The methodology for energy account would be on mutually agreed basis. The export and import of energy at the metering points shall be computed on net basis, i.e. by difference between export and import meter readings.

Provided that if and when provisions of ABT are implemented the Energy Accounts shall be governed by clause 29 of Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 reproduced as under:

"Metering and Accounting – Metering arrangements, including installation, testing and operation and maintenance of meters and collection, transportation and processing of data required for accounting of energy exchanges and average frequency on 15 minute time block basis shall be organized by the State Transmission Utility in consultation with State Load Despatch Centre. All concerned entities (in whose premises the special energy meters are installed), shall fully cooperate with the State Transmission Utility/State Load Despatch Centre and extend the necessary assistance by taking weekly meter readings and transmitting them to the State Load Despatch Centre. The State Load Despatch Centre, on the basis of processed data of meters along with data relating to declared capability and schedules etc., shall issue the State Accounts for energy on monthly basis as well as UI charges on weekly basis. UI accounting procedures shall be governed by the orders of Central Commission.

Note: This provision shall be applicable with effect from the date these Regulations coming into force except for UI that shall come into force from such date specified by the Commission for implementation of ABT in the State".

- 7.3.2 On implementation of ABT the Regional Energy Account issued by STU/SLDC or any competent authority shall be binding on all the parties for billing and payment purposes.
- 7.3.3 Such consumers other than establishment of Harduaganj TPS getting supply directly from Harduaganj TPS of UPRVUNL would be UPPCL consumers. The billing shall be done by UPPCL on the basis of joint meter reading taken by representative of UPRVUNL & representative of UPPCL/STU concerned Division of DisComs. Such energy shall be treated as energy exported to UPPCL and accounted for accordingly.



8.0 POINTS OF METERING

The main and check meters at the 400 KV/220 KV/132 KV or other KV bus bars of generating transformers of the Harduaganj TPS to be installed by UPRVUNL shall be maintained by UPRVUNL. Installation and maintenance of main and check meters at locations other than the meters installed and maintained by UPRVUNL shall be the responsibility of UPPCL. The meters shall be sealed after calibration by the concerned parties jointly. The points of metering for Harduaganj TPS are as under:

Export Points:-

1. Generator Transformer-3
2. Generator Transformer-5
3. Generator Transformer-7

Import Points:-

1. 132/6.6 KVA Station Transformer No. 9T
2. 132/6.6 KVA Station Transformer No. 10T
3. 132/6.6 KVA Station Transformer No. R-1
4. 132/6.6 KVA Station Transformer No. R-2
5. 11 KV Incomer 1 from 'A' TPS Switchyard
6. 11 KV Incomer 2 from 'A' TPS Switchyard
7. Alternate Supply Feeder from 'A' TPS Switchyard

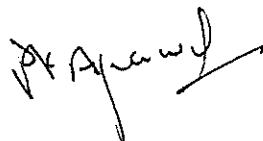
Note: - The above points are subject to addition/alteration, if found necessary

9.0 METERING SYSTEM

- 9.1 A set of CT/PT/Meters (Main and Check) of 0.2 accuracy class, as per IEGC/CEA (Installation & Operation of Meters) Regulations – 2006 as applicable, shall be installed on all outgoing feeders of the station. UPPCL/STU shall make all necessary arrangements for installation of CT/PT/Meters, at all its drawal points. So long as existing CT/PT/Meters of any other class are replaced by 0.2 class, the existing CT/PT/Meters will be used for energy accounting.
- 9.2 All the meters shall be jointly calibrated, inspected and sealed on behalf of the parties and shall not be interfered with except in the presence of other party or for joint testing and calibration and/or replacement and/or any other purposes for which due notice of 7 (Seven) days will be given by UPRVUNL/STU/UPPCL so that this is done in the presence of the authorized representatives of the STU/ UPPCL /UPRVUNL.
- 9.3 Joint meter readings of the main as well as check meters at various energy accounting points as identified shall be taken by the parties as mentioned above at 1200 hrs (noon) on the last day of each calendar month. In case any of the concerned parties is not available for joint meter readings at the specified time, the meter reading taken by the other party shall be binding on both the parties and shall be taken into account for preparation of Energy Accounts. UPPCL shall designate an officer for joint meter reading. On implementation of ABT the data shall be downloaded from the meters at regular interval as decided by STU/SLDC for preparation of REA/UI account.
- 9.4 If the main meter is found to be not working at the time of meter readings or any other time. UPRVUNL shall inform the STU/SLDC for the same and the data from check meters shall be considered by SLDC/STU for energy accounting for the period.



- 9.5 If in any month the readings of the main energy meter(s) differ from the readings of corresponding check energy meter(s) by more than 0.4% (zero point four percent) the main and check energy meter(s) shall be tested in turn and the errors at various levels as per standard procedures would be determined. If on such testing main energy/check meter error is found to exceed $\pm 0.2\%$ (plus/minus zero point two percent) the energy figures recorded by the main energy/check meter(s) for the above month concerned shall be revised accordingly and the main energy/check meter(s) shall be recalibrated jointly or replaced by the correct energy meter(s). Pending the results of such testing, billing and payment shall continue to be based on the energy recorded by the check meter(s), provided its error is within the prescribed limit.
- 9.6 If both the main and check meter(s) fail to record or if any of the PT fuses are blown out, then the energy will be computed on a mutually agreeable basis between UPRVUNL and UPPCL/STU for the period of defect. In case there is no mutual agreement, the computation of energy shall be on the basis of average of the billing of last three months.
- 9.7 Corrections in billing whenever necessary, shall be applicable for the period between the previous meter reading and the date and time of the replacement or recalibrated correct meter and this correction shall be for the full value of the absolute error. For the purpose of the correction to be applied, the meter shall be tested as per Indian Standard (British Standard where Indian Standard is not existing) The error at the load and power factor nearest to the average monthly load served at the point during the period shall be taken as the error to be applied for correction.
- 9.8 All the meters shall be checked for accuracy on quarterly basis by comparison of the readings of main and check meters by UPRVUNL and UPPCL/STU and shall be treated as working satisfactorily so long as the errors are within the limits prescribed in relevant Indian Standard (or British Standard where Indian Standard is not existing) for meters of the said class. The meter readings of main meters shall form the basis of the Energy Accounts so long as the quarterly check results thereof are within prescribed limits. If the check meters are found to be defective during the quarterly checks, these shall be immediately calibrated jointly/ replaced. Where the quarterly checks indicate errors in the main meter(s) beyond limit but no error is noticed in check meter(s) during quarterly checking computation of total net energy sent out at 400 KV bus bars and/or 220 KV / 132 KV and/or other KV bus bars, as applicable, of the Harduaganj TPS for the month shall be done on the basis of check meter(s) and main meter(s) shall be calibrated jointly immediately. If during the quarterly test check, the difference in the main meter(s) and the corresponding check meters readings are found to be beyond the permissible limits of error, i.e. more than 0.40% both the meter(s) shall be immediately calibrated and the correction applicable to main meter shall be applied to the consumption registered by the main meter(s) to arrive at the correct consumption of energy for the purpose of Energy Accounts for the month from the date of last meter reading upto the time of replacement of correct main meter. Billing for the period thereafter, till the next monthly meter reading, shall be as per calibrated main meter. During this period of calibration of main and check meter(s) another set of main and check meters duly calibrated and sealed will be installed by UPRVUNL/STU/UPPCL at the TPS in the presence of UPPCL/STU/UPRVUNL and jointly sealed. The energy accounting during the period of calibration of original meters shall be as per the readings of the substituted main meter. In case spare meters are not available with UPRVUNL/STU/UPPCL the main/check meter shall be calibrated by rotation. During the period of removal of main meter, the energy accounting will be done based on check meter readings applied with correction factor of the check meter obtained during testing/calibration of check meter.
- 9.9 For the purpose of test and calibration, the standard meter calibrated and sealed by GOUN/GOI Authorized Meter Testing House/Laboratory shall be utilized. This standard meter shall be got calibrated once in every six months at the GOUN/GOI Authorized Meter Testing House/Laboratory.
- 9.10 If at any time any party to the Agreement feels that a meter is not recording correctly it shall give notice to the other party. UPRVUNL/STU/UPPCL shall then undertake testing and calibration of the meters owned by UPRVUNL/STU/UPPCL. If errors on such testing is found to exceed the error limits specified in the relevant Indian Standard (British Standard where Indian Standard is not



existing) for this class of meters necessary adjustment in the bills shall be made from the date of notice or from such other date as can be satisfactorily established to be proper for such adjustment.

- 9.11 Once in every five years, both main and check meters shall be tested for accuracy by a substandard meter either at the station or at any approved testing laboratory. During testing in case of error is found to be more than the permissible limits, then the meter shall be replaced by a correct meter.

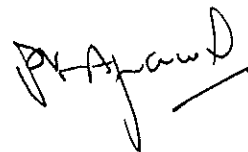
10 BILLING AND PAYMENT

- 10.1 All charges under this Agreement shall be billed by UPRVUNL as per Clause 6 and shall be paid by UPPCL in accordance with the following provisions:

- (i) UPRVUNL shall deliver bills to the UPPCL, generally within 10 days of the billing date for energy supplied for each month to UPPCL from Harduaganj TPS. The payments will be made by UPPCL within due date by cheque payable at Lucknow.
- (ii) UPRVUNL shall carry out billing and associated functions. The authority of UPPCL to whom the bills have to be submitted would be informed by UPPCL to UPRVUNL within a month of signing of the Agreement failing which UPRVUNL would submit the bills to the Director (Finance) of UPPCL.
- (iii) UPPCL shall make adequate provisions in their approved budget for respective years during which this PPA continues to ensure regular payment of power purchased by UPPCL from UPRVUNL and shall also furnish a copy of the approved budget to UPRVUNL.
- (iv) PFC conditions applicable for the agreement period are:-
 - (a) UPRVUNL can undertake third party sale of energy within the state or outside the state if the procurer of energy does not clear the dues as per schedule.
 - (b) Provided that revenue of the procurer shall be escrowed in favour of UPRVUNL and in turn in favour of lenders to UPRVUNL.
 - (c) In case of default to PFC by UPRVUNL, then PFC shall have right to transfer the project to themselves or their agents, operate the project and sell energy to third party.

10.2 Schedule of payment of UI Charges

- 10.2.1 **UI Charges Accounting:** All payments on account of UI charges including the additional UI charges levied under the regulations and interest received on late payment thereof shall be credited to a fund called UI pool account fund which shall be maintained and operated in accordance with provisions of UPERC regulation / grid code or as mutually agreed.
- 10.2.2 Payment of UI charges shall have a high priority and the concerned constituent shall pay the indicated amount within 10 days of the issue of statement of UI charges including additional UI charges into the UI pool account fund or as mutually agreed.
- 10.2.3 If payment against UI charges including additional UI charges are delayed by more than two days i.e beyond 12 days from the date of issue of statement by SLDC, the defaulting constituent shall have to pay simple interest @ .04% for each day of delay applicable as per UPERC order / any amendment time to time or as mutually agreed.



11 DISPUTES

In the event of any dispute as to all or any portion of an Invoice, Purchaser shall nevertheless pay the full amount of the undisputed charges subject to minimum 50% of the total amount of the invoice within due date and shall serve notice on the Seller that the amount of an Invoice is in dispute in which event the provisions of Clause 14 hereof shall be applicable.

12 REGULATION OF SUPPLY

In the event any bill(s) remain unpaid for a period exceeding sixty (60) days, UPRVUNL shall serve a notice on UPPCL giving fifteen (15) days period for effecting regulation of supply from its Harduaganj Thermal Power Station with consent of GOUP, unless UPPCL makes full direct payment of the outstanding amount within the notice period. In case regulation of supply is effected, for resumption UPPCL shall pay all the outstanding dues.

13.0 LEVIES, TAXES, DUTIES, CESS, ETC.:

The amount of all lawful taxes/duties/cess, etc. payable by UPRVUNL to GOUP/GOI and/or any other local bodies/authorities on generation of electricity including auxiliary consumption, or any other types of consumption including water, transmission, environment protection, sale or on supply of electricity and/or in respect of any of its installation associated with the TPS and/or Transmission system shall be billed on to UPPCL in the shape of supplementary bill raised by UPRVUNL and UPPCL will make payment accordingly at actuals.

13.1 **Income Tax** – Income tax on core activity to be charged separately through Tax Escrow Account.

14.0 INFORMAL DISPUTE RESOLUTION

14.1 The Authorized Representative appointed by the Parties in pursuance be authorized to resolve any dispute, controversy or claim arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination (a “Dispute”) in an equitable manner.

14.2 Following notice by one Party to the other setting out the particulars of the Dispute, if the Authorized Representatives are unable to resolve the Dispute under this Agreement within 15 days, such Dispute shall be referred by such Authorized Representatives to a senior officer designated by Seller and a senior officer designated by Purchaser, respectively, who shall attempt to resolve the Dispute within a further period of 15 days.

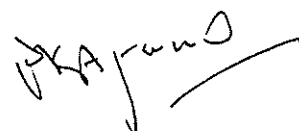
14.3 The Parties hereto agree to use their best efforts to attempt for resolving all Disputes arising hereunder promptly, equitably and in good faith, and further agree to provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any such Dispute.

15.0 ARBITRATION

15.1 All differences or disputes between the parties arising out of or in connection with this Agreement remained unresolved as per clause 14 above shall be settled through arbitration as provided herein after.

15.2 In the event of such difference or disputes between the parties the matter shall be referred to UPERC for arbitration as per Section 158 of The Electricity Act, 2003 and Section 34 of the U.P. Electricity Reforms Act, 1999.

15.3 Notwithstanding the existence of any question, disputes and differences referred to arbitration, the parties hereto shall continue to perform their respective obligations under this Agreement.



16 FORCE MAJEURE

The parties shall ensure due compliance with the terms of this Agreement. However no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God, strike, lock-out or any other reason beyond the reasonable control of concerned party. But any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within 24 hours thereof to the other party to this effect. Generation/drawal of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

17.0 SYSTEM OPERATION

All instructions from SLDC/STU will be followed strictly regarding scheduling and operation of the Harduaganj TPS.

18.0 IMPLEMENTATION OF THE AGREEMENT

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorized representative(s) that each party may nominate in this behalf and notify in writing to the other party by registered post/courier. Any other nomination of authorized representative(s) shall be informed likewise in writing to/by UPPCL within one month of signing of the Agreement. Notwithstanding any nomination, the Chairman and Managing Director UPRVUNL, Shakti Bhawan, 14, Ashok Marg, Lucknow/ CE(L-2) of Harduaganj or their authorized representatives shall be authorized to act for and on behalf of UPRVUNL.

19 NOTICE

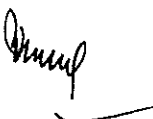
19.1 All notices required or referred to under this Agreement shall be in writing and signed by the respective authorized signatories of the parties mentioned herein unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts/by Courier Service with an acknowledgement due to the other parties in terms of this Agreement.

19.2 All notices or communications given by telefax or telegram/FAX shall be confirmed by deposition of a copy of the same in the post office in an envelope properly addressed to the appropriate party for delivery by registered or certified mail or courier. All notices shall be deemed delivered upon receipt.

20 SUCCESSORS AND ASSIGNS

20.1 Neither party shall assign in full or part with any of its rights or obligations under this agreement to any third party without the prior approval in writing of other party.

20.2 In case any of the parties to this Agreement is restructured and/or its generation, transmission and distribution activities are taken over by other organization(s), agency(ies), partly or wholly, the Agreement shall be binding *mutatis mutandis* upon the successor organization(s)/ agency(ies), and shall ensure to the benefits of and shall also be guaranteed by the State Government and shall continue to remain valid with respect to the obligations of the successor organization(s)/agency(ies). In such situation this agreement shall be suitably reviewed and modified as mutually agreed between the parties and shall be binding on all concerned.



21 JURISDICTION

All disputes arising out of or relating to this agreement shall be subject to the jurisdiction of High Court of Judicature of Allahabad at Lucknow Bench.

22 MISCELLANEOUS

22.1 Writing

No variation, waiver, amendment or modification of any of the terms of the Agreement shall be valid unless approved by UPERC and communicated in writing and signed by or on behalf of the Parties.

22.2 Severability

The invalidity or enforceability, for any reason, of any part of this Agreement shall not prejudice or affect the validity or enforceability of the remainder.

22.3 No Waiver

The failure of any Party to insist in one or more instances upon the strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as waiver of any such provisions or relinquishment of any such rights but the same shall continue in full force and effect.

22.4 Language

The language of this agreement shall be in English and all documents, notices, waivers and any other written communication or otherwise between the parties, in connection with the agreement, shall be in English/Hindi.

22.5 Entirety

This Agreement is intended by the parties as the final expression of their agreement and are intended also as a complete and exclusive statement of the terms of their agreement.

All prior written or oral understanding, offers or communications of every kind pertaining to this agreement or the sale or purchase of electrical output and contracted capacity under this agreement to Purchaser by Seller are abrogated and withdrawn.

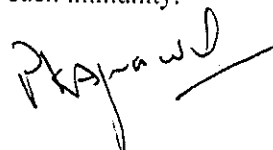
22.6 Survival

Notwithstanding anything contained in this Agreement, clause 18 read with clause 2 shall survive this Agreement.

22.7 Waiver of Immunity

Purchaser and Seller are subject to Civil and Commercial Law with respect to their obligations under this Agreement, and the execution, delivery and performance hereof by them constitutes (for the purposes of applicable Indian Law and otherwise) private and commercial acts rather than government and public acts.

To the extent that Purchaser or Seller may in any jurisdiction claim for itself or any of its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgement or otherwise) or other legal process, or to the extent that in any jurisdiction there may be attributed to Purchaser or its assets or revenues any such immunity (whether or not claimed), Purchaser and Seller hereby agree not to claim and irrevocably waive any such immunity.



22.8 Breach of Obligations

The parties acknowledge that a breach of any of the obligations contained herein would result in injuries. The parties acknowledge the damages alone shall not be adequate remedy for such breach. Accordingly each party agrees that in addition to any other rights or remedy which the other party may have at Law or in equity, the non breaching party shall be entitled to specific performance and injunctive relief in any court of competent jurisdiction for any breach or threatened breach by the other party.

22.9 Inconsistency between the Provisions of PPA and Tariff Regulations/Tariff Order:

In the event of any inconsistency between the provisions of this PPA and the UPERC (Terms and Conditions of Generation Tariff) Regulations, 2009 read with the UPERC Tariff Order dated 20.01.11 or any amendment thereof, the later shall prevail.

22.10 This PPA is subject to approval by UPERC.

IN WITNESS WHEREOF the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names as on the date first above written.

SIGNED AND DELIVERED by UPRVUNL (Seller)
by the hand of its authorized official.
Name: (P. K. AGARWAL)
Title: Advisor (Tech.)
U.P.R.V.U.N.L.
Shakti Bhawan Extn.
14, Ashok Marg, Lucknow

In the presence of:
1. Witness Name [Signature]
2. Witness Name [Signature]
(M.L. SANDHYA)
अधिकाारी अभियन्ता (वाणिज्यिक)
14वाँ तल, शक्ति भवन विस्तार
उ.प्र. राज्य विद्युत उत्पादन निगम लि.

SIGNED AND DELIVERED by UPPCL (Purchaser)
by the hand of its authorized official.
Name: [Signature]
Title: [Signature]

In the presence of:
1. Witness Name [Signature] (Jagat Verma, EE (PPA))
2. Witness Name [Signature]
अधिकाारी अभियन्ता
ऊर्जा क्रय अनुसंधान निदेशालय
यूपीपीएलसीएलओ, शक्ति भवन विस्तार, लखनऊ

Er. Ramesh Chandra
Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

POWER PURCHASE AGREEMENT

BETWEEN

UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM LIMITED

AND

UTTAR PRADESH POWER CORPORATION LIMITED

DATED: 26-5-2011

**For Harduganj Ext. Thermal Power Station for the Period from April 1,
2009 to March 31, 2014**

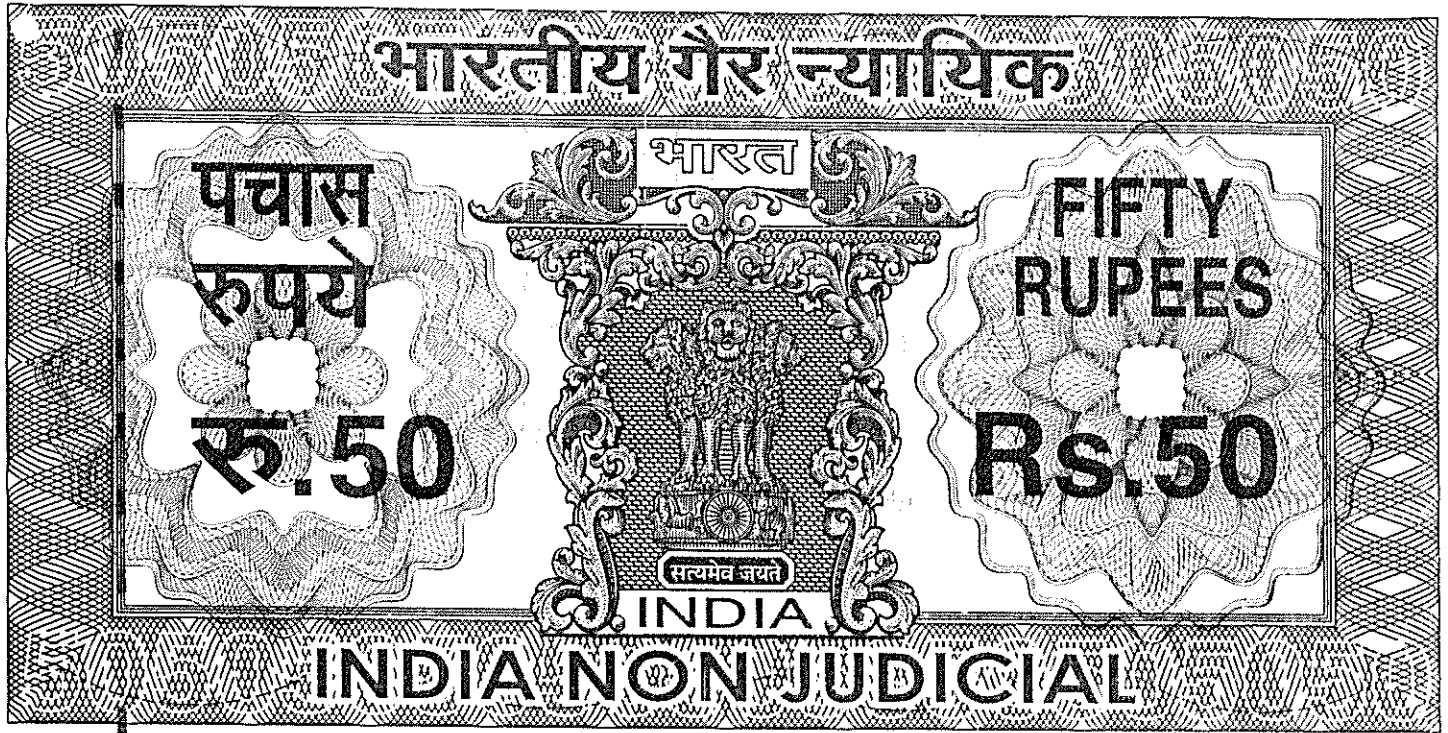


उत्तर प्रदेश UTTAR PRADESH

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**POWER PURCHASE AGREEMENT
BETWEEN
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM
LIMITED
AND
UTTAR PRADESH POWER CORPORATION LIMITED**

This Power Purchase Agreement (hereinafter referred to as "Agreement") entered into this^{26th}..... day of ..May..2011..... between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd., a company incorporated under the Companies Act, 1956 having its Registered Office, at "Shakti Bhawan Extn", 14 – Ashok Marg, Lucknow – 226001 (hereinafter referred to as "UPRVUNL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns), as party of the FIRST PART which is the party selling the power, and Uttar Pradesh Power Corporation Limited, a company incorporated under the Companies Act, 1956 having its registered office at "Shakti Bhawan" 14 – Ashok Marg, Lucknow-226001 (hereinafter referred to as "UPPCL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns) as party of the SECOND PART, which is the party purchasing the power. This Agreement is subject to Uttar Pradesh Electricity Regulatory Commission's approval in terms of provisions, Section 10 (2) and (3), Section 86 (1) (a) and (b) of the Electricity Act, 2003 and Section 10 (1) (c) of the Uttar Pradesh Electricity Reforms Act, 1999 (U.P. Act no. 24 of 1999).



उत्तर प्रदेश UTTAR PRADESH

Y 556530

WHEREAS

- (i) UPRVUNL is a power generating company, which will own and operate a new upcoming electric power generating station namely Harduaganj Extn. Thermal Power Station at Harduaganj, District Aligarh and will be engaged in the business of the generation and sale of electricity so produced, and
- (ii) UPPCL is the holding company of the Distribution Companies (now distribution licensees in the State), as per section 4 of the Companies Act, 1956 and
- (iii) UPRVUNL wishes to sell to UPPCL who in turn wishes to purchase from UPRVUNL its electric energy and capacity from the aforementioned power generating station pursuant to the terms and conditions set forth herein. Further, the reallocation of generating capacity of UPRVUNL amongst various DisComs, as required, will be done as per approval from GoUP, without affecting upon the rights & obligations of UPRVUNL under this agreement. On such reallocation, the rights and obligations of UPPCL under this agreement shall stand transferred to the Distribution Companies, being the successor(s) of UPPCL as per provision in the PPA.

WHEREAS

UPRVUNL will own and operate the Harduaganj Extn. Thermal power station having installed capacity of 2x250 MW. to be commissioned as per following schedule (tentative)

Unit no. 8 :- 10.06.11

Unit no. 9 :- 25.07.11

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

1.0 DEFINITIONS AND INTERPRETATION

1.1 Definitions

When used herein and in all of the Schedules hereto including, without limitation, the Tariff (as hereinafter defined) or any other document related to this Agreement, the defined terms set forth in this Article 1 shall have the meanings specified herein.

Any term used herein, but not defined herein, shall have the meanings provided in the U.P. Electricity Reforms Act, 1999 and The Electricity Act, 2003, as amended from time to time. Additional defined terms set forth in "The Uttar Pradesh Electricity Regulatory Commission (Terms and conditions of Generation Tariff) Regulations, 2009" shall have the meanings set forth therein.

Availability

In relation to the thermal generating station for any period means the average of the daily average declared capacities (DCs) for all the days during that period expressed as a percentage of the installed capacity of the generating station minus normative auxiliary consumption in MW, and shall be computed in accordance with the following formula:

$$\text{Availability (\%)} = 10000 \times \frac{\sum_{i=1}^N \text{DC}_i}{\{ N \times \text{IC} \times (100 - \text{AUX}_n) \}} \%$$

where,

IC = Installed Capacity of the generating station in MW.

DC_i = Average declared capacity for the *i*th day of the period in MW.

N = Number of days during the period, and

AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Bill shall have the meaning as ascribed in clause 10 read with clause 6 of this Agreement.

Billing Date: shall be the date on which the bill shall be raised. The UPRVUNL shall present the bills after the end of each calendar month as per UPERC Tariff Order for energy supplied to UPPCL from the Power Station as per Energy Account issued by SLDC/STU or any other Competent Authority/JMR at TPS.

Billing Month means the metering date of one calendar month to the metering date of the next calendar month.

Business Day shall construe as a reference to a date (other than Sunday and Public Holidays) on which Banks are open for business in Lucknow.

Business Hours means the period commencing from 10:30 hours to 17:00 hours on any Business day.

Cause means any fact or circumstances which legally entitles the issuing Government Agency, to withhold issuance or renewal of, revoke or amend a Permit, due to any failure by Seller or any of the Lenders, Investors or Contractors in whose name the Permit has been or is to be issued.

CEA means the Central Electricity Authority.

Change in Law means:

- (i) Any enactment or issuance of any new Law;
- (ii) Any change in the interpretation or application of an existing Law by any judicial or quasi-judicial or other authority (including a court, tribunal or regulatory commission) having the legal power to interpret or apply such Law;
- (iii) Any amendment, alteration, or modification of an existing Law;
- (iv) The repeal and re-enactment of any existing Law;
- (v) Any Change in Permits;
- (vi) Imposition (other than for Cause) of a requirement for a permit which did not exist as at the date of this Agreement;
- (vii) A change (other than for cause) in the terms and conditions attaching to a permit after it has been given;
- (viii) To the attachment of any new terms and conditions to such permit; or
- (ix) The revocation or cancellation (other than for Cause) of any permit.

Provided however, no Change in Tax shall qualify as "Change in Law". Law shall not include any "Tax Law" (as hereinafter defined).

Change in Permits means:

- (i) the imposition (other than for Cause) of any material requirement in connection with the issuance, renewal or extension of any Permit or the modification of any Permit after such Permit was issued, in either case subsequent to the date of signing of this Agreement;
- (ii) the imposition (other than for Cause) of a requirement for a Permit which did not exist as on the date of this Agreement;
- (iii) the revocation or cancellation (other than for Cause) of any Permit.

Change in Tax means any introduction, amendment, extension, repeal or authoritative change in interpretation or application of any Tax (including, without limitation, the time, rate, incentive, exemption or incidence applicable to any Tax) after the date hereof.

Check Import/Export Meters means meters for maintaining a check on performance of main import/export meters and shall be used for accounting and billing of electricity in case of failure of main meter.


CLDS means Central Load Dispatch Station of UPPTCL.

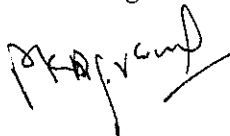
Date of effectiveness of Agreement shall be 1st April, 2009.

Day means the 24 (twenty four) hours period ending at 24:00 Hours midnight Indian Standard Time.

Declared Capacity or DC means the capability of the generating station to deliver ex-bus electricity in MW declared by such generating station in relation to any period of the day or whole of the day, duly taking into account the availability of fuel;

Delivery of Bill: Shall have the meaning as defined in clause 10 of this agreement.


Desktop/powerpurchase agreement



Designated Officer means an officer designated by UPPCL/STU for matters relating to meter reading, billing and payment.

Dispute means any material dispute or material difference of any kind between Seller and Purchaser in connection with or arising out of this Agreement.

Due Date of Payment or Due Date means, in relation to any Bill, the date on which the amount referred to in such Bill becomes due for payment which shall be 30 days from the Billing Date to the Authorized Representative of Purchaser. If the due date is not a business day, the next business day will be the due date.

Energy Charges shall cover fuel costs and shall be worked out as specified in Tariff order.

Energy Account shall mean periodic energy account including amendments thereof, if any.

Energy Unit means one-kilowatt hour of electrical energy.

Fixed Charges or Capacity Charge amount means the recoverable fixed charge for a Tariff period determined in accordance with the Tariff Order.

Force Majeure shall have the meaning set forth in clause 16 of this Agreement.

Force Outage means an interruption of generating capacity that is not the result of:

- (i) A Scheduled Outage;
- (ii) A Force Majeure event;
- (iii) Any event or condition caused by Purchaser or attributable to an event or condition on Purchaser Facility; or
- (iv) Any Emergency or other curtailment or reduction pursuant to clause 16 in this Agreement.

Generating Unit means Plant, consisting of boiler, turbo generator, and other auxiliaries, which is capable of generating the specified power, independently.

GOI means the Government of India.

GOUP means the Government of Uttar Pradesh and its successors.

Government Agency means the GOI, GOUP, UPERC, or any ministry, department, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with Seller) or commission under the direct or indirect control of the GOI or the GOUP or any political subdivision of either of them owned or controlled by GOI or GOUP or any of their subdivisions, or any court, tribunal or judicial body within India.

Grid means the total system of electrical generation using any means other than Seller's Generating Unit, evacuation and transmission circuits, transformers, switchgear and other equipment (including the interconnection Facility) on Purchaser's side of the Interconnection Point.

'Gross Calorific Value' or GCV in relation to a thermal power generating station means the heat produced in kCal by complete combustion of one kilogram of solid fuel or one litre of liquid fuel, as the case may be;

Interconnection Point means the point or points at which interconnection is made between the Unit and the Transmission Utility System and unless otherwise mutually decided, shall be at the outgoing sides of circuit breakers connecting the EHT/HT lines.

Desktop/powerpurchase agreement

Installed Capacity or IC means the summation of the name plate capacities of all the units of the generating station or the capacity of the generating station reckoned at the generator terminals as approved by the Commission from time to time;

KW means kilowatt.

kWH means kilowatt hour.

Law means the Constitution of India and any Act, rule, regulation, notification, directive, ordinance, order or any interpretation thereof or instruction having the force of law enacted or issued by any Government Agency.

Main Import Meter shall mean meter for measurement of active energy import at TPS Busbar for energy accounting.

Main Export Meter shall mean meter for measurement of active energy export at TPS Busbar for energy accounting.

Metering Date shall mean mid-day (12:00 hrs) of the last day of each calendar month.

Monthly Fixed Charge amount means the prescribed recoverable fixed charges as per Tariff Order.

MU shall mean one million Units.

MW means Megawatts.

Net Electrical Energy is the energy, supplied by Harduaganj Extn TPS of UPRVUNL and measured in kWh, at the point of interconnection in accordance with the provisions of Clause 5.

O & M shall mean operation and maintenance.

Permit or Permits means any consent, license, approval, permit, no objection certificate or other authorization of any nature whatsoever, which is required to be granted to Purchaser or Seller, as the case may be, by any Government Agency for the purpose of owning, developing, designing, financing, insuring, constructing, operating or maintaining the Project as contemplated under this Agreement.

Plant Load Factor or PLF for a given period, means the total sent out energy corresponding to scheduled generation during the period, expressed as a percentage of sent out energy corresponding to installed capacity in that period and shall be computed in accordance with the following formula;

$$PLF (\%) = 10000 \times \frac{\sum_{i=1}^N SG_i}{\{ N \times IC \times (100 - AUX_n) \}} \%$$

where,

IC = Installed Capacity of the generating station in MW.

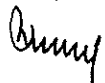
SG_i = Scheduled Generation in MW for the ith time block of the period.

N = Number of time blocks during the period, and

AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Power Grid means Power Grid Corporation Ltd.

Power Purchase Agreement means the Agreement for selling of power by UPRVUNL and purchase by UPPCL.



Primary Fuel shall mean coal as supplied by the collieries.

Pool Account means Regional account for payments regarding Unschedule Interchanges

Scheduled Bank means any bank at Lucknow indicated by Purchaser and acceptable to Seller.

Secondary Fuel shall mean the heavy furnace oil (HFO) and/or light diesel oil (LDO) and or Low Sulphur High Speed (LSHS)

SLDC or State Load Dispatch Centre means the centre established under subsection (1) of section 31 by GoUP

Schedule Generation: At any time or for any period or time block means Schedule of Generation in Mw or Mwh ex-bus given by the concerned Load Dispatch centre.

Target Availability or TA means availability as set by the Commission in its Tariff Order

Tariff means the amounts to be paid by Purchaser to the Seller under this Agreement and as determined by UPERC or any competent authority authorized from time to time.

Tariff Order means the Tariff Order passed by UPERC on 20.01.11 for MYT period FY 2009-10 to 2013-2014 (Ref No UPERC/ Secy/D(G)/2011-1545 dated 20.01.11) and hosted on website: www.uperc.org

Tariff Regulation means the regulations notified in exercise of powers conferred under Section 181 read with Section 61 of the Electricity Act, 2003 by the Uttar Pradesh Electricity Regulatory Commission [vide Notification No. UPERC/Secy/ Generation Regulation/4100, Lucknow dated 31 March 2009, titled as the Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 and as amended from time to time.

Tax means tax, cess, levy, toll, impost, excise, duty, fee or charge of any nature whatsoever levied by or payable to any Government Agency including but not limited to any withholding tax, income tax, corporate tax, VAT, excise tax, works contract tax, stamp duty, customs and import duties, octroi.

Thermal Power Station (TPS) means a thermal generating station having an installation of one or more thermal generating units and covered under this Agreement.

Transfer Scheme shall mean UP Electricity Reforms Transfer Scheme, 2000.

Unit means one kilowatt-hour.

UPERC or Commission means UP Electricity Regulatory Commission.

1.2 INTERPRETATION AND GENERAL

1.2.1 **Interpretation** Any reference in this Agreement to:
this Agreement shall be construed as references to this Agreement together with all recitals and Schedules hereto;

Clause shall, subject to any contrary indication, be construed as a reference to a clause of this Agreement;

Encumbrance shall be construed as a reference to a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;

Paragraph shall, subject to any contrary indication, be construed as a reference to a paragraph in the Clause or Schedule in which such reference appears;

Person shall be construed as a reference to any person, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing.

1.2.2 General

Save where the contrary is indicated, any reference in this Agreement to:

- (i) **Rupee and Rs.** denote Indian Currency;
- (ii) words importing the singular shall include the plural and vice versa, any person shall be construed so as to include its and any subsequent successors, transferees and assigns in accordance with their respective interests;
- (iii) this Agreement or any other agreement or document shall be construed as a reference to each such agreement or, as the case may be, such other agreement or document as the same may have been, or may, from time to time, be amended, varied, novated, replaced or supplemented;
- (iv) a statute or enactment shall be construed as a reference to such statute as the same may have been, or may from time to time be, amended or re-enacted;
- (v) All orders so issued by UPERC shall be binding on both the parties from the date the same become applicable.
- (vi) In case either party goes in for any Review Petition/Appeal against the order of the UPERC before the competent authority, the order of the competent authority in that regard shall be applicable and binding on both the parties from the date the said order become applicable.
- (vii) a time of day shall, save as otherwise provided in any agreement or document, be construed as a reference to Indian Standard Time; and

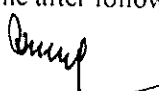
Any word or expression used in this Agreement shall, unless otherwise defined or construed herein, bear its ordinary English meaning and, for these purposes, the General Clauses Act, 1897 shall not apply.

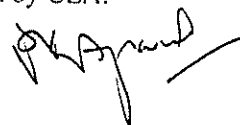
2.0 TERM OF AGREEMENT

The term of this Agreement shall be for a period of five years starting from 1st April, 2009 and ending on 31st March, 2014 extendable/renewable by **mutual** consent between UPPCL and UPRVUNL. In case UPPCL continue to get power from the Harduaganj Extn. Thermal Power Station even after expiry of this agreement without further renewal or formal extension thereof, then all the provisions of this agreement shall continue to operate till this Agreement is formally renewed, extended or replaced except the Tariff, which will be applicable as per order of the UPERC and as per provision of clause 6.3 of this agreement. This agreement shall be terminable even from any earlier date from which the PPA with different DisComs has been made effective.

3.0 INSTALLED CAPACITY

3.1 The installed capacity of Harduaganj Extn. Thermal Power Station will be 500 MW. The installed capacity is, however, subject to de-rating/re-rating of the generating units as determined from time to time after following the prescribed procedure as laid down by CEA.


Desktop/powerpurchase agreement



- 3.2 Allocation of Power**
Full capacity of Harduaganj Extn. TPS shall be allocated to UPPCL unless reallocated by GOUP.
- 3.3 Drawal of Power**
The power from Harduaganj Extn TPS shall be drawn by UPPCL directly through its own or through the transmission system of other agencies on the basis of availability of capacity of the TPS.
- 3.4 Generation Schedule**
UPRVUNL shall submit daily generation schedule of Harduaganj Extn TPS to UPPCL or SLDC, as per UPERC Generation Regulations
- 3.5 Daily Declared Capacity Notice**
UPRVUNL shall deliver to UPPCL or SLDC, as applicable, at each day a notice indicating daily declared capacity of Harduaganj Extn TPS as per regulation for next 24 hours. Any change in daily declared capacity notice due to minor or major breakdown in station shall be intimated to UPPCL or SLDC, as applicable as per regulation.
- 4.0 TRANSMISSION/WHEELING OF POWER**
- 4.1** Power shall be made available by UPRVUNL at the busbars of the Station and it shall be the obligation and responsibility of UPPCL to make the required arrangement for evacuation of power from such delivery points of UPRVUNL.
- 4.2** UPPCL shall coordinate with the appropriate authorities/agencies including UPPTCL/STU or any other Licensees for power evacuation from the above delivery point.
- 4.3** UPPCL shall be responsible to coordinate with the UPPTCL/STU or any licensee or other agencies for implementation of the transmission system for evacuation of power from the station matching with the commissioning schedule of the station.
- 4.4** For wheeling of the power beyond busbars of the Station, charges for utilization of transmission system(s) owned by UPPTCL/STU/other agencies shall be paid directly by UPPCL to the UPPTCL or other agencies. UPRVUNL shall not be responsible for payment of such charges.
- 5.0 SUPPLY OF POWER**
Power as generated by Harduaganj Extn TPS will be supplied to UPPCL only unless mutually agreed otherwise. Terms and conditions as mutually agreed and approved/determined by UPERC from time to time would be applicable.
- 6.0 TARIFF AND TERMS & CONDITIONS**
- 6.1** The cost of infirm power shall be the energy charge calculated on the basis of cost of fuel and the norms of gross station heat rate, secondary fuel oil consumption and auxiliary energy consumption specified for calculation of variable charge during stabilization period as specified in Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009
- 6.2** The tariff chargeable to UPPCL shall be as per the Tariff Order dated 20.01.11 or any amendment thereof issued by the UPERC.
- 6.3** The bill for the energy so supplied would be based on energy accounts as given under Clause 7 of this Agreement.
- 6.4** If Tariff for the period extending beyond 31.03.2014 is not approved by the U.P. Electricity Regulatory Commission the tariff order dated 20.01.11 approved by the Commission will be provisionally applicable till Tariff Order for the concerning period is approved by the UPERC.
- 7 SCHEDULING AND ENERGY ACCOUNTING**
- 7.1 Scheduling**
Consequent to the implementation of ABT the methodology of generation schedule shall be as per Indian Electricity Grid Code/UP Electricity Grid Code (as revised from time to time) and UPERC orders.

7.2 Unschedule Interchange

7.2.1 UI for generating station shall be equal to its actual generation minus schedule generation. UI should be worked out for each 15 min blocks. Charges for all UI transactions shall be based on average frequency of the time block and rates as specified in notifications issued by UPERC from time to time.

7.2.2 In case of zero generation (tripping / shut down of all units) of a Thermal Power Station, the negative DC / negative Revision Schedule (drawl of power from grid) declared by TPS will be accepted by SLDC and the energy supplied from UPPCL system to the TPS during such period shall be charged at the same tariff or as mutually agreed.

7.2.3 **Effective date of implementation of ABT:** The effective date of implementation of ABT for Harduaganj Extn.of UPRVUNL will be as per UPERC guide lines.

7.3 Energy Accounting :

7.3.1 Energy drawal by UPPCL will be metered at the Harduaganj Extn. TPS. The energy account shall be prepared by UPRVUNL based on the monthly joint meter reading taken by the representatives of UPRVUNL and UPPCL/STU. The methodology for energy account would be on mutually agreed basis. The export and import of energy at the metering points shall be computed on net basis, i.e. by difference between export and import meter readings.

Provided that if and when provisions of ABT are implemented the Energy Accounts shall be governed by clause 29 of Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 reproduced as under:

“Metering and Accounting - Metering arrangements, including installation, testing and operation and maintenance of meters and collection, transportation and processing of data required for accounting of energy exchanges and average frequency on 15 minute time block basis shall be organized by the State Transmission Utility in consultation with State Load Despatch Centre. All concerned entities (in whose premises the special energy meters are installed), shall fully cooperate with the State Transmission Utility/State Load Despatch Centre and extend the necessary assistance by taking weekly meter readings and transmitting them to the State Load Despatch Centre. The State Load Despatch Centre, on the basis of processed data of meters along with data relating to declared capability and schedules etc., shall issue the State Accounts for energy on monthly basis as well as UI charges on weekly basis. UI accounting procedures shall be governed by the orders of Central Commission.

Note: This provision shall be applicable with effect from the date these Regulations coming into force except for UI that shall come into force from such date specified by the Commission for implementation of ABT in the State”.

7.3.2 On implementation of ABT the Regional Energy Account issued by STU/SLDC or any competent authority shall be binding on all the parties for billing and payment purposes.

7.3.3 Such consumers other than establishment of Harduaganj Extn.TPS getting supply directly from Harduaganj Extn.TPS of UPRVUNL would be UPPCL consumers. The billing shall be done by UPPCL on the basis of joint meter reading taken by representative of UPRVUNL & representative of UPPCL/ STU concerned Division of DisComs. Such energy shall be treated as energy exported to UPPCL and accounted for accordingly.

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8 POINTS OF METERING

The main and check meters at the 400 KV/220 KV/132 KV or other KV bus bars of generating transformers of the Harduaganj Extn.TPS to be installed by UPRVUNL shall be maintained by UPRVUNL. Installation and maintenance of main and check meters at locations other than the meters installed and maintained by UPRVUNL shall be the responsibility of UPPCL/STU. The meters shall be sealed after calibration by the concerned parties jointly. The points of metering for Harduaganj Extn.TPS are as under:

Export Points:-

1. Generator Transformer-8
2. Generator Transformer-9

Import Points:-

1. Station Transformer No.8
2. Station Transformer No. 9

Note: - The above points are subject to addition/alteration, if found necessary

9 METERING SYSTEM

- 9.1 A set of CT/PT/Meters (Main and check) of 0.2 accuracy class, as per IEGC/CEA (Installation & Operation of Meters) Regulations – 2006 as applicable, shall be installed on all outgoing feeders of the station. UPPCL/STU shall make all necessary arrangements for installation of CT/PT/Meters, at all its drawal points. So long as existing CT/PT/Meters of any other class are replaced by 0.2 class, the existing CT/PT/Meters will be used for energy accounting.
- 9.2 All the meters shall be jointly calibrated, inspected and sealed on behalf of the parties and shall not be interfered with except in the presence of other party or for joint testing and calibration and/or replacement and/or any other purposes for which due notice of 7 (Seven) days will be given by UPRVUNL/STU/UPPCL so that this is done in the presence of the authorized representatives of the STU/UPPCL/UPRVUNL.
- 9.3 Joint meter readings of the main as well as check meters at various energy accounting points as identified shall be taken by the parties as mentioned above at 1200 hrs (noon) on the last day of each calendar month. In case any of the concerned parties is not available for joint meter readings at the specified time, the meter reading taken by the other party shall be binding on both the parties and shall be taken into account for preparation of Energy Accounts. UPPCL shall designate an officer for joint meter reading. On implementation of ABT the data shall be downloaded from the meters at regular interval as decided by STU/SLDC for preparation of REA/UI account.
- 9.4 If the main meter is found to be not working at the time of meter readings or any other time, UPRVUNL shall inform the STU/SLDC for the same and the data from check meters shall be considered by SLDC/STU for energy accounting for the period..
- 9.5 If in any month the readings of the main energy meter(s) differ from the readings of corresponding check energy meter(s) by more than 0.4% (zero point four percent) the main and check energy meter(s) shall be tested in turn and the errors at various levels as per standard procedures would be determined. If on such testing main energy/check meter error is found to exceed $\pm 0.2\%$ (plus/minus zero point two percent) the energy figures recorded by the main energy/check meter(s) for the above month concerned shall be revised accordingly and the main energy/check meter(s) shall be recalibrated jointly or replaced by the correct energy meter(s). Pending the results of such testing,

- billing and payment shall continue to be based on the energy recorded by the check meter(s), provided its error is within the prescribed limit.
- 9.6 If both the main and check meter(s) fail to record or if any of the PT fuses are blown out, then the energy will be computed on a mutually agreeable basis between UPRVUNL and UPPCL/STU for the period of defect. In case there is no mutual agreement, the computation of energy shall be on the basis of average of the billing of last three months.
- 9.7 Corrections in billing whenever necessary, shall be applicable for the period between the previous meter reading and the date and time of the replacement or recalibrated correct meter and this correction shall be for the full value of the absolute error. For the purpose of the correction to be applied, the meter shall be tested as per Indian Standard (British Standard where Indian Standard is not existing) The error at the load and power factor nearest to the average monthly load served at the point during the period shall be taken as the error to be applied for correction.
- 9.8 All the meters shall be checked for accuracy on quarterly basis by comparison of the readings of main and check meters by UPRVUNL and UPPCL/STU and shall be treated as working satisfactorily so long as the errors are within the limits prescribed in relevant Indian Standard (or British Standard where Indian Standard is not existing) for meters of the said class. The meter readings of main meters shall form the basis of the Energy Accounts so long as the quarterly check results thereof are within prescribed limits. If the check meters are found to be defective during the quarterly checks, these shall be immediately calibrated jointly/ replaced. Where the quarterly checks indicate errors in the main meter(s) beyond limit but no error is noticed in check meter(s) during quarterly checking computation of total net energy sent out at 400 KV bus bars and/or 220 KV / 132 KV and/or other KV bus bars, as applicable, of the Harduaganj Extn TPS for the month shall be done on the basis of check meter(s) and main meter(s) shall be calibrated jointly immediately. If during the quarterly test check, the difference in the main meter(s) and the corresponding check meters readings are found to be beyond the permissible limits of error, i.e. more than 0.40% both the meter(s) shall be immediately calibrated and the correction applicable to main meter shall be applied to the consumption registered by the main meter(s) to arrive at the correct consumption of energy for the purpose of Energy Accounts for the month from the date of last meter reading upto the time of replacement of correct main meter. Billing for the period thereafter, till the next monthly meter reading, shall be as per calibrated main meter. During this period of calibration of main and check meter(s) another set of main and check meters duly calibrated and sealed will be installed by UPRVUNL/STU/UPPCL at the TPS in the presence of UPPCL/STU/UPRVUNL and jointly sealed. The energy accounting during the period of calibration of original meters shall be as per the readings of the substituted main meter. In case spare meters are not available with UPRVUNL/STU/UPPCL the main/check meter shall be calibrated by rotation. During the period of removal of main meter, the energy accounting will be done based on check meter readings applied with correction factor of the check meter obtained during testing/calibration of check meter.
- 9.9 For the purpose of test and calibration, the standard meter calibrated and sealed by GOUP/GOI Authorized Meter Testing House/Laboratory shall be utilized. This standard meter shall be got calibrated once in every six months at the GOUP/GOI Authorized Meter Testing House/Laboratory.
- 9.10 If at any time any party to the Agreement feels that a meter is not recording correctly it shall give notice to the other party. UPRVUNL/STU/UPPCL shall then undertake testing and calibration of the meters owned by UPRVUNL/STU/UPPCL. If errors on such testing is found to exceed the error limits specified in the relevant Indian Standard (British Standard where Indian Standard is not existing) for this class of meters necessary adjustment in the bills shall be made from the date of notice or from such other date as can be satisfactorily established to be proper for such adjustment.
- 9.11 Once in every five years, both main and check meters shall be tested for accuracy by a substandard meter either at the station or at any approved testing laboratory. During testing in case of error is found to be more than the permissible limits, then the meter shall be replaced by a correct meter.

10 BILLING AND PAYMENT

10.1 All charges under this Agreement shall be billed by UPRVUNL as per Clause 6 and shall be paid by UPPCL in accordance with the following provisions:

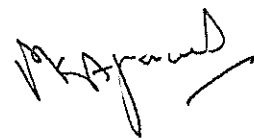
- (i) UPRVUNL shall deliver bills to the UPPCL generally within 10 days of the billing date for energy supplied for each month to UPPCL from Harduaganj Extn TPS. The payments will be made by UPPCL within due date by cheque payable at Lucknow.
- (ii) UPRVUNL shall carry out billing and associated functions. The authority of UPPCL to whom the bills have to be submitted would be informed by UPPCL to UPRVUNL within a month of signing of the Agreement failing which UPRVUNL would submit the bills to the Director (Finance) of UPPCL.
- (iii) UPPCL shall make adequate provisions in their approved budget for respective years during which this PPA continues to ensure regular payment of power purchased by UPPCL from UPRVUNL and shall also furnish a copy of the approved budget to UPRVUNL.
- (iv) PFC conditions applicable for the agreement period are:-
 - (a) UPRVUNL can undertake third party sale of energy within the state or outside the state if the procurer of energy does not clear the dues as per schedule.
 - (b) Provided that revenue of the procurer shall be escrowed in favour of UPRVUNL and in turn in favour of lenders to UPRVUNL.
 - (c) In case of default to PFC by UPRVUNL, the PFC shall have right to transfer the project to themselves or their agents, operate the project and sell energy to third party.

10.2 Schedule of payment of UI Charges

10.2.1 **UI Charges Accounting:** All payments on account of UI charges including the additional UI charges levied under the regulations and interest received on late payment thereof shall be credited to a fund called UI pool account fund which shall be maintained and operated in accordance with provisions of UPERC regulation / grid code or as mutually agreed.

10.2.2 Payment of UI charges shall have a high priority and the concerned constituent shall pay the indicated amount within 10 days of the issue of statement of UI charges including additional UI charges into the UI pool account fund or as mutually agreed.

10.2.3 If payment against UI charges including additional UI charges are delayed by more than two days i.e beyond 12 days from the date of issue of statement by SLDC, the defaulting constituent shall have to pay simple interest @ .04% for each day of delay applicable as per UPERC order / any amendment time to time or as mutually agreed.



11 DISPUTES

In the event of any dispute as to all or any portion of an Invoice, Purchaser shall nevertheless pay the full amount of the undisputed charges plus minimum 50% of the disputed amount of the invoice

within due date and shall serve notice on the Seller that the amount of an Invoice is in dispute in which event the provisions of Clause 14 hereof shall be applicable.

12 REGULATION OF SUPPLY

In the event any bill(s) remain unpaid for a period exceeding sixty (60) days, UPRVUNL shall serve a notice on UPPCL giving fifteen (15) days period for affecting regulation of supply from its Harduaganj Extn. Thermal Power Station with consent of GOUP, unless UPPCL makes full direct payment of the outstanding amount within the notice period. In case regulation of supply is affected, for resumption UPPCL shall pay all the outstanding dues.

13.0 LEVIES, TAXES, DUTIES, CESS, ETC.:

The amount of all lawful taxes/duties/cess, etc. payable by UPRVUNL to GOUP/GOI and/or any other local bodies/authorities on generation of electricity including auxiliary consumption, or any other types of consumption including water, transmission, environment protection, sale or on supply of electricity and/or in respect of any of its installation associated with the TPS and/or Transmission system shall be billed on to UPPCL in the shape of supplementary bill raised by UPRVUNL, and UPPCL will make payment accordingly at actuals.

13.1 **Income Tax** – Income tax on core activity to be charged separately through Tax Escrow Account.

14.0 INFORMAL DISPUTE RESOLUTION

14.1 The Authorized Representative appointed by the Parties in pursuance be authorized to resolve any dispute, controversy or claim arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination (a “Dispute”) in an equitable manner.

14.2 Following notice by one Party to the other setting out the particulars of the Dispute, if the Authorized Representatives are unable to resolve the Dispute under this Agreement within 15 days, such Dispute shall be referred by such Authorized Representatives to a senior officer designated by Seller and a senior officer designated by Purchaser, respectively, who shall attempt to resolve the Dispute within a further period of 15 days.

14.3 The Parties hereto agree to use their best efforts to attempt for resolving all Disputes arising hereunder promptly, equitably and in good faith, and further agree to provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any such Dispute.

15.0 ARBITRATION

15.1 All differences or disputes between the parties arising out of or in connection with this Agreement remained unresolved as per clause 14 above shall be settled through arbitration as provided herein after.

15.2 In the event of such difference or disputes between the parties the matter shall be referred to UPERC for arbitration as per Section 158 of The Electricity Act, 2003 and Section 34 of the U.P. Electricity Reforms Act, 1999.

15.3 Notwithstanding the existence of any question, disputes and differences referred to arbitration, the parties hereto shall continue to perform their respective obligations under this Agreement.

16 **FORCE MAJEURE**

The parties shall ensure due compliance with the terms of this Agreement. However no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God, strike, lock-out or any other reason beyond the reasonable control of concerned party. But any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within 24 hours thereof to the other party to this effect. Generation /drawal of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

17.0 **SYSTEM OPERATION**

All instructions from SLDC/ STU will be followed strictly regarding scheduling and operation of the Harduaganj Extn.TPS.

18 **IMPLEMENTATION OF THE AGREEMENT**

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorized representative(s) that each party may nominate in this behalf and notify in writing to the other party by registered post/courier. Any other nomination of authorized representative(s) shall be informed likewise in writing to/by UPPCL within one month of signing of the Agreement. Notwithstanding any nomination, the Chairman and Managing Director UPRVUNL, Shakti Bhawan, 14, Ashok Marg, Lucknow /CE(L-1/1) of Harduaganj Extn.TPS or their authorized representatives shall be authorized to act for and on behalf of UPRVUNL.

19.0 **NOTICE**

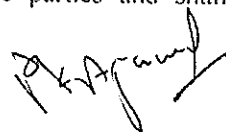
19.1 All notices required or referred to under this Agreement shall be in writing and signed by the respective authorized signatories of the parties mentioned herein unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts/by Courier Service with an acknowledgement due to the other parties in terms of this Agreement.

19.2 All notices or communications given by telefax or telegram/FAX shall be confirmed by deposition of a copy of the same in the post office in an envelope properly addressed to the appropriate party for delivery by registered or certified mail or courier. All notices shall be deemed delivered upon receipt.

20.0 **SUCCESSORS AND ASSIGNS**

20.1 Neither party shall assign in full or part with any of its rights or obligations under this agreement to any third party without the prior approval in writing of other party.

20.2 In case any of the parties to this Agreement is restructured and/or its generation, transmission and distribution activities are taken over by other organization(s), agency(ies), partly or wholly, the Agreement shall be binding *mutatis mutandis* upon the successor organization(s)/ agency(ies), and shall ensure to the benefits of and shall also be guaranteed by the State Government and shall continue to remain valid with respect to the obligations of the successor organization(s)/agency(ies). In such situation this agreement shall be suitably reviewed and modified as mutually agreed between the parties and shall be binding on all concerned.



21.0 JURISDICTION

All disputes arising out of or relating to this agreement shall be subject to the jurisdiction of High Court of Judicature of Allahabad at Lucknow Bench.

22.0 MISCELLANEOUS

22.1 Writing

No variation, waiver, amendment or modification of any of the terms of the Agreement shall be valid unless approved by UPERC and communicated in writing and signed by or on behalf of the Parties.

22.2 Severability

The invalidity or enforceability, for any reason, of any part of this Agreement shall not prejudice or affect the validity or enforceability of the remainder.

22.3 No Waiver

The failure of any Party to insist in one or more instances upon the strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as waiver of any such provisions or relinquishment of any such rights but the same shall continue in full force and effect.

22.4 Language

The language of this agreement shall be in English and all documents, notices, waivers and any other written communication or otherwise between the parties, in connection with the agreement, shall be in English/Hindi.

22.5 Entirety

This Agreement is intended by the parties as the final expression of their agreement and are intended also as a complete and exclusive statement of the terms of their agreement.

All prior written or oral understanding, offers or communications of every kind pertaining to this agreement or the sale or purchase of electrical output and contracted capacity under this agreement to Purchaser by Seller are abrogated and withdrawn.

22.6 Survival

Notwithstanding anything contained in this Agreement, clause 18 read with clause 2 shall survive this Agreement.

22.7 Waiver of Immunity

Purchaser and Seller are subject to Civil and Commercial Law with respect to their obligations under this Agreement, and the execution, delivery and performance hereof by them constitutes (for the purposes of applicable Indian Law and otherwise) private and commercial acts rather than government and public acts.

To the extent that Purchaser or Seller may in any jurisdiction claim for itself or any of its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgement or otherwise) or other legal process, or to the extent that in any jurisdiction there may be attributed to Purchaser or its assets or revenues any such immunity (whether or not claimed), Purchaser and Seller hereby agree not to claim and irrevocably waive any such immunity.

22.8 Breach of Obligations

The parties acknowledge that a breach of any of the obligations contained herein would result in injuries. The parties acknowledge the damages alone shall not be adequate remedy for such breach. Accordingly each party agrees that in addition to any other rights or remedy which the other party may have at Law or in equity, the non breaching party shall be entitled to specific performance and injunctive relief in any court of competent jurisdiction for any breach or threatened breach by the other party.

22.9 Inconsistency between the Provisions of PPA and Tariff Regulations/Tariff Order:

In the event of any inconsistency between the provisions of this PPA and the UPERC (Terms and Conditions of Generation Tariff) Regulations, 2009 read with the UPERC Tariff Order dated 20.01.11 or any amendment thereof, the later shall prevail.

22.10 This PPA is subject to approval by UPERC

IN WITNESS WHEREOF the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names as on the date first above written.

SIGNED AND DELIVERED BY UPRVUNL (Seller)

by the hand of its authorized official.

Name: (P. K. AGARWAL)

Title: Advisor (Tech.)

UPRVUNL

Shakti Bhawan Extn.

14, Ashok Marg, Lucknow

In the presence of:

1. Witness Name

2. Witness Name

26.5.11 (M.L. Panigrahy)
अभिजायी अभियन्ता (वाणिज्यिक)

14वाँ तन, शक्ति भवन विस्तार

उ.प्र. राज्य विद्युत उत्पादन निगम लि.

In the presence of:

1. Witness Name

2. Witness Name

Mr. Jayant Kumar, EE (PPA)

अभिजायी अभियन्ता

ऊर्जा कम अनुबन्ध निदेशालय

पू०पी०पी०सी०एल० शक्ति भवन विस्तार, लखनऊ

SIGNED AND DELIVERED by UPPCL (Purchaser)

by the hand of its authorized official.

Name: निदेशक (वाणिज्यिक)

Title: (M.L. Panigrahy)

Petition No. 753/2011

POWER PURCHASE AGREEMENT

BETWEEN

UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM LIMITED

AND

UTTAR PRADESH POWER CORPORATION LIMITED

DATED: 26.05, 2011

**For Parichha Thermal Power Station for the Period from April 1, 2009 to
March 31, 2014**



उत्तर प्रदेश UTTAR PRADESH

Y 585737

**POWER PURCHASE AGREEMENT
BETWEEN
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM
LIMITED
AND
UTTAR PRADESH POWER CORPORATION LIMITED**

This Power Purchase Agreement (hereinafter referred to as "Agreement") entered into this26th..... day of ..May.2011.... between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd., a company incorporated under the Companies Act, 1956 having its Registered Office, at "Shakti Bhawan Extn", 14 - Ashok Marg, Lucknow - 226001 (hereinafter referred to as "UPRVUNL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns), as party of the FIRST PART which is the party selling the power, and Uttar Pradesh Power Corporation Limited, a company incorporated under the Companies Act, 1956 having its registered office at "Shakti Bhawan " 14 - Ashok Marg, Lucknow-226001 (hereinafter referred to as "UPPCL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns) as party of the SECOND PART, which is the party purchasing the power. This Agreement is subject to Uttar Pradesh Electricity Regulatory Commission's approval in terms of provisions, Section 10 (2) and (3), Section 86 (1) (a) and (b) of the Electricity Act, 2003 and Section 10 (1) (c) of the Uttar Pradesh Electricity Reforms Act, 1999 (U.P. Act no. 24 of 1999).



उत्तर प्रदेश UTTAR PRADESH

Y 585738

WHEREAS

- (i) UPRVUNL is a power generating company, which owns and operates an electric power generating station namely Parichha Thermal Power Station at Parichha, District Jhansi and otherwise engaged in the business of the generation and sale of electricity so produced, and
- (ii) UPPCL is the holding company of the Distribution Companies (now distribution licensees in the State), as per section 4 of the Companies Act, 1956 and
- (iii) UPRVUNL wishes to sell to UPPCL who in turn wishes to purchase from UPRVUNL its electric energy and capacity from the aforementioned power generating station pursuant to the terms and conditions set forth herein. Further, the reallocation of generating capacity of UPRVUNL amongst various DisComs, as required, will be done as per approval from GoUP, without affecting upon the rights & obligations of UPRVUNL under this agreement. On such reallocation, the rights and obligations of UPPCL under this agreement shall stand transferred to the Distribution Companies, being the successor(s) of UPPCL as per provision in the PPA.

WHEREAS

UPRVUNL with effect from 14 January, 2000 owns and operates the Parichha Thermal Power Station having installed capacity of 220 MW as per Table 1 below, which was commissioned by the erstwhile Uttar Pradesh State Electricity Board and was transferred and vested in UPRVUNL in terms of Section 23 of the Uttar Pradesh Electricity Reforms Act, 1999 and Section 5 of Uttar Pradesh Electricity Reforms Transfer Scheme, 2000.

[Handwritten signature]

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TABLE-1

PARICHHA THERMAL POWER STATION

Sl.No.	Unit No.	Installed Capacity	Derated Capacity	Date of Commissioning	Date of Commercial Operation
1	1	110 MW	110 MW	31.03.84	01.10.85
2	2	110 MW	110 MW	25.02.85	25.02.85

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

1.0 DEFINITIONS AND INTERPRETATION

1.1 Definitions

When used herein and in all of the Schedules hereto including, without limitation, the Tariff (as hereinafter defined) or any other document related to this Agreement, the defined terms set forth in this Article 1 shall have the meanings specified herein.

Any term used herein, but not defined herein, shall have the meanings provided in the U.P. Electricity Reforms Act, 1999 and The Electricity Act, 2003, as amended from time to time. Additional defined terms set forth in "The Uttar Pradesh Electricity Regulatory Commission (Terms and conditions of Generation Tariff) Regulations, 2009" shall have the meanings set forth therein.

Availability

In relation to the thermal generating station for any period means the average of the daily average declared capacities (DCs) for all the days during that period expressed as a percentage of the installed capacity of the generating station minus normative auxiliary consumption in MW, and shall be computed in accordance with the following formula:

$$\text{Availability (\%)} = 10000 \times \frac{N}{\sum_{i=1}^N DC_i / \{ N \times IC \times (100 - AUX_n) \}} \%$$

where,

IC = Installed Capacity of the generating station in MW,

DC_i = Average declared capacity for the ith day of the period in MW,

N = Number of days during the period, and

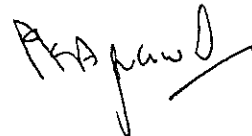
AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Bill shall have the meaning as ascribed in clause 10 read with clause 6 of this Agreement.

Billing Date shall be the date on which the bill shall be raised. The UPRVUNL shall present the bills after the end of each calendar month as per UPERC Tariff Order for energy supplied to UPPCL from the Power Station as per Energy Account issued by SLDC/STU or any other Competent Authority/JMR at TPS.

Billing Month means the metering date of one calendar month to the metering date of the next calendar month.

Business Day shall construe as a reference to a date (other than Sunday and Public Holidays) on which Banks are open for business in Lucknow.



Business Hours means the period commencing from 10:30 hours to 17:00 hours on any Business day.

Cause means any fact or circumstances which legally entitles the issuing Government Agency, to withhold issuance or renewal of, revoke or amend a Permit, due to any failure by Seller or any of the Lenders, Investors or Contractors in whose name the Permit has been or is to be issued.

CEA means the Central Electricity Authority.

Change in Law means:

- (i) Any enactment or issuance of any new Law;
- (ii) Any change in the interpretation or application of an existing Law by any judicial or quasi-judicial or other authority (including a court, tribunal or regulatory commission) having the legal power to interpret or apply such Law;
- (iii) Any amendment, alteration, or modification of an existing Law;
- (iv) The repeal and re-enactment of any existing Law;
- (v) Any Change in Permits;
- (vi) Imposition (other than for Cause) of a requirement for a permit which did not exist as at the date of this Agreement;
- (vii) A change (other than for cause) in the terms and conditions attaching to a permit after it has been given;
- (viii) To the attachment of any new terms and conditions to such permit; or
- (ix) The revocation or cancellation (other than for Cause) of any permit.

Provided however, no Change in Tax shall qualify as "Change in Law". Law shall not include any "Tax Law" (as hereinafter defined).

Change in Permits means:

- (i) the imposition (other than for Cause) of any material requirement in connection with the issuance, renewal or extension of any Permit or the modification of any Permit after such Permit was issued, in either case subsequent to the date of signing of this Agreement;
- (ii) the imposition (other than for Cause) of a requirement for a Permit which did not exist as on the date of this Agreement;
- (iii) the revocation or cancellation (other than for Cause) of any Permit.

Change in Tax means any introduction, amendment, extension, repeal or authoritative change in interpretation or application of any Tax (including, without limitation, the time, rate, incentive, exemption or incidence applicable to any Tax) after the date hereof.

Check Import/Export Meters means meters for maintaining a check on performance of main import/export meters and shall be used for accounting and billing of electricity in case of failure of main meter.

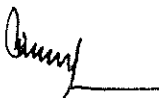
CLDS means Central Load Dispatch Station of UPPTCL.

Date of effectiveness of Agreement shall be 1st April, 2009.

Day means the 24 (twenty four) hours period ending at 24:00 Hours midnight Indian Standard Time.

Declared Capacity or DC means the capability of the generating station to deliver ex-bus electricity in MW declared by such generating station in relation to any period of the day or whole of the day, duly taking into account the availability of fuel;

Delivery of Bill: Shall have the meaning as defined in clause 10 of this agreement.



Designated Officer means an officer designated by UPPCL/STU for matters relating to meter reading, billing and payment.

Dispute means any material dispute or material difference of any kind between Seller and Purchaser in connection with or arising out of this Agreement.

Due Date of Payment or Due Date means, in relation to any Bill, the date on which the amount referred to in such Bill becomes due for payment which shall be 30 days from the Billing Date to the Authorized Representative of Purchaser. If the due date is not a business day, the next business day will be the due date.

Energy Charges shall cover fuel costs and shall be worked out as specified in Tariff order.

Energy Account shall mean periodic energy account including amendments thereof, if any.

Energy Unit means one-kilowatt hour of electrical energy.

Fixed Charges or Capacity Charge amount means the recoverable fixed charge for a Tariff period determined in accordance with the Tariff Order.

Force Majeure shall have the meaning set forth in clause 16 of this Agreement.

Force Outage means an interruption of generating capacity that is not the result of:

- (i) A Scheduled Outage;
- (ii) A Force Majeure event;
- (iii) Any event or condition caused by Purchaser or attributable to an event or condition on Purchaser Facility; or
- (iv) Any Emergency or other curtailment or reduction pursuant to clause 16 in this Agreement.

Generating Unit means Plant, consisting of boiler, turbo generator, and other auxiliaries, which is capable of generating the specified power, independently.

GOI means the Government of India.

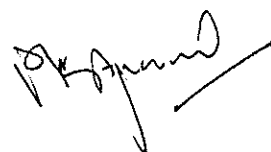
GOUP means the Government of Uttar Pradesh and its successors.

Government Agency means the GOI, GOUP, UPERC, or any ministry, department, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with Seller) or commission under the direct or indirect control of the GOI or the GOUP or any political subdivision of either of them owned or controlled by GOI or GOUP or any of their subdivisions, or any court, tribunal or judicial body within India.

Grid means the total system of electrical generation using any means other than Seller's Generating Unit, evacuation and transmission circuits, transformers, switchgear and other equipment (including the interconnection Facility) on Purchaser's side of the Interconnection Point.

'Gross Calorific Value' or GCV in relation to a thermal power generating station means the heat produced in kCal by complete combustion of one kilogram of solid fuel or one litre of liquid fuel, as the case may be;

Interconnection Point means the point or points at which interconnection is made between the Unit and the Transmission Utility System and unless otherwise mutually decided, shall be at the outgoing sides of circuit breakers connecting the EHT/HT lines.



Installed Capacity or IC means the summation of the name plate capacities of all the units of the generating station or the capacity of the generating station reckoned at the generator terminals as approved by the Commission from time to time;

KW means kilowatt.

kWH means kilowatt hour.

Law means the Constitution of India and any Act, rule, regulation, notification, directive, ordinance, order or any interpretation thereof or instruction having the force of law enacted or issued by any Government Agency.

Main Import Meter shall mean meter for measurement of active energy import at TPS Busbar for energy accounting.

Main Export Meter shall mean meter for measurement of active energy export at TPS Busbar for energy accounting.

Metering Date shall mean mid-day (12:00 hrs) of the last day of each calendar month.

Monthly Fixed Charge amount means the prescribed recoverable fixed charges as per Tariff Order.

MU shall mean one million Units.

MW means Megawatts.

Net Electrical Energy is the energy, supplied by Parichha TPS of UPRVUNL and measured in kWh, at the point of interconnection in accordance with the provisions of Clause 5.

O & M shall mean operation and maintenance.

Permit or Permits means any consent, license, approval, permit, no objection certificate or other authorization of any nature whatsoever, which is required to be granted to Purchaser or Seller, as the case may be, by any Government Agency for the purpose of owning, developing, designing, financing, insuring, constructing, operating or maintaining the Project as contemplated under this Agreement.

Plant Load Factor or PLF for a given period, means the total sent out energy corresponding to scheduled generation during the period, expressed as a percentage of sent out energy corresponding to installed capacity in that period and shall be computed in accordance with the following formula;

$$PLF (\%) = 10000 \times \frac{\sum_{i=1}^N SG_i}{\{ N \times IC \times (100 - AUX_n) \}} \%$$

where,

IC = Installed Capacity of the generating station in MW,

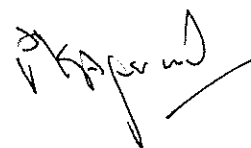
SG_i = Scheduled Generation in MW for the ith time block of the period,

N = Number of time blocks during the period, and

AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Power Grid means Power Grid Corporation Ltd.

Power Purchase Agreement means the Agreement for selling of power by UPRVUNL and purchase by UPPCL.



Primary Fuel shall mean coal as supplied by the collieries.

Pool Account means Regional account for payments regarding Unschedule Interchanges

Scheduled Bank means any bank at Lucknow indicated by Purchaser and acceptable to Seller.

Secondary Fuel shall mean the heavy furnace oil (HFO) and/or light diesel oil (LDO) and or Low Sulphur High Speed (LSHS)

SLDC or State Load Dispatch Centre means the centre established under subsection (1) of section 31 by GoUP

Schedule Generation: At any time or for any period or time block means Schedule of Generation in Mw or Mwh ex-bus given by the concerned Load Dispatch centre.

Target Availability or TA means availability as set by the Commission in its Tariff Order

Tariff means the amounts to be paid by Purchaser to the Seller under this Agreement and as determined by UPERC or any competent authority authorized from time to time.

Tariff Order means the Tariff Order passed by UPERC on 20.01.11 for MYT period FY 2009-10 to 2013-2014 (Ref No UPERC/ Secy/D(G)/2011-1545 dated 20.01.11) and hosted on website: www.uperc.org

Tariff Regulation means the regulations notified in exercise of powers conferred under Section 181 read with Section 61 of the Electricity Act, 2003 by the Uttar Pradesh Electricity Regulatory Commission [vide Notification No. UPERC/Secy/ Generation Regulation/4100, Lucknow dated 31 March 2009, titled as the Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 and as amended from time to time.

Tax means tax, cess, levy, toll, impost, excise, duty, fee or charge of any nature whatsoever levied by or payable to any Government Agency including but not limited to any withholding tax, income tax, corporate tax, VAT, excise tax, works contract tax, stamp duty, customs and import duties, octroi.

Thermal Power Station (TPS) means a thermal generating station having an installation of one or more thermal generating units and covered under this Agreement.

Transfer Scheme shall mean UP Electricity Reforms Transfer Scheme, 2000.

Unit means one kilowatt-hour.

UPERC or Commission means UP Electricity Regulatory Commission.

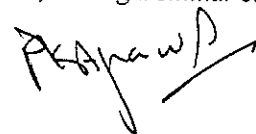
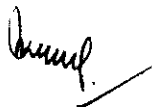
1.2 INTERPRETATION AND GENERAL

1.2.1 Interpretation Any reference in this Agreement to:

this Agreement shall be construed as references to this Agreement together with all recitals and Schedules hereto;

Clause shall, subject to any contrary indication, be construed as a reference to a clause of this Agreement;

Encumbrance shall be construed as a reference to a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;



Paragraph shall, subject to any contrary indication, be construed as a reference to a paragraph in the Clause or Schedule in which such reference appears;

Person shall be construed as a reference to any person, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing.

1.2.2 General

Save where the contrary is indicated, any reference in this Agreement to:

- (i) **Rupee and Rs.** denote Indian Currency;
- (ii) words importing the singular shall include the plural and vice versa, any person shall be construed so as to include its and any subsequent successors, transferees and assigns in accordance with their respective interests;
- (iii) this Agreement or any other agreement or document shall be construed as a reference to each such agreement or, as the case may be, such other agreement or document as the same may have been, or may, from time to time, be amended, varied, novated, replaced or supplemented;
- (iv) a statute or enactment shall be construed as a reference to such statute as the same may have been, or may from time to time be, amended or re-enacted;
- (v) All orders so issued by UPERC shall be binding on both the parties from the date the same become applicable.
- (vi) In case either party goes in for any Review Petition/Appeal against the order of the UPERC before the competent authority, the order of the competent authority in that regard shall be applicable and binding on both the parties from the date the said order become applicable.
- (vii) a time of day shall, save as otherwise provided in any agreement or document, be construed as a reference to Indian Standard Time; and

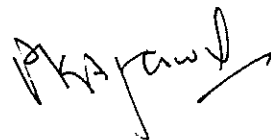
Any word or expression used in this Agreement shall, unless otherwise defined or construed herein, bear its ordinary English meaning and, for these purposes, the General Clauses Act, 1897 shall not apply.

2.0 TERM OF AGREEMENT

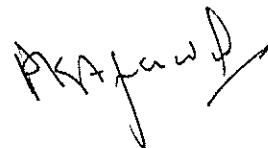
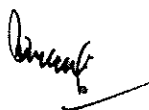
The term of this Agreement shall be for a period of five years starting from 1st April, 2009 and ending on 31st March, 2014 extendable/renewable by mutual consent between UPPCL and UPRVUNL. In case UPPCL continue to get power from the Parichha Thermal Power Station even after expiry of this agreement without further renewal or formal extension thereof, then all the provisions of this agreement shall continue to operate till this Agreement is formally renewed, extended or replaced except the Tariff, which will be applicable as per order of the UPERC as per provision of clause 6.3. This agreement shall be terminable even from any earlier date from which the PPA with different DisComs has been made effective.

3.0 INSTALLED CAPACITY

3.1 The existing installed capacity of Parichha Thermal Power Station is 220 MW. The installed capacity is, however, subject to de-rating/re-rating of the generating units as determined from time to time after following the prescribed procedure as laid down by CEA.



- 3.2 Allocation of Power**
Full capacity of Parichha TPS shall be allocated to UPPCL unless reallocated by GOUP.
- 3.3 Drawal of Power**
The power from Parichha TPS shall be drawn by UPPCL directly through its own or through the transmission system of other agencies on the basis of availability of capacity of the TPS.
- 3.4 Generation Schedule**
UPRVUNL shall submit daily generation schedule of Parichha TPS to UPPCL or SLDC, as per UPERC Generation Regulation
- 3.5 Daily Declared Capacity Notice**
UPRVUNL shall deliver to UPPCL or SLDC, as applicable, at each day a notice indicating daily declared capacity of Parichha TPS as per regulation for next 24 hours. Any change in daily declared capacity notice due to minor or major breakdown in station shall be intimated to UPPCL or SLDC, as applicable as per regulation.
- 4.0 TRANSMISSION/WHEELING OF POWER**
- 4.1 Power shall be made available by UPRVUNL at the busbars of the Station and it shall be the obligation and responsibility of UPPCL to make the required arrangement for evacuation of power from such delivery points of UPRVUNL.
- 4.2 UPPCL shall coordinate with the appropriate authorities/agencies including UPPTCL/STU or any other Licensees for power evacuation from the above delivery point.
- 4.3 UPPCL shall be responsible to coordinate with the UPPTCL/STU or any licensee or other agencies for implementation of the transmission system for evacuation of power from the station matching with the commissioning schedule of the station.
- 4.4 For wheeling of the power beyond busbars of the Station, charges for utilisation of transmission system(s) owned by UPPTCL/STU/other agencies shall be paid directly by UPPCL to the UPPTCL or other agencies. UPRVUNL shall not be responsible for payment of such charges.
- 5.0 SUPPLY OF POWER**
- 5.1 Power as generated by Parichha TPS will be supplied to UPPCL only unless mutually agreed otherwise. Terms and conditions as mutually agreed and approved/determined by UPERC from time to time would be applicable.
- 6.0 TARIFF AND TERMS & CONDITIONS**
- 6.1 The tariff chargeable to UPPCL shall be as per the Tariff Order dated 20.01.11 or any amendment thereof issued by the UPERC.
- 6.2 The bill for the energy so supplied would be based on energy accounts as given under Clause 7 of this Agreement.
- 6.3 If Tariff for the period extending beyond 31.03.2014 is not approved by the U.P. Electricity Regulatory Commission the tariff order dated 20.01.11 approved by the Commission will be provisionally applicable till Tariff Order for the concerning period is approved by the UPERC
- 7.0 SCHEDULING AND ENERGY ACCOUNTING**
- 7.1 Scheduling**
Consequent to the implementation of ABT the methodology of generation schedule shall be as per Indian Electricity Grid Code/UP Electricity Grid Code (as revised from time to time) and UPERC orders.



7.2 Unschedule Interchange

- 7.2.1 UI for generating station shall be equal to its actual generation minus schedule generation. UI should be worked out for each 15 min blocks. Charges for all UI transactions shall be based on average frequency of the time block and rates as specified in notifications issued by UPERC from time to time.
- 7.2.2 In case of zero generation (tripping / shut down of all units) of a Thermal Power Station, the negative DC / negative Revision Schedule (drawl of power from grid) declared by TPS will be accepted by SLDC and the energy supplied from UPPCL system to the TPS during such period shall be charged at the same tariff or as mutually agreed.
- 7.2.3 **Effective date of implementation of ABT:** The effective date of implementation of ABT for Parichha TPS of UPRVUNL is 1/12/07 without UI Charges and 1/07/09 with UI Charges as per UPERC order dated 05/03/2009.

7.3 Energy Accounting :

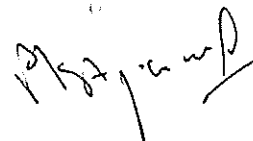
- 7.3.1 Energy drawal by UPPCL will be metered at the Parichha TPS. The energy account shall be prepared by UPRVUNL based on the monthly joint meter reading taken by the representatives of UPRVUNL and UPPCL/STU. The methodology for energy account would be on mutually agreed basis. The export and import of energy at the metering points shall be computed on net basis, i.e. by difference between export and import meter readings.

Provided that if and when provisions of ABT are implemented the Energy Accounts shall be governed by clause 29 of Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 reproduced as under:

"Metering and Accounting - Metering arrangements, including installation, testing and operation and maintenance of meters and collection, transportation and processing of data required for accounting of energy exchanges and average frequency on 15 minute time block basis shall be organized by the State Transmission Utility in consultation with State Load Despatch Centre. All concerned entities (in whose premises the special energy meters are installed), shall fully cooperate with the State Transmission Utility/State Load Despatch Centre and extend the necessary assistance by taking weekly meter readings and transmitting them to the State Load Despatch Centre. The State Load Despatch Centre, on the basis of processed data of meters along with data relating to declared capability and schedules etc., shall issue the State Accounts for energy on monthly basis as well as UI charges on weekly basis. UI accounting procedures shall be governed by the orders of Central Commission.

Note: This provision shall be applicable with effect from the date these Regulations coming into force except for UI that shall come into force from such date specified by the Commission for implementation of ABT in the State".

- 7.3.2 On implementation of ABT the Regional Energy Account issued by STU/SLDC or any competent authority shall be binding on all the parties for billing and payment purposes.
- 7.3.3 Such consumers other than establishment of Parichha TPS getting supply directly from Parichha TPS of UPRVUNL would be UPPCL consumers. The billing shall be done by UPPCL on the basis of joint meter reading taken by representative of UPRVUNL & representative of UPPCL/ STU concerned Division of DisComs. Such energy shall be treated as energy exported to UPPCL and accounted for accordingly.



8.0 POINTS OF METERING

The main and check meters at the 400 KV/220 KV/132 KV or other KV bus bars of generating transformers of the Parichha TPS to be installed by UPRVUNL shall be maintained by UPRVUNL. Installation and maintenance of main and check meters at locations other than the meters installed and maintained by UPRVUNL shall be the responsibility of UPPCL. The meters shall be sealed after calibration by the concerned parties jointly. The points of metering for Parichha TPS are as under:

Export Points:-

1. Generator Transformer-1
2. Generator Transformer-2
3. 0.4 KV Supply to Parichha Village

Import Points:-

1. Station Transformer -1 A
2. Station Transformer -1 B
3. 33/11 KV Transformer from 33KV Hasari-Chirgaon

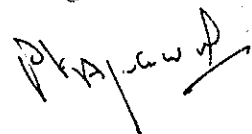
Note: - The above points are subject to addition/alteration, if found necessary

9.0 METERING SYSTEM

- 9.1 A set of CT/PT/Meters (Main and check) of 0.2 accuracy class, as per IEGC/CEA (Installation & Operation of Meters) Regulations – 2006 as applicable, shall be installed on all outgoing feeders of the station. UPPCL/STU shall make all necessary arrangements for installation of CT/PT/Meters, at all its drawal points. So long as existing CT/PT/Meters of any other class are replaced by 0.2 class, the existing CT/PT/Meters will be used for energy accounting.
- 9.2 All the meters shall be jointly calibrated, inspected and sealed on behalf of the parties and shall not be interfered with except in the presence of other party or for joint testing and calibration and/or replacement and/or any other purposes for which due notice of 7 (Seven) days will be given by UPRVUNL/STU/UPPCL so that this is done in the presence of the authorized representatives of the STU/UPPCL/UPRVUNL.
- 9.3 Joint meter readings of the main as well as check meters at various energy accounting points as identified shall be taken by the parties as mentioned above at 1200 hrs (noon) on the last day of each calendar month. In case any of the concerned parties is not available for joint meter readings at the specified time, the meter reading taken by the other party shall be binding on both the parties and shall be taken into account for preparation of Energy Accounts. UPPCL shall designate an officer for joint meter reading. On implementation of ABT the data shall be downloaded from the meters at regular interval as decided by STU/SLDC for preparation of REA/UI account.
- 9.4 If the main meter is found to be not working at the time of meter readings or any other time, UPRVUNL shall inform the STU/SLDC for the same and the data from check meters shall be considered by SLDC/STU for energy accounting for the period.



- 9.5 If in any month the readings of the main energy meter(s) differ from the readings of corresponding check energy meter(s) by more than 0.4% (zero point four percent) the main and check energy meter(s) shall be tested in turn and the errors at various levels as per standard procedures would be determined. If on such testing main energy/check meter error is found to exceed $\pm 0.2\%$ (plus/minus zero point two percent) the energy figures recorded by the main energy/check meter(s) for the above month concerned shall be revised accordingly and the main energy/check meter(s) shall be recalibrated jointly or replaced by the correct energy meter(s). Pending the results of such testing, billing and payment shall continue to be based on the energy recorded by the check meter(s), provided its error is within the prescribed limit.
- 9.6 If both the main and check meter(s) fail to record or if any of the PT fuses are blown out, then the energy will be computed on a mutually agreeable basis between UPRVUNL and UPPCL/STU for the period of defect. In case there is no mutual agreement, the computation of energy shall be on the basis of average of the billing of last three months.
- 9.7 Corrections in billing whenever necessary, shall be applicable for the period between the previous meter reading and the date and time of the replacement or recalibrated correct meter and this correction shall be for the full value of the absolute error. For the purpose of the correction to be applied, the meter shall be tested as per Indian Standard (British Standard where Indian Standard is not existing) The error at the load and power factor nearest to the average monthly load served at the point during the period shall be taken as the error to be applied for correction.
- 9.8 All the meters shall be checked for accuracy on quarterly basis by comparison of the readings of main and check meters by UPRVUNL and UPPCL/STU and shall be treated as working satisfactorily so long as the errors are within the limits prescribed in relevant Indian Standard (or British Standard where Indian Standard is not existing) for meters of the said class. The meter readings of main meters shall form the basis of the Energy Accounts so long as the quarterly check results thereof are within prescribed limits. If the check meters are found to be defective during the quarterly checks, these shall be immediately calibrated jointly/ replaced. Where the quarterly checks indicate errors in the main meter(s) beyond limit but no error is noticed in check meter(s) during quarterly checking computation of total net energy sent out at 400 KV bus bars and/or 220 KV / 132 KV and/or other KV bus bars, as applicable, of the Parichha TPS for the month shall be done on the basis of check meter(s) and main meter(s) shall be calibrated jointly immediately. If during the quarterly test check, the difference in the main meter(s) and the corresponding check meters readings are found to be beyond the permissible limits of error, i.e. more than 0.40% both the meter(s) shall be immediately calibrated and the correction applicable to main meter shall be applied to the consumption registered by the main meter(s) to arrive at the correct consumption of energy for the purpose of Energy Accounts for the month from the date of last meter reading upto the time of replacement of correct main meter. Billing for the period thereafter, till the next monthly meter reading, shall be as per calibrated main meter. During this period of calibration of main and check meter(s) another set of main and check meters duly calibrated and sealed will be installed by UPRVUNL/STU/UPPCL at the TPS in the presence of UPPCL/STU/UPRVUNL and jointly sealed. The energy accounting during the period of calibration of original meters shall be as per the readings of the substituted main meter. In case spare meters are not available with UPRVUNL/STU/UPPCL the main/check meter shall be calibrated by rotation. During the period of removal of main meter, the energy accounting will be done based on check meter readings applied with correction factor of the check meter obtained during testing/calibration of check meter.
- 9.9 For the purpose of test and calibration, the standard meter calibrated and sealed by GOUP/GOI Authorized Meter Testing House/Laboratory shall be utilized. This standard meter shall be got calibrated once in every six months at the GOUP/GOI Authorized Meter Testing House/Laboratory.
- 9.10 If at any time any party to the Agreement feels that a meter is not recording correctly it shall give notice to the other party. UPRVUNL/STU/UPPCL shall then undertake testing and calibration of the meters owned by UPRVUNL/STU/UPPCL. If errors on such testing is found to exceed the error



limits specified in the relevant Indian Standard (British Standard where Indian Standard is not existing) for this class of meters necessary adjustment in the bills shall be made from the date of notice or from such other date as can be satisfactorily established to be proper for such adjustment.

- 9.11 Once in every five years, both main and check meters shall be tested for accuracy by a substandard meter either at the station or at any approved testing laboratory. During testing in case of error is found to be more than the permissible limits, then the meter shall be replaced by a correct meter.

10 BILLING AND PAYMENT

- 10.1 All charges under this Agreement shall be billed by UPRVUNL as per Clause 6 and shall be paid by UPPCL in accordance with the following provisions:

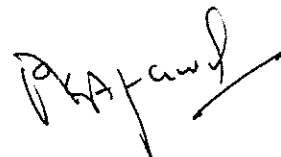
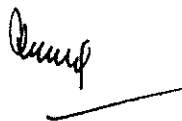
- (i) UPRVUNL shall deliver bills to the UPPCL generally within 5 days of the billing date for energy supplied for each month to UPPCL from Parichha TPS. The payments will be made by UPPCL within due date by cheque payable at Lucknow.
- (ii) UPRVUNL shall carry out billing and associated functions. The authority of UPPCL to whom the bills have to be submitted would be informed by UPPCL to UPRVUNL within a month of signing of the Agreement failing which UPRVUNL would submit the bills to the Director (Finance) of UPPCL.
- (iii) UPPCL shall make adequate provisions in their approved budget for respective years during which this PPA continues to ensure regular payment of power purchased by UPPCL from UPRVUNL and shall also furnish a copy of the approved budget to UPRVUNL.
- (iv) PFC conditions applicable for the agreement period are:-
 - (a) UPRVUNL can undertake third party sale of energy within the state or outside the state if the procurer of energy does not clear the dues as per schedule.
 - (b) Provided that revenue of the procurer shall be escrowed in favour of UPRVUNL and in turn in favour of lenders to UPRVUNL.
 - (c) In case of default to PFC by UPRVUNL, then PFC shall have right to transfer the project to themselves or their agents, operate the project and sell energy to third party.

10.2 Schedule of payment of UI Charges

10.2.1 **UI Charges Accounting:** All payments on account of UI charges including the additional UI charges levied under the regulations and interest received on late payment thereof shall be credited to a fund called UI pool account fund which shall be maintained and operated in accordance with provisions of UPERC regulation / grid code or as mutually agreed.

10.2.2 Payment of UI charges shall have a high priority and the concerned constituent shall pay the indicated amount within 10 days of the issue of statement of UI charges including additional UI charges into the UI pool account fund or as mutually agreed.

10.2.3 If payment against UI charges including additional UI charges are delayed by more than two days i.e beyond 12 days from the date of issue of statement by SLDC, the defaulting constituent shall have to pay simple interest @ .04% for each day of delay applicable as per UPERC order / any amendment time to time or as mutually agreed.



11 **DISPUTES**

In the event of any dispute as to all or any portion of an Invoice, Purchaser shall nevertheless pay the full amount of the undisputed charges subject to minimum 50% of the total amount of the invoice within due date and shall serve notice on the Seller that the amount of an Invoice is in dispute in which event the provisions of Clause 14 hereof shall be applicable.

12 **REGULATION OF SUPPLY**

In the event any bill(s) remain unpaid for a period exceeding sixty (60) days, UPRVUNL shall serve a notice on UPPCL giving fifteen (15) days period for effecting regulation of supply from its Parichha Thermal Power Station with consent of GOUP, unless UPPCL makes full direct payment of the outstanding amount within the notice period. In case regulation of supply is effected, for resumption UPPCL shall pay all the outstanding dues.

13.0 **LEVIES, TAXES, DUTIES, CESS, ETC.:**

The amount of all lawful taxes/duties/cess, etc. payable by UPRVUNL to GOUP/GOI and/or any other local bodies/authorities on generation of electricity including auxiliary consumption, or any other types of consumption including water, transmission, environment protection, sale or on supply of electricity and/or in respect of any of its installation associated with the TPS and/or Transmission system shall be billed on to UPPCL in the shape of supplementary bill raised by UPRVUNL and UPPCL will make payment accordingly at actuals.

13.2 **Income Tax** – Income tax on core activity to be charged separately through Tax Escrow Account.

14 **INFORMAL DISPUTE RESOLUTION**

14.1 The Authorized Representative appointed by the Parties in pursuance be authorized to resolve any dispute, controversy or claim arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination (a “Dispute”) in an equitable manner.

14.2 Following notice by one Party to the other setting out the particulars of the Dispute, if the Authorized Representatives are unable to resolve the Dispute under this Agreement within 15 days, such Dispute shall be referred by such Authorized Representatives to a senior officer designated by Seller and a senior officer designated by Purchaser, respectively, who shall attempt to resolve the Dispute within a further period of 15 days.

14.3 The Parties hereto agree to use their best efforts to attempt for resolving all Disputes arising hereunder promptly, equitably and in good faith, and further agree to provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any such Dispute.

15.0 **ARBITRATION**

15.1 All differences or disputes between the parties arising out of or in connection with this Agreement remained unresolved as per clause 14 above shall be settled through arbitration as provided herein after.

15.2 In the event of such difference or disputes between the parties the matter shall be referred to UPERC for arbitration as per Section 158 of The Electricity Act, 2003 and Section 34 of the U.P. Electricity Reforms Act, 1999.

15.3 Notwithstanding the existence of any question, disputes and differences referred to arbitration, the parties hereto shall continue to perform their respective obligations under this Agreement.



16.0 FORCE MAJEURE

The parties shall ensure due compliance with the terms of this Agreement. However no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God, strike, lock-out or any other reason beyond the reasonable control of concerned party. But any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within 24 hours thereof to the other party to this effect. Generation /drawal of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

17.0 SYSTEM OPERATION

All instructions from SLDC / STU will be followed strictly regarding scheduling and operation of the Parichha TPS.

18.0 IMPLEMENTATION OF THE AGREEMENT

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorized representative(s) that each party may nominate in this behalf and notify in writing to the other party by registered post/courier. Any other nomination of authorized representative(s) shall be informed likewise in writing to/by UPPCL within one month of signing of the Agreement. Notwithstanding any nomination, the Chairman and Managing Director UPRVUNL, Shakti Bhawan, 14, Ashok Marg, Lucknow/ CE(L-1) of Parichha TPS or their authorized representatives shall be authorized to act for and on behalf of UPRVUNL.

19.0 NOTICE

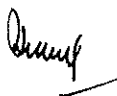
19.1 All notices required or referred to under this Agreement shall be in writing and signed by the respective authorized signatories of the parties mentioned herein unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts/by Courier Service with an acknowledgement due to the other parties in terms of this Agreement.

19.2 All notices or communications given by telefax or telegram/FAX shall be confirmed by deposition of a copy of the same in the post office in an envelope properly addressed to the appropriate party for delivery by registered or certified mail or courier. All notices shall be deemed delivered upon receipt.

20.0 SUCCESSORS AND ASSIGNS

20.1 Neither party shall assign in full or part with any of its rights or obligations under this agreement to any third party without the prior approval in writing of other party.

20.2 In case any of the parties to this Agreement is restructured and/or its generation, transmission and distribution activities are taken over by other organization(s), agency(ies), partly or wholly, the Agreement shall be binding *mutatis mutandis* upon the successor organization(s)/ agency(ies), and shall ensure to the benefits of and shall also be guaranteed by the State Government and shall continue to remain valid with respect to the obligations of the successor organization(s)/agency(ies). In such situation this agreement shall be suitably reviewed and modified as mutually agreed between the parties and shall be binding on all concerned.



21.0 JURISDICTION

All disputes arising out of or relating to this agreement shall be subject to the jurisdiction of High Court of Judicature of Allahabad at Lucknow Bench.

22.0 MISCELLANEOUS

22.1 Writing

No variation, waiver, amendment or modification of any of the terms of the Agreement shall be valid unless approved by UPERC and communicated in writing and signed by or on behalf of the Parties.

22.2 Severability

The invalidity or enforceability, for any reason, of any part of this Agreement shall not prejudice or affect the validity or enforceability of the remainder.

22.3 No Waiver

The failure of any Party to insist in one or more instances upon the strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as waiver of any such provisions or relinquishment of any such rights but the same shall continue in full force and effect.

22.4 Language

The language of this agreement shall be in English and all documents, notices, waivers and any other written communication or otherwise between the parties, in connection with the agreement, shall be in English/Hindi.

22.5 Entirety

This Agreement is intended by the parties as the final expression of their agreement and are intended also as a complete and exclusive statement of the terms of their agreement.

All prior written or oral understanding, offers or communications of every kind pertaining to this agreement or the sale or purchase of electrical output and contracted capacity under this agreement to Purchaser by Seller are abrogated and withdrawn.

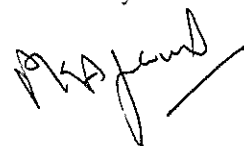
22.6 Survival

Notwithstanding anything contained in this Agreement, clause 18 read with clause 2 shall survive this Agreement.

22.7 Waiver of Immunity

Purchaser and Seller are subject to Civil and Commercial Law with respect to their obligations under this Agreement, and the execution, delivery and performance hereof by them constitutes (for the purposes of applicable Indian Law and otherwise) private and commercial acts rather than government and public acts.

To the extent that Purchaser or Seller may in any jurisdiction claim for itself or any of its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgement or otherwise) or other legal process, or to the extent that in any jurisdiction there may be attributed to Purchaser or its assets or revenues any such immunity (whether or not claimed), Purchaser and Seller hereby agree not to claim and irrevocably waive any such immunity.



22.8 Breach of Obligations

The parties acknowledge that a breach of any of the obligations contained herein would result in injuries. The parties acknowledge the damages alone shall not be adequate remedy for such breach. Accordingly each party agrees that in addition to any other rights or remedy which the other party may have at Law or in equity, the non breaching party shall be entitled to specific performance and injunctive relief in any court of competent jurisdiction for any breach or threatened breach by the other party.

22.9 Inconsistency between the Provisions of PPA and Tariff Regulations/Tariff Order:

In the event of any inconsistency between the provisions of this PPA and the UPERC (Terms and Conditions of Generation Tariff) Regulations, 2009 read with the UPERC Tariff Order dated 20.01.11 or any amendment thereof, the later shall prevail.

22.10 This PPA is subject to approval by UPERC.

IN WITNESS WHEREOF the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names as on the date first above written.

SIGNED AND DELIVERED by UPRVUNL (Seller) by the hand of its authorized official.

Name: ... (P. K. AGARWAL) ...
Title: ... Advisor (Tech.) ...
UPRVUNL,
Shakti Bhawan Extn.
14, Ashok Marg, Lucknow

In the presence of:

1. Witness Name

2. Witness Name

(Signature)
26.5.11
(M.L. ...)
अधिसूची अधिसूची (अधिसूची)

Er. Ramesh Chandra
Chief Engineer (Commercial)
UPRVUNL,
Shakti Bhawan, Extn.
Lucknow

DELIVERED by UPPCL (Purchaser) by the hand of its authorized official.

Name: ... (मन्दी लाल) ...
Title: ... निदेशक (वित्तिक) ...

In the presence of:

1. उ.प्र. Witness Name

2. Witness Name

अधिसूची अधिसूची
उ.प्र. विद्युत निदेशक विभाग
यूपीपीएल विभाग, शक्ति भवन वि-तार, लखनऊ

(Signature) (Jagat Kumar) EE (PPA)

POWER PURCHASE AGREEMENT

BETWEEN

UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM LIMITED

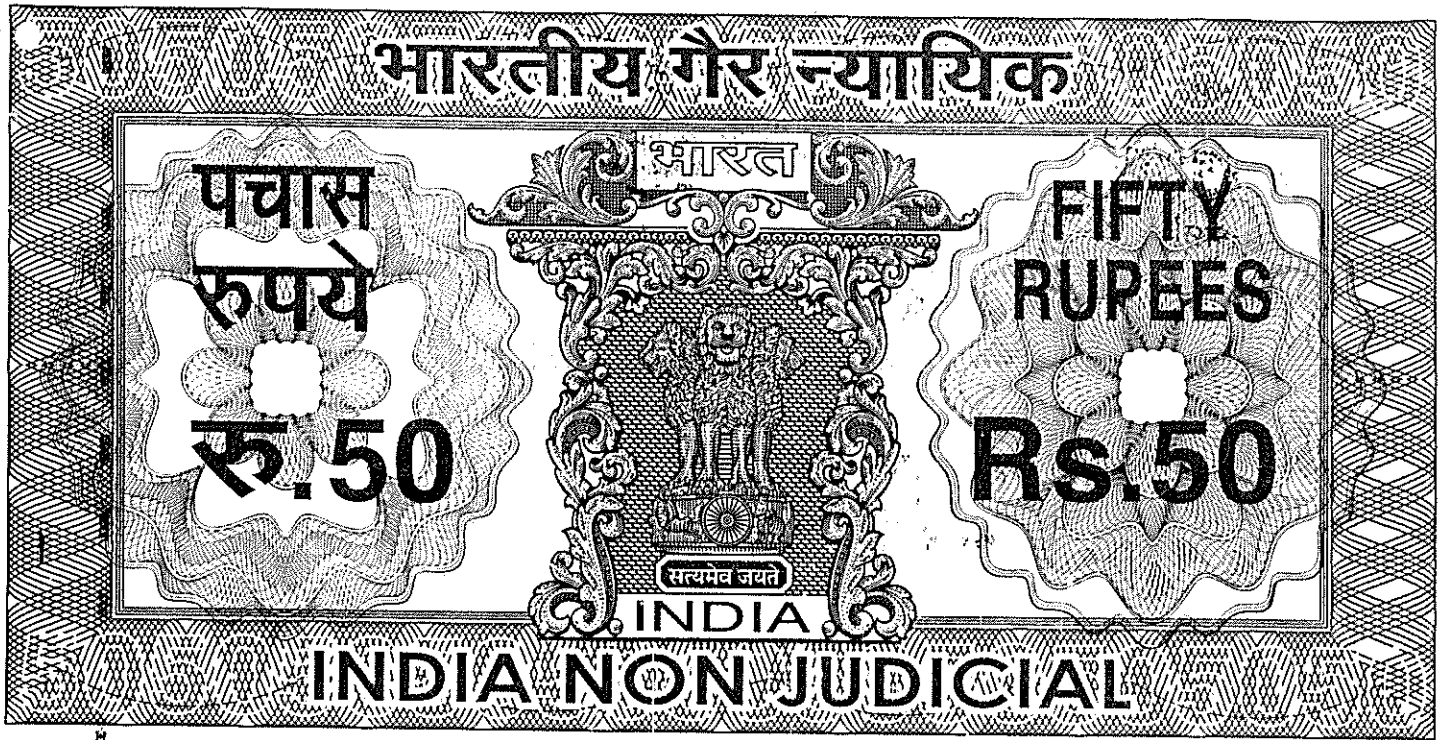
AND

UTTAR PRADESH POWER CORPORATION LIMITED

Dated: 26-5-2011

For Parichha Extension Thermal Power Station for the Period from

April 1, 2009 to March 31, 2014



उत्तर प्रदेश UTTAR PRADESH

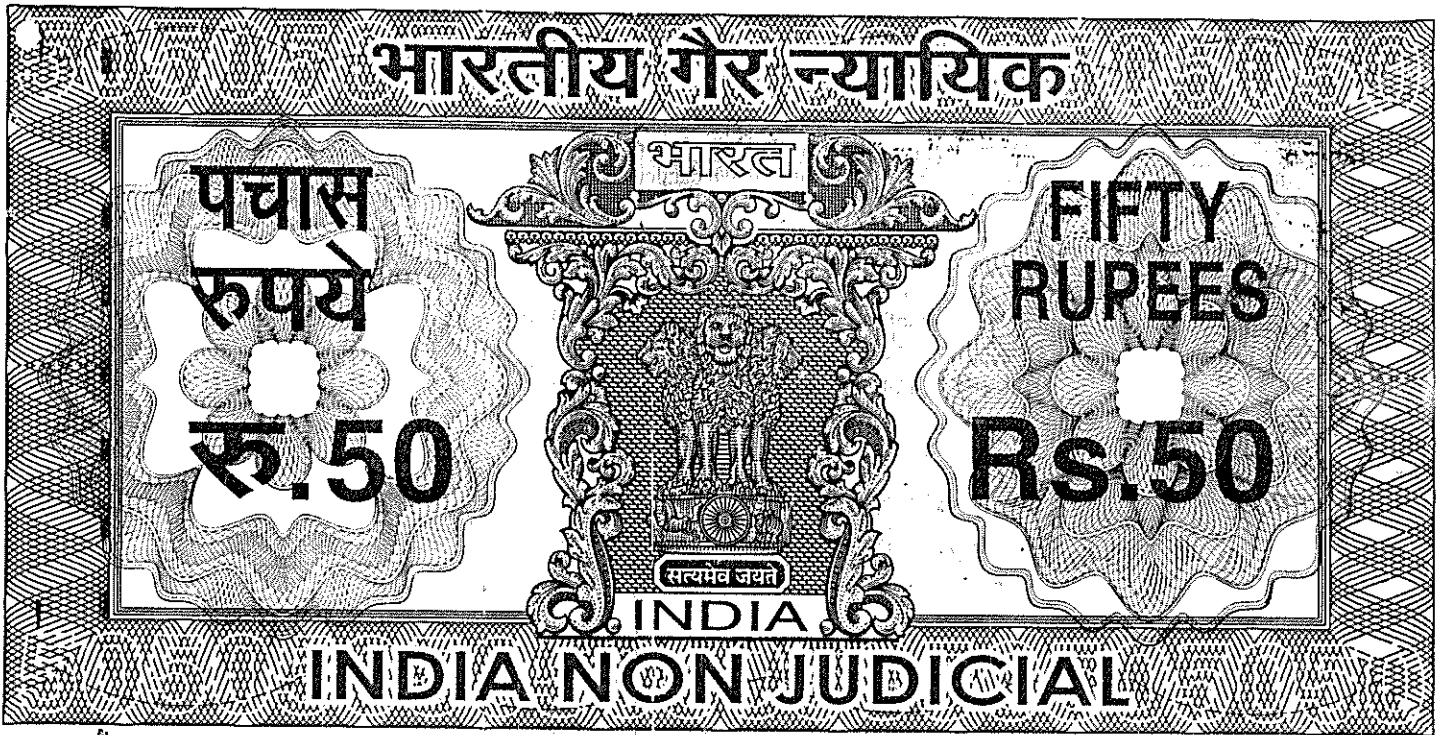
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POWER PURCHASE AGREEMENT
BETWEEN
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM
LIMITED
AND
UTTAR PRADESH POWER CORPORATION LIMITED

This Power Purchase Agreement (hereinafter referred to as "Agreement") entered into this 26th day of ..May..2011.... between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd., a company incorporated under the Companies Act, 1956 having its Registered Office, at "Shakti Bhawan Extn", 14 - Ashok Marg, Lucknow - 226001 (hereinafter referred to as "UPRVUNL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns), as party of the FIRST PART which is the party selling the power, and Uttar Pradesh Power Corporation Limited, a company incorporated under the Companies Act, 1956 having its registered office at "Shakti Bhawan" 14 - Ashok Marg, Lucknow-226001 (hereinafter referred to as "UPPCL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns) as party of the SECOND PART, which is the party purchasing the power. This Agreement is subject to Uttar Pradesh Electricity Regulatory Commission's approval in terms of provisions, Section 10 (2) and (3), Section 86 (1) (a) and (b) of the Electricity Act, 2003 and Section 10 (1) (c) of the Uttar Pradesh Electricity Reforms Act, 1999 (U.P. Act no. 24 of 1999).

[Handwritten signature]

[Handwritten signature]



उत्तर प्रदेश UTTAR PRADESH

Y 585740

WHEREAS

- (i) UPRVUNL is a power generating company, which owns and operates an electric power generating station namely Parichha Extension Thermal Power Station at Parichha, District Jhansi and otherwise engaged in the business of the generation and sale of electricity so produced, and
- (ii) UPPCL is the holding company of the Distribution Companies (now distribution licensees in the State), as per section 4 of the Companies Act, 1956 and
- (iii) UPRVUNL wishes to sell to UPPCL who in turn wishes to purchase from UPRVUNL its electric energy and capacity from the aforementioned power generating station pursuant to the terms and conditions set forth herein. Further, the reallocation of generating capacity of UPRVUNL amongst various DisComs, as required, will be done as per approval from GoUP, without affecting upon the rights & obligations of UPRVUNL under this agreement. On such reallocation, the rights and obligations of UPPCL under this agreement shall stand transferred to the Distribution Companies, being the successor(s) of UPPCL as per provision in the PPA.

WHEREAS

UPRVUNL with effect from 24th November, 2006/01st December, 2007 owns and operates the Parichha Extension Thermal Power Station having installed capacity of 420 MW as per Table 1 below, which was commissioned by the erstwhile Uttar Pradesh State Electricity Board and was transferred and vested in UPRVUNL in terms of Section 23 of the Uttar Pradesh Electricity Reforms Act, 1999 and Section 5 of Uttar Pradesh Electricity Reforms Transfer Scheme, 2000

[Handwritten signature]

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TABLE-1

PARICHA EXTENSION THERMAL POWER STATION

Sl.No.	Unit No.	Installed Capacity	Derated Capacity	Date of Commissioning	Date of Commercial Operation
1	1	210 MW	210 MW	29.03.2006	24.11.2006
2	2	210 MW	210 MW	28.12.2006	01.12.2007

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

1.0 DEFINITIONS AND INTERPRETATION

1.1 Definitions

When used herein and in all of the Schedules hereto including, without limitation, the Tariff (as hereinafter defined) or any other document related to this Agreement, the defined terms set forth in this Article 1 shall have the meanings specified herein.

Any term used herein, but not defined herein, shall have the meanings provided in the U.P. Electricity Reforms Act, 1999 and The Electricity Act, 2003, as amended from time to time. Additional defined terms set forth in "The Uttar Pradesh Electricity Regulatory Commission (Terms and conditions of Generation Tariff) Regulations, 2009" shall have the meanings set forth therein.

Availability

In relation to the thermal generating station for any period means the average of the daily average declared capacities (DCs) for all the days during that period expressed as a percentage of the installed capacity of the generating station minus normative auxiliary consumption in MW, and shall be computed in accordance with the following formula:

$$\text{Availability (\%)} = 10000 \times \frac{\sum_{i=1}^N \text{DC}_i}{\{ N \times \text{IC} \times (100 - \text{AUX}_n) \}} \%$$

where,

IC = Installed Capacity of the generating station in MW,

DC_i = Average declared capacity for the *i*th day of the period in MW,

N = Number of days during the period, and

AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Bill shall have the meaning as ascribed in clause 10 read with clause 6 of this Agreement.

Billing Date shall be the date on which the bill shall be raised. The UPRVUNL shall present the bills after the end of each calendar month as per UPERC Tariff Order for energy supplied to UPPCL from the Power Station as per Energy Account by SLDC/STU or any other Competent Authority/JMR at TPS.

Billing Month means the metering date of one calendar month to the metering date of the next calendar month.

Business Day shall construe as a reference to a date (other than Sunday and Public Holidays) on which Banks are open for business in Lucknow.

Business Hours means the period commencing from 10:30 hours to 17:00 hours on any Business day.

Cause means any fact or circumstances which legally entitles the issuing Government Agency, to withhold issuance or renewal of, revoke or amend a Permit, due to any failure by Seller or any of the Lenders, Investors or Contractors in whose name the Permit has been or is to be issued.

CEA means the Central Electricity Authority.

Change in Law means:

- (i) Any enactment or issuance of any new Law;
- (ii) Any change in the interpretation or application of an existing Law by any judicial or quasi-judicial or other authority (including a court, tribunal or regulatory commission) having the legal power to interpret or apply such Law;
- (iii) Any amendment, alteration, or modification of an existing Law;
- (iv) The repeal and re-enactment of any existing Law;
- (v) Any Change in Permits;
- (vi) Imposition (other than for Cause) of a requirement for a permit which did not exist as at the date of this Agreement;
- (vii) A change (other than for cause) in the terms and conditions attaching to a permit after it has been given;
- (viii) To the attachment of any new terms and conditions to such permit; or
- (ix) The revocation or cancellation (other than for Cause) of any permit.

Provided however, no Change in Tax shall qualify as "Change in Law". Law shall not include any "Tax Law" (as hereinafter defined).

Change in Permits means:

- (i) the imposition (other than for Cause) of any material requirement in connection with the issuance, renewal or extension of any Permit or the modification of any Permit after such Permit was issued, in either case subsequent to the date of signing of this Agreement;
- (ii) the imposition (other than for Cause) of a requirement for a Permit which did not exist as on the date of this Agreement;
- (iii) the revocation or cancellation (other than for Cause) of any Permit.

Change in Tax means any introduction, amendment, extension, repeal or authoritative change in interpretation or application of any Tax (including, without limitation, the time, rate, incentive, exemption or incidence applicable to any Tax) after the date hereof.

Check Import/Export Meters means meters for maintaining a check on performance of main import/export meters and shall be used for accounting and billing of electricity in case of failure of main meter.

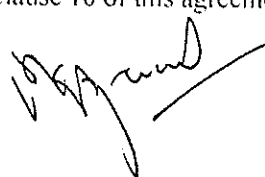
CLDS means Central Load Dispatch Station of UPPTCL.

Date of effectiveness of Agreement shall be 1st April, 2009.

Day means the 24 (twenty four) hours period ending at 24:00 Hours midnight Indian Standard Time.

Declared Capacity or DC means the capability of the generating station to deliver ex-bus electricity in MW declared by such generating station in relation to any period of the day or whole of the day, duly taking into account the availability of fuel;

Delivery of Bill: Shall have the meaning as defined in clause 10 of this agreement.



Designated Officer means an officer designated by UPPCL/STU for matters relating to meter reading, billing and payment.

Dispute means any material dispute or material difference of any kind between Seller and Purchaser in connection with or arising out of this Agreement.

Due Date of Payment or Due Date means, in relation to any Bill, the date on which the amount referred to in such Bill becomes due for payment which shall be 30 days from the Billing Date to the Authorized Representative of Purchaser. If the due date is not a business day, the next business day will be the due date.

Energy Charges shall cover fuel costs and shall be worked out as specified in Tariff order.

Energy Account shall mean periodic energy account including amendments thereof, if any.

Energy Unit means one-kilowatt hour of electrical energy.

Fixed charges or Capacity Charge amount means the recoverable fixed charge for a Tariff period determined in accordance with the Tariff Order.

Force Majeure shall have the meaning set forth in clause 16 of this Agreement.

Force Outage means an interruption of generating capacity that is not the result of:

- (i) A Scheduled Outage;
- (ii) A Force Majeure event;
- (iii) Any event or condition caused by Purchaser or attributable to an event or condition on Purchaser Facility; or
- (iv) Any Emergency or other curtailment or reduction pursuant to clause 16 in this Agreement.

Generating Unit means Plant, consisting of boiler, turbo generator, and other auxiliaries, which is capable of generating the specified power, independently.

GOI means the Government of India.

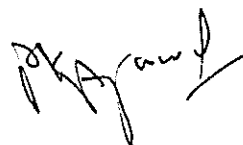
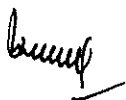
GOUP means the Government of Uttar Pradesh and its successors.

Government Agency means the GOI, GOUP, UPERC, or any ministry, department, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with Seller) or commission under the direct or indirect control of the GOI or the GOUP or any political subdivision of either of them owned or controlled by GOI or GOUP or any of their subdivisions, or any court, tribunal or judicial body within India.

Grid means the total system of electrical generation using any means other than Seller's Generating Unit, evacuation and transmission circuits, transformers, switchgear and other equipment (including the interconnection Facility) on Purchaser's side of the Interconnection Point.

'Gross Calorific Value' or GCV in relation to a thermal power generating station means the heat produced in kCal by complete combustion of one kilogram of solid fuel or one litre of liquid fuel, as the case may be;

Interconnection Point means the point or points at which interconnection is made between the Unit and the Transmission Utility System and unless otherwise mutually decided, shall be at the outgoing sides of circuit breakers connecting the EHT/HT lines.



Installed Capacity or IC means the summation of the name plate capacities of all the units of the generating station or the capacity of the generating station reckoned at the generator terminals as approved by the Commission from time to time;

KW means kilowatt.

kWH means kilowatt hour.

Law means the Constitution of India and any Act, rule, regulation, notification, directive, ordinance, order or any interpretation thereof or instruction having the force of law enacted or issued by any Government Agency.

Main Import Meter shall mean meter for measurement of active energy import at TPS Busbar for energy accounting.

Main Export Meter shall mean meter for measurement of active energy export at TPS Busbar for energy accounting.

Metering Date shall mean mid-day (12:00 hrs) of the last day of each calendar month.

Monthly Fixed Charge amount means the prescribed recoverable fixed charges as per Tariff Order.

MU shall mean one million Units.

MW means Megawatts.

Net Electrical Energy is the energy, supplied by Parichha Extension TPS of UPRVUNL and measured in kWh, at the point of interconnection in accordance with the provisions of Clause 5.

O & M shall mean operation and maintenance.

Permit or Permits means any consent, license, approval, permit, no objection certificate or other authorization of any nature whatsoever, which is required to be granted to Purchaser or Seller, as the case may be, by any Government Agency for the purpose of owning, developing, designing, financing, insuring, constructing, operating or maintaining the Project as contemplated under this Agreement.

Plant Load Factor or PLF for a given period, means the total sent out energy corresponding to scheduled generation during the period, expressed as a percentage of sent out energy corresponding to installed capacity in that period and shall be computed in accordance with the following formula;

$$PLF (\%) = 10000 \times \frac{\sum_{i=1}^N SG_i}{\{ N \times IC \times (100 - AUX_n) \}} \%$$

where,

IC = Installed Capacity of the generating station in MW.

SG_i = Scheduled Generation in MW for the ith time block of the period,

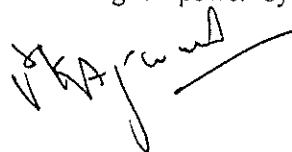
N = Number of time blocks during the period, and

AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Power Grid means Power Grid Corporation Ltd.

Power Purchase Agreement means the Agreement for selling of power by UPRVUNL and purchase by UPPCL.





Primary Fuel shall mean coal as supplied by the collieries.

Pool Account means Regional account for payments regarding Unschedule Interchanges

Scheduled Bank means any bank at Lucknow indicated by Purchaser and acceptable to Seller.

Secondary Fuel shall mean the heavy furnace oil (HFO) and/or light diesel oil (LDO) and or Low Sulphur High Speed (LSHS)

SLDC or State Load Dispatch Centre means the centre established under subsection (1) of section 31 by GoUP

Schedule Generation: At any time or for any period or time block means Schedule of Generation in Mw or Mwh ex-bus given by the concerned Load Dispatch centre.

Target Availability or TA means availability as set by the Commission in its Tariff Order

Tariff means the amounts to be paid by Purchaser to the Seller under this Agreement and as determined by UPERC or any competent authority authorized from time to time.

Tariff Order means the Tariff Order passed by UPERC on 20.01.11 for MYT period FY 2009-10 to 2013-2014 (Ref No UPERC/ Secy/D(G)/2011-1545 dated 20.01.11) and hosted on website: www.uperc.org

Tariff Regulation means the regulations notified in exercise of powers conferred under Section 181 read with Section 61 of the Electricity Act, 2003 by the Uttar Pradesh Electricity Regulatory Commission [vide Notification No. UPERC/Secy/ Generation Regulation/4100, Lucknow dated 31 March 2009, titled as the Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 and as amended from time to time.

Tax means tax, cess, levy, toll, impost, excise, duty, fee or charge of any nature whatsoever levied by or payable to any Government Agency including but not limited to any withholding tax, income tax, corporate tax, VAT, excise tax, works contract tax, stamp duty, customs and import duties, octroi.

Thermal Power Station (TPS) means a thermal generating station having an installation of one or more thermal generating units and covered under this Agreement.

Transfer Scheme shall mean UP Electricity Reforms Transfer Scheme, 2000.

Unit means one kilowatt-hour.

UPERC or Commission means UP Electricity Regulatory Commission.

1.2 INTERPRETATION AND GENERAL

1.2.1 Interpretation Any reference in this Agreement to:

this Agreement shall be construed as references to this Agreement together with all recitals and Schedules hereto;

Clause shall, subject to any contrary indication, be construed as a reference to a clause of this Agreement;

Encumbrance shall be construed as a reference to a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;

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Paragraph shall, subject to any contrary indication, be construed as a reference to a paragraph in the Clause or Schedule in which such reference appears:

Person shall be construed as a reference to any person, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing.

1.2.2 General

Save where the contrary is indicated, any reference in this Agreement to:

- (i) **Rupee and Rs.** denote Indian Currency;
- (ii) words importing the singular shall include the plural and vice versa, any person shall be construed so as to include its and any subsequent successors, transferees and assigns in accordance with their respective interests;
- (iii) this Agreement or any other agreement or document shall be construed as a reference to each such agreement or, as the case may be, such other agreement or document as the same may have been, or may, from time to time, be amended, varied, novated, replaced or supplemented;
- (iv) a statute or enactment shall be construed as a reference to such statute as the same may have been, or may from time to time be, amended or re-enacted;
- (v) All orders so issued by UPERC shall be binding on both the parties from the date the same become applicable.
- (vi) In case either party goes in for any Review Petition/Appeal against the order of the UPERC before the competent authority, the order of the competent authority in that regard shall be applicable and binding on both the parties from the date the said order become applicable.
- (vii) a time of day shall, save as otherwise provided in any agreement or document, be construed as a reference to Indian Standard Time; and

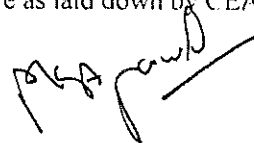
Any word or expression used in this Agreement shall, unless otherwise defined or construed herein, bear its ordinary English meaning and, for these purposes, the General Clauses Act, 1897 shall not apply.

2.0 TERM OF AGREEMENT

The term of this Agreement shall be for a period of five years starting from 1st April, 2009 and ending on 31st March, 2014 extendable/renewable by **mutual** consent between UPPCL and UPRVUNL. In case UPPCL continue to get power from the Parichha Extension Thermal Power Station even after expiry of this agreement without further renewal or formal extension thereof, then all the provisions of this agreement shall continue to operate till this Agreement is formally renewed, extended or replaced except the Tariff, which will be applicable as per order of the UPERC as per provision of clause 6.3. This agreement shall be terminable even from any earlier date from which the PPA with different DisComs has been made effective -

3.0 INSTALLED CAPACITY

- 3.1 The existing installed capacity of Parichha Extension Thermal Power Station is 420 MW. The installed capacity is, however, subject to de-rating/re-rating of the generating units as determined from time to time after following the prescribed procedure as laid down by CEA.



3.2 Allocation of Power

Full capacity of Parichha Extension TPS shall be allocated to UPPCL unless reallocated by GOUP.

3.3 Drawal of Power

The power from Parichha Extension TPS shall be drawn by UPPCL directly through its own or through the transmission system of other agencies on the basis of availability of capacity of the TPS.

3.4 Generation Schedule

UPRVUNL shall submit daily generation schedule of Parichha Extension TPS to UPPCL or SLDC, as per UPERC Generation Regulation

3.5 Daily Declared Capacity Notice

UPRVUNL shall deliver to UPPCL or SLDC, as applicable, at each day a notice indicating daily declared capacity of Parichha Extension TPS as per regulation for next 24 hours. Any change in daily declared capacity notice due to minor or major breakdown in station shall be intimated to UPPCL or SLDC, as applicable as per regulation.

4.0 TRANSMISSION/WHEELING OF POWER

4.1 Power shall be made available by UPRVUNL at the busbars of the Station and it shall be the obligation and responsibility of UPPCL to make the required arrangement for evacuation of power from such delivery points of UPRVUNL.

4.2 UPPCL shall coordinate with the appropriate authorities/agencies including UPPTCL/STU or any other Licensees for power evacuation from the above delivery point.

4.3 UPPCL shall be responsible to coordinate with the UPPTCL/STU or any licensee or other agencies for implementation of the transmission system for evacuation of power from the station matching with the commissioning schedule of the station.

4.4 For wheeling of the power beyond busbars of the Station, charges for utilisation of transmission system(s) owned by UPPTCL/STU/other agencies shall be paid directly by UPPCL to the UPPTCL or other agencies. UPRVUNL shall not be responsible for payment of such charges.

5.0 SUPPLY OF POWER

Power as generated by Parichha Extension TPS will be supplied to UPPCL only unless mutually agreed otherwise. Terms and conditions as mutually agreed and approved/determined by UPERC from time to time would be applicable.

6.0 TARIFF AND TERMS & CONDITIONS

6.1 The tariff chargeable to UPPCL shall be as per the Tariff Order dated 20.01.11 or any amendment thereof issued by the UPERC.

6.2 The bill for the energy so supplied would be based on energy accounts as given under Clause 7 of this Agreement.

6.3 If Tariff for the period extending beyond 31.03.2014 is not approved by the U.P. Electricity Regulatory Commission the tariff order dated 20.01.11 approved by the Commission will be provisionally applicable till Tariff Order for the concerning period is approved by the UPERC

7.0 SCHEDULING AND ENERGY ACCOUNTING

7.1 Scheduling

Consequent to the implementation of ABT the methodology of generation schedule shall be as per Indian Electricity Grid Code/UP Electricity Grid Code (as revised from time to time) and UPERC orders.

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7.2 Unschedule Interchange

- 7.2.1 UI for generating station shall be equal to its actual generation minus schedule generation. UI should be worked out for each 15 min blocks. Charges for all UI transactions shall be based on average frequency of the time block and rates as specified in notifications issued by UPERC from time to time.
- 7.2.2 In case of zero generation (tripping / shut down of all units) of a Thermal Power Station, the negative DC / negative Revision Schedule (drawl of power from grid) declared by TPS will be accepted by SLDC and the energy supplied from UPPCL system to the TPS during such period shall be charged at the same tariff or as mutually agreed.
- 7.2.3 **Effective date of implementation of ABT:** The effective date of implementation of ABT for Parichha Extension of UPRVUNL is 1/12/07 without UI Charges and 1/07/09 with UI Charges as per UPERC order dated 05/03/2009.

7.3 Energy Accounting :

- 7.3.1 Energy drawal by UPPCL will be metered at the Parichha Extension TPS. The energy account shall be prepared by UPRVUNL based on the monthly joint meter reading taken by the representatives of UPRVUNL and UPPCL/STU. The methodology for energy account would be on mutually agreed basis. The export and import of energy at the metering points shall be computed on net basis, i.e. by difference between export and import meter readings.

Provided that if and when provisions of ABT are implemented the Energy Accounts shall be governed by clause 29 of Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 reproduced as under:

"Metering and Accounting - Metering arrangements, including installation, testing and operation and maintenance of meters and collection, transportation and processing of data required for accounting of energy exchanges and average frequency on 15 minute time block basis shall be organized by the State Transmission Utility in consultation with State Load Despatch Centre. All concerned entities (in whose premises the special energy meters are installed), shall fully cooperate with the State Transmission Utility/State Load Despatch Centre and extend the necessary assistance by taking weekly meter readings and transmitting them to the State Load Despatch Centre. The State Load Despatch Centre, on the basis of processed data of meters along with data relating to declared capability and schedules etc., shall issue the State Accounts for energy on monthly basis as well as UI charges on weekly basis. UI accounting procedures shall be governed by the orders of Central Commission.

Note: This provision shall be applicable with effect from the date these Regulations coming into force except for UI that shall come into force from such date specified by the Commission for implementation of ABT in the State".

- 7.3.2 On implementation of ABT the Regional Energy Account issued by STU/SLDC or any competent authority shall be binding on all the parties for billing and payment purposes.
- 7.3.3 Such consumers other than establishment of Parichha Extension TPS getting supply directly from Parichha Extension TPS of UPRVUNL would be UPPCL consumers. The billing shall be done by UPPCL on the basis of joint meter reading taken by representative of UPRVUNL & representative of UPPCL/ STU concerned Division of DisComs. Such energy shall be treated as energy exported to UPPCL and accounted for accordingly.



8.0 POINTS OF METERING

The main and check meters at the 400 KV/220 KV/132 KV or other KV bus bars of generating transformers of the Parichha Extension TPS to be installed by UPRVUNL shall be maintained by UPRVUNL. Installation and maintenance of main and check meters at locations other than the meters installed and maintained by UPRVUNL shall be the responsibility of UPPCL. The meters shall be sealed after calibration by the concerned parties jointly. The points of metering for Parichha Extension TPS are as under:

Export Points:-

1. Generator Transformer-3
2. Generator Transformer-4

Import Points:-

1. Station Transformer -2A
2. Station Transformer -2B

Note: - The above points are subject to addition/alteration, if found necessary.

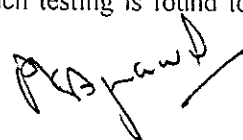
9.0 METERING SYSTEM

- 9.1 A set of CT/PT/Meters (Main and check) of 0.2 accuracy class, as per IEGC/CEA (Installation & Operation of Meters) Regulations – 2006 as applicable, shall be installed on all outgoing feeders of the station. UPPCL/STU shall make all necessary arrangements for installation of CT/PT/Meters, at all its drawal points. So long as existing CT/PT/Meters of any other class are replaced by 0.2 class, the existing CT/PT/Meters will be used for energy accounting.
- 9.2 All the meters shall be jointly calibrated, inspected and sealed on behalf of the parties and shall not be interfered with except in the presence of other party or for joint testing and calibration and/or replacement and/or any other purposes for which due notice of 7 (Seven) days will be given by UPRVUNL/STU/UPPCL so that this is done in the presence of the authorized representatives of the STU/UPPCL/UPRVUNL.
- 9.3 Joint meter readings of the main as well as check meters at various energy accounting points as identified shall be taken by the parties as mentioned above at 1200 hrs (noon) on the last day of each calendar month. In case any of the concerned parties is not available for joint meter readings at the specified time, the meter reading taken by the other party shall be binding on both the parties and shall be taken into account for preparation of Energy Accounts. UPPCL shall designate an officer for joint meter reading. On implementation of ABT the data shall be downloaded from the meters at regular interval as decided by STU/SLDC for preparation of REA/UI account.
- 9.4 If the main meter is found to be not working at the time of meter readings or any other time, UPRVUNL shall inform the STU/SLDC for the same and the data from check meters shall be considered by SLDC/STU for energy accounting for the period.

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- 9.5 If in any month the readings of the main energy meter(s) differ from the readings of corresponding check energy meter(s) by more than 0.4% (zero point four percent) the main and check energy meter(s) shall be tested in turn and the errors at various levels as per standard procedures would be determined. If on such testing main energy/check meter error is found to exceed $\pm 0.2\%$ (plus/minus zero point two percent) the energy figures recorded by the main energy/check meter(s) for the above month concerned shall be revised accordingly and the main energy/check meter(s) shall be recalibrated jointly or replaced by the correct energy meter(s). Pending the results of such testing, billing and payment shall continue to be based on the energy recorded by the check meter(s), provided its error is within the prescribed limit.
- 9.6 If both the main and check meter(s) fail to record or if any of the PT fuses are blown out, then the energy will be computed on a mutually agreeable basis between UPRVUNL and UPPCL/STU for the period of defect. In case there is no mutual agreement, the computation of energy shall be on the basis of average of the billing of last three months.
- 9.7 Corrections in billing whenever necessary, shall be applicable for the period between the previous meter reading and the date and time of the replacement or recalibrated correct meter and this correction shall be for the full value of the absolute error. For the purpose of the correction to be applied, the meter shall be tested as per Indian Standard (British Standard where Indian Standard is not existing) The error at the load and power factor nearest to the average monthly load served at the point during the period shall be taken as the error to be applied for correction.
- 9.8 All the meters shall be checked for accuracy on quarterly basis by comparison of the readings of main and check meters by UPRVUNL and UPPCL/STU and shall be treated as working satisfactorily so long as the errors are within the limits prescribed in relevant Indian Standard (or British Standard where Indian Standard is not existing) for meters of the said class. The meter readings of main meters shall form the basis of the Energy Accounts so long as the quarterly check results thereof are within prescribed limits. If the check meters are found to be defective during the quarterly checks, these shall be immediately calibrated jointly/ replaced. Where the quarterly checks indicate errors in the main meter(s) beyond limit but no error is noticed in check meter(s) during quarterly checking computation of total net energy sent out at 400 KV bus bars and/or 220 KV / 132 KV and/or other KV bus bars, as applicable, of the Parichha Extension TPS for the month shall be done on the basis of check meter(s) and main meter(s) shall be calibrated jointly immediately. If during the quarterly test check, the difference in the main meter(s) and the corresponding check meters readings are found to be beyond the permissible limits of error, i.e. more than 0.40% both the meter(s) shall be immediately calibrated and the correction applicable to main meter shall be applied to the consumption registered by the main meter(s) to arrive at the correct consumption of energy for the purpose of Energy Accounts for the month from the date of last meter reading upto the time of replacement of correct main meter. Billing for the period thereafter, till the next monthly meter reading, shall be as per calibrated main meter. During this period of calibration of main and check meter(s) another set of main and check meters duly calibrated and sealed will be installed by UPRVUNL/STU/UPPCL at the TPS in the presence of UPPCL/STU/UPRVUNL and jointly sealed. The energy accounting during the period of calibration of original meters shall be as per the readings of the substituted main meter. In case spare meters are not available with UPRVUNL/STU/UPPCL the main/check meter shall be calibrated by rotation. During the period of removal of main meter, the energy accounting will be done based on check meter readings applied with correction factor of the check meter obtained during testing/calibration of check meter.
- 9.9 For the purpose of test and calibration, the standard meter calibrated and sealed by GOUP/GOI Authorized Meter Testing House/Laboratory shall be utilized. This standard meter shall be got calibrated once in every six months at the GOUP/GOI Authorized Meter Testing House/Laboratory.
- 9.10 If at any time any party to the Agreement feels that a meter is not recording correctly it shall give notice to the other party. UPRVUNL/STU/UPPCL shall then undertake testing and calibration of the meters owned by UPRVUNL/STU/UPPCL. If errors on such testing is found to exceed the error



limits specified in the relevant Indian Standard (British Standard where Indian Standard is not existing) for this class of meters necessary adjustment in the bills shall be made from the date of notice or from such other date as can be satisfactorily established to be proper for such adjustment.

- 9.11 Once in every five years, both main and check meters shall be tested for accuracy by a substandard meter either at the station or at any approved testing laboratory. During testing in case of error is found to be more than the permissible limits, then the meter shall be replaced by a correct meter.

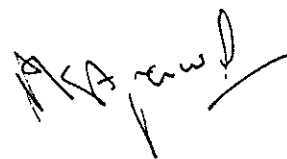
10 BILLING AND PAYMENT

- 10.1 All charges under this Agreement shall be billed by UPRVUNL as per Clause 6 and shall be paid by UPPCL in accordance with the following provisions:

- (i) UPRVUNL shall deliver bills to the UPPCL generally within 5 days of the billing date for energy supplied for each month to UPPCL from Parichha Extension TPS. The payments will be made by UPPCL within due date by cheque payable at Lucknow.
- (ii) UPRVUNL shall carry out billing and associated functions. The authority of UPPCL to whom the bills have to be submitted would be informed by UPPCL to UPRVUNL within a month of signing of the Agreement failing which UPRVUNL would submit the bills to the Director (Finance) of UPPCL.
- (iii) UPPCL shall make adequate provisions in their approved budget for respective years during which this PPA continues to ensure regular payment of power purchased by UPPCL from UPRVUNL and shall also furnish a copy of the approved budget to UPRVUNL.
- (iv) PFC conditions applicable for the agreement period are:-
 - (a) UPRVUNL can undertake third party sale of energy within the state or outside the state if the procurer of energy does not clear the dues as per schedule.
 - (b) Provided that revenue of the procurer shall be escrowed if favour of UPRVUNL and in turn in favour of lenders to UPRVUNL.
 - (c) In case of default to PFC by UPRVUNL, than PFC shall have right to transfer the project to themselves or their agents, operate the project and sell energy to third party.

10.2 Schedule of payment of UI Charges

- 10.2.1 **UI Charges Accounting:** All payments on account of UI charges including the additional UI charges levied under the regulations and interest received on late payment thereof shall be credited to a fund called UI pool account fund which shall be maintained and operated in accordance with provisions of UPERC regulation / grid code or as mutually agreed.
- 10.2.2 Payment of UI charges shall have a high priority and the concerned constituent shall pay the indicated amount within 10 days of the issue of statement of UI charges including additional UI charges into the UI pool account fund or as mutually agreed.
- 10.2.3 If payment against UI charges including additional UI charges are delayed by more than two days i.e beyond 12 days from the date of issue of statement by SLDC, the defaulting constituent shall have to pay simple interest @ .04% for each day of delay applicable as per UPERC order / any amendment time to time or as mutually agreed.



11 DISPUTES

In the event of any dispute as to all or any portion of an Invoice, Purchaser shall nevertheless pay the full amount of the undisputed charges subject to minimum 50% of the total amount of the invoice within due date and shall serve notice on the Seller that the amount of an Invoice is in dispute in which event the provisions of Clause 14 hereof shall be applicable.

12 REGULATION OF SUPPLY

In the event any bill(s) remain unpaid for a period exceeding sixty (60) days, UPRVUNL shall serve a notice on UPPCL giving fifteen (15) days period for effecting regulation of supply from its Parichha Extension Thermal Power Station with consent of GOUP, unless UPPCL makes full direct payment of the outstanding amount within the notice period. In case regulation of supply is effected, for resumption UPPCL shall pay all the outstanding dues.

13 LEVIES, TAXES, DUTIES, CESS, ETC.:

The amount of all lawful taxes/duties/cess, etc. payable by UPRVUNL to GOUP/GOI and/or any other local bodies/authorities on generation of electricity including auxiliary consumption, or any other types of consumption including water, transmission, environment protection, sale or on supply of electricity and/or in respect of any of its installation associated with the TPS and/or Transmission system shall be billed on to UPPCL in the shape of supplementary bill raised by UPRVUNL and UPPCL will make payment accordingly at actual.

13.1 **Income Tax** – Income tax on core activity to be charged separately through Tax Escrow Account.

14 INFORMAL DISPUTE RESOLUTION

14.1 The Authorized Representative appointed by the Parties in pursuance be authorized to resolve any dispute, controversy or claim arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination (a “Dispute”) in an equitable manner.

14.2 Following notice by one Party to the other setting out the particulars of the Dispute, if the Authorized Representatives are unable to resolve the Dispute under this Agreement within 15 days, such Dispute shall be referred by such Authorized Representatives to a senior officer designated by Seller and a senior officer designated by Purchaser, respectively, who shall attempt to resolve the Dispute within a further period of 15 days.

14.3 The Parties hereto agree to use their best efforts to attempt for resolving all Disputes arising hereunder promptly, equitably and in good faith, and further agree to provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any such Dispute.

15.0 ARBITRATION

15.1 All differences or disputes between the parties arising out of or in connection with this Agreement remained unresolved as per clause 14 above shall be settled through arbitration as provided herein after.

15.2 In the event of such difference or disputes between the parties the matter shall be referred to UPERC for arbitration as per Section 158 of The Electricity Act, 2003 and Section 34 of the U.P. Electricity Reforms Act, 1999.

15.3 Notwithstanding the existence of any question, disputes and differences referred to arbitration, the parties hereto shall continue to perform their respective obligations under this Agreement.



16 FORCE MAJEURE

The parties shall ensure due compliance with the terms of this Agreement. However no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God, strike, lock-out or any other reason beyond the reasonable control of concerned party. But any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within 24 hours thereof to the other party to this effect. Generation /drawal of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

17.0 SYSTEM OPERATION

All instructions from SLDC / STU will be followed strictly regarding scheduling and operation of the Parichha Extension TPS.

18.0 IMPLEMENTATION OF THE AGREEMENT

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorized representative(s) that each party may nominate in this behalf and notify in writing to the other party by registered post/courier. Any other nomination of authorized representative(s) shall be informed likewise in writing to/by UPPCL within one month of signing of the Agreement. Notwithstanding any nomination, the Chairman and Managing Director UPRVUNL, Shakti Bhawan, 14, Ashok Marg, Lucknow/ CE(L-1) of Parichha TPS or their authorized representatives shall be authorized to act for and on behalf of UPRVUNL.

19.0 NOTICE

- 19.1 All notices required or referred to under this Agreement shall be in writing and signed by the respective authorized signatories of the parties mentioned herein unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts/by Courier Service with an acknowledgement due to the other parties in terms of this Agreement.
- 19.2 All notices or communications given by telefax or telegram/FAX shall be confirmed by deposition of a copy of the same in the post office in an envelope properly addressed to the appropriate party for delivery by registered or certified mail or courier. All notices shall be deemed delivered upon receipt.

20.0 SUCCESSORS AND ASSIGNS

- 20.1 Neither party shall assign in full or part with any of its rights or obligations under this agreement to any third party without the prior approval in writing of other party.
- 20.2 In case any of the parties to this Agreement is restructured and/or its generation, transmission and distribution activities are taken over by other organization(s), agency(ies), partly or wholly, the Agreement shall be binding *mutatis mutandis* upon the successor organization(s)/ agency(ies), and shall ensure to the benefits of and shall also be guaranteed by the State Government and shall continue to remain valid with respect to the obligations of the successor organization(s)/agency(ies). In such situation this agreement shall be suitably reviewed and modified as mutually agreed between the parties and shall be binding on all concerned.



21.0 JURISDICTION

All disputes arising out of or relating to this agreement shall be subject to the jurisdiction of High Court of Judicature of Allahabad at Lucknow Bench.

22 MISCELLANEOUS

22.1 Writing

No variation, waiver, amendment or modification of any of the terms of the Agreement shall be valid unless approved by UPERC and communicated in writing and signed by or on behalf of the Parties.

22.2 Severability

The invalidity or enforceability, for any reason, of any part of this Agreement shall not prejudice or affect the validity or enforceability of the remainder.

22.3 No Waiver

The failure of any Party to insist in one or more instances upon the strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as waiver of any such provisions or relinquishment of any such rights but the same shall continue in full force and effect.

22.4 Language

The language of this agreement shall be in English and all documents, notices, waivers and any other written communication or otherwise between the parties, in connection with the agreement, shall be in English/Hindi.

22.5 Entirety

This Agreement is intended by the parties as the final expression of their agreement and are intended also as a complete and exclusive statement of the terms of their agreement.

All prior written or oral understanding, offers or communications of every kind pertaining to this agreement or the sale or purchase of electrical output and contracted capacity under this agreement to Purchaser by Seller are abrogated and withdrawn.

22.6 Survival

Notwithstanding anything contained in this Agreement, clause 18 read with clause 2 shall survive this Agreement.

22.7 Waiver of Immunity

Purchaser and Seller are subject to Civil and Commercial Law with respect to their obligations under this Agreement, and the execution, delivery and performance hereof by them constitutes (for the purposes of applicable Indian Law and otherwise) private and commercial acts rather than government and public acts.

To the extent that Purchaser or Seller may in any jurisdiction claim for itself or any of its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgement or otherwise) or other legal process, or to the extent that in any jurisdiction there may be attributed to Purchaser or its assets or revenues any such immunity (whether or not claimed), Purchaser and Seller hereby agree not to claim and irrevocably waive any such immunity.

Belong

PK Agarwal

22.8 Breach of Obligations

The parties acknowledge that a breach of any of the obligations contained herein would result in injuries. The parties acknowledge the damages alone shall not be adequate remedy for such breach. Accordingly each party agrees that in addition to any other rights or remedy which the other party may have at Law or in equity, the non breaching party shall be entitled to specific performance and injunctive relief in any court of competent jurisdiction for any breach or threatened breach by the other party.

22.9 Inconsistency between the Provisions of PPA and Tariff Regulations/Tariff Order:

In the event of any inconsistency between the provisions of this PPA and the UPERC (Terms and Conditions of Generation Tariff) Regulations, 2009 read with the UPERC Tariff Order dated 20.01.11 or any amendment thereof, the later shall prevail.

22.10 This PPA is subject to approval by UPERC.

IN WITNESS WHEREOF the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names as on the date first above written.

SIGNED AND DELIVERED by UPRVUNL (Seller) by the hand of its authorized official.

Name: (P. K. AGARWAL)
Title: Advisor. (Tech.)
U.P.R.V.U.N.L.

Shakti Bhawan Extn.
14, Ashok Marg, Lucknow

In the presence of:
1. Witness Name

2. Witness Name

26.5.2011
(M. L. JAIN) (E.E.)
अभिमानो अभियन्ता (विश्वविद्यालय)
निर्देशक, शक्ति भवन विस्तार

Er. Ramesh Chandra
Chief Engineer (Commercial)
U.P.R.V.U.N.L.
Shakti Bhawan, Extn.
Lucknow

DELIVERED by UPPCL (Purchaser) by the hand of its authorized official.

Name: (निष्ठा साहू)
Title: निरीक्षक (पाथिज्य)

In the presence of:

1. Witness Name

2. Witness Name

(Jagad Kumar), E.E (PPA)
अभिमानो अभियन्ता
ऊर्जा क्रय अनुबंध निदेशालय
यूपीएनएल, शक्ति भवन विस्तार, लखनऊ

POWER PURCHASE AGREEMENT

BETWEEN

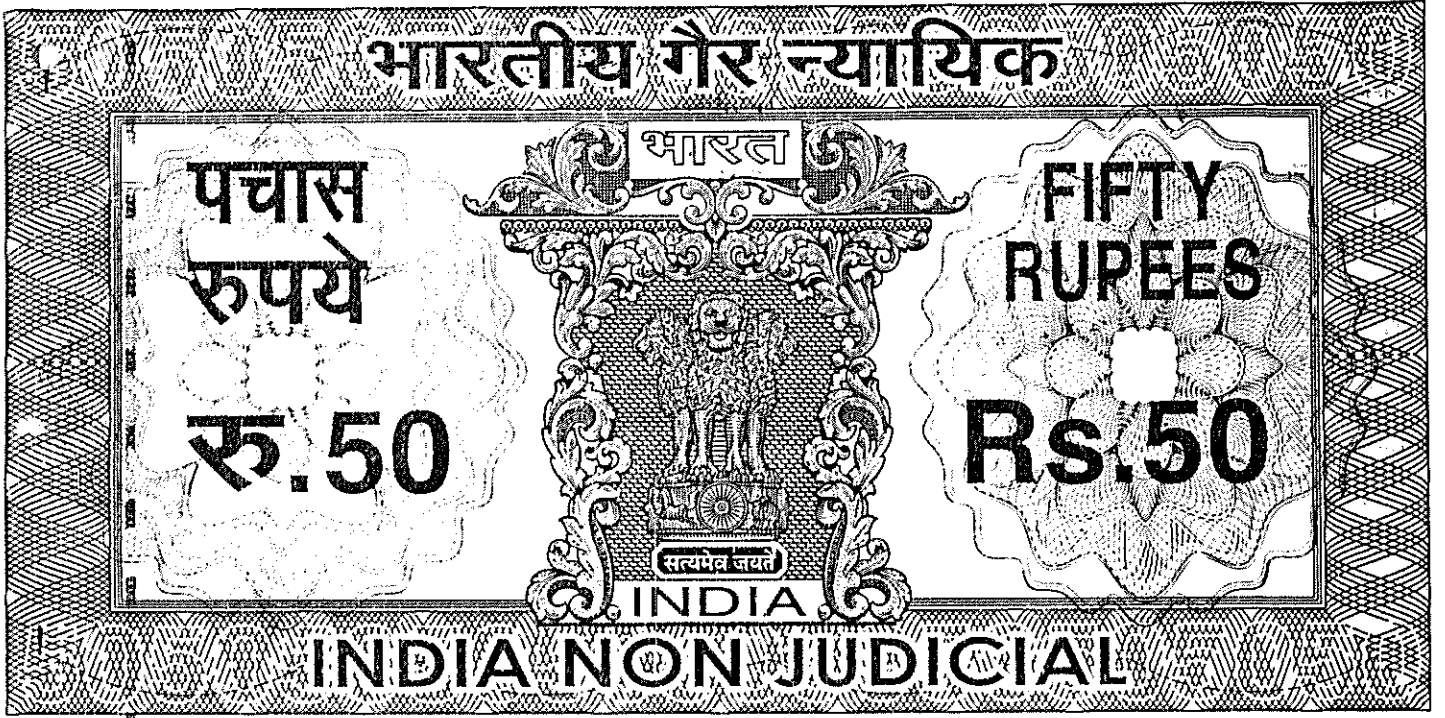
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM LIMITED

AND

UTTAR PRADESH POWER CORPORATION LIMITED

DATED: 26.05.2011

**For Parichha Ext. Stage II Thermal Power Station for the Period from
April 1, 2009 to March 31, 2014**



उत्तर प्रदेश UTTAR PRADESH

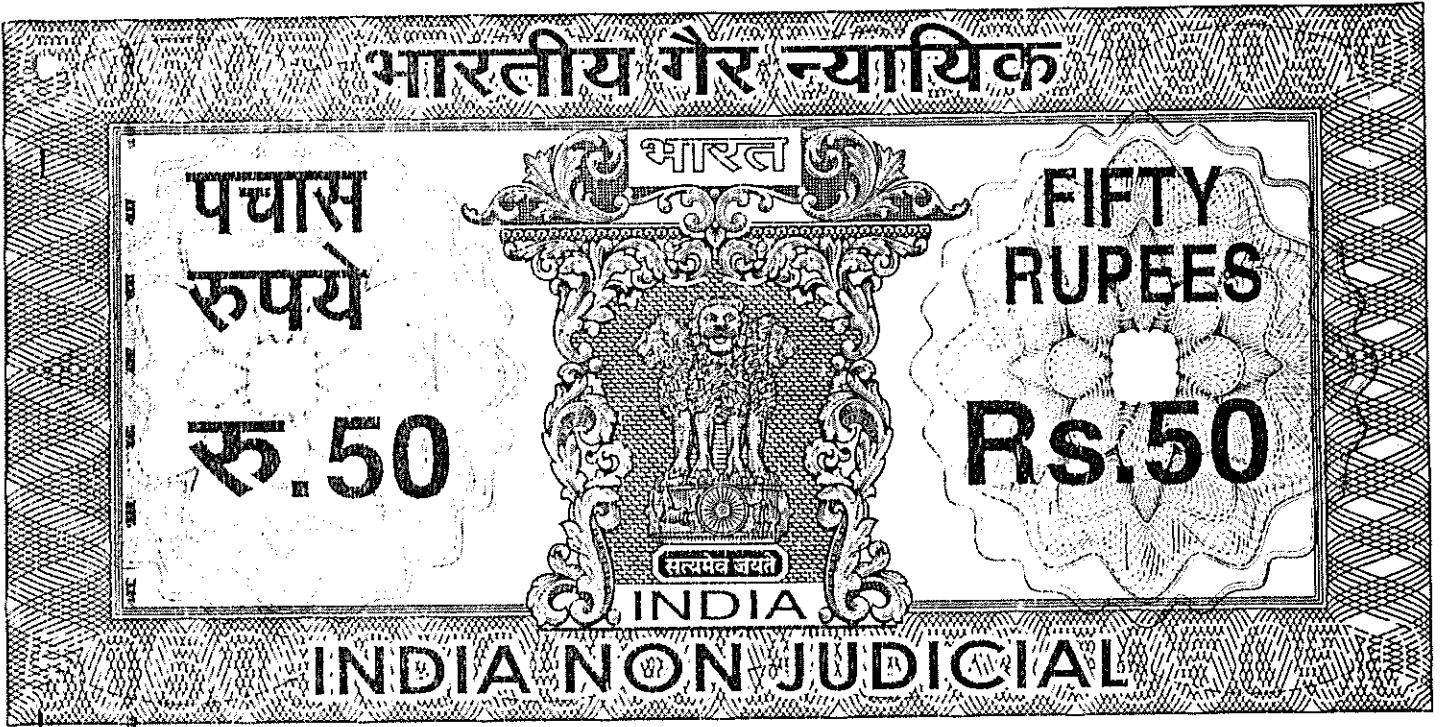
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POWER PURCHASE AGREEMENT
BETWEEN
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM
LIMITED
AND
UTTAR PRADESH POWER CORPORATION LIMITED

This Power Purchase Agreement (hereinafter referred to as "Agreement") entered into this 26th day of ... May ... 2011 ... between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd., a company incorporated under the Companies Act, 1956 having its Registered Office, at "Shakti Bhawan Extn", 14 - Ashok Marg, Lucknow - 226001 (hereinafter referred to as "UPRVUNL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns), as party of the FIRST PART which is the party selling the power, and Uttar Pradesh Power Corporation Limited, a company incorporated under the Companies Act, 1956 having its registered office at "Shakti Bhawan" 14 - Ashok Marg, Lucknow-226001 (hereinafter referred to as "UPPCL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns) as party of the SECOND PART, which is the party purchasing the power. This Agreement is subject to Uttar Pradesh Electricity Regulatory Commission's approval in terms of provisions, Section 10 (2) and (3), Section 86 (1) (a) and (b) of the Electricity Act, 2003 and Section 10 (1) (c) of the Uttar Pradesh Electricity Reforms Act, 1999 (U.P. Act no. 24 of 1999).

[Signature]

[Signature]



उत्तर प्रदेश UTTAR PRADESH

Y 585750

WHEREAS

- (i) UPRVUNL is a power generating company, which will own and operate a new upcoming electric power generating station namely Parichha Extn. Stage II Thermal Power Station at Parichha, District Jhansi and will be engaged in the business of the generation and sale of electricity so produced, and
- (ii) UPPCL is the holding company of the Distribution Companies (now distribution licensees in the State), as per section 4 of the Companies Act, 1956 and
- (iii) UPRVUNL wishes to sell to UPPCL who in turn wishes to purchase from UPRVUNL its electric energy and capacity from the aforementioned power generating station pursuant to the terms and conditions set forth herein. Further, the reallocation of generating capacity of UPRVUNL amongst various DisComs, as required, will be done as per approval from GoUP, without affecting upon the rights & obligations of UPRVUNL under this agreement. On such reallocation, the rights and obligations of UPPCL under this agreement shall stand transferred to the Distribution Companies, being the successor(s) of UPPCL as per provision in the PPA.

WHEREAS

UPRVUNL will own and operate the Parichha Extn. Stage II Thermal power station having installed capacity of 2x250 MW, to be commissioned as per following schedule (tentative)

Unit no. 5 :- Nov. 2011

Unit no. 6 :- Dec. 2011

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

1.0 DEFINITIONS AND INTERPRETATION

1.1 Definitions

When used herein and in all of the Schedules hereto including, without limitation, the Tariff (as hereinafter defined) or any other document related to this Agreement, the defined terms set forth in this Article 1 shall have the meanings specified herein.

Any term used herein, but not defined herein, shall have the meanings provided in the U.P. Electricity Reforms Act, 1999 and The Electricity Act, 2003, as amended from time to time. Additional defined terms set forth in "The Uttar Pradesh Electricity Regulatory Commission (Terms and conditions of Generation Tariff) Regulations, 2009" shall have the meanings set forth therein.

Availability

In relation to the thermal generating station for any period means the average of the daily average declared capacities (DCs) for all the days during that period expressed as a percentage of the installed capacity of the generating station minus normative auxiliary consumption in MW, and shall be computed in accordance with the following formula:

$$\text{Availability (\%)} = 10000 \times \frac{\sum_{i=1}^N \text{DC}_i}{\{N \times \text{IC} \times (100 - \text{AUX}_n)\}} \%$$

where,

IC = Installed Capacity of the generating station in MW,

DC_i = Average declared capacity for the ith day of the period in MW,

N = Number of days during the period, and

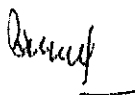
AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation:

Bill shall have the meaning as ascribed in clause 10 read with clause 6 of this Agreement.

Billing Date: shall be the date on which the bill shall be raised. The UPRVUNL shall present the bills after the end of each calendar month as per UPERC Tariff Order for energy supplied to UPPCL from the Power Station as per Energy Account issued by SLDC/STU or any other Competent Authority/JMR at TPS.

Billing Month means the metering date of one calendar month to the metering date of the next calendar month.

Business Day shall construe as a reference to a date (other than Sunday and Public Holidays) on which Banks are open for business in Lucknow.



Business Hours means the period commencing from 10:30 hours to 17:00 hours on any Business day.

Cause means any fact or circumstances which legally entitles the issuing Government Agency, to withhold issuance or renewal of, revoke or amend a Permit, due to any failure by Seller or any of the Lenders, Investors or Contractors in whose name the Permit has been or is to be issued.

CEA means the Central Electricity Authority.

Change in Law means:

- (i) Any enactment or issuance of any new Law;
- (ii) Any change in the interpretation or application of an existing Law by any judicial or quasi-judicial or other authority (including a court, tribunal or regulatory commission) having the legal power to interpret or apply such Law;
- (iii) Any amendment, alteration, or modification of an existing Law;
- (iv) The repeal and re-enactment of any existing Law;
- (v) Any Change in Permits;
- (vi) Imposition (other than for Cause) of a requirement for a permit which did not exist as at the date of this Agreement;
- (vii) A change (other than for cause) in the terms and conditions attaching to a permit after it has been given;
- (viii) To the attachment of any new terms and conditions to such permit; or
- (ix) The revocation or cancellation (other than for Cause) of any permit.

Provided however, no Change in Tax shall qualify as "Change in Law". Law shall not include any "Tax Law" (as hereinafter defined).

Change in Permits means:

- (i) the imposition (other than for Cause) of any material requirement in connection with the issuance, renewal or extension of any Permit or the modification of any Permit after such Permit was issued, in either case subsequent to the date of signing of this Agreement;
- (ii) the imposition (other than for Cause) of a requirement for a Permit which did not exist as on the date of this Agreement;
- (iii) the revocation or cancellation (other than for Cause) of any Permit.

Change in Tax means any introduction, amendment, extension, repeal or authoritative change in interpretation or application of any Tax (including, without limitation, the time, rate, incentive, exemption or incidence applicable to any Tax) after the date hereof.

Check Import/Export Meters means meters for maintaining a check on performance of main import/export meters and shall be used for accounting and billing of electricity in case of failure of main meter.

CLDS means Central Load Dispatch Station of UPPTCL.

Date of effectiveness of Agreement shall be 1st April, 2009.

Day means the 24 (twenty four) hours period ending at 24:00 Hours midnight Indian Standard Time.

Declared Capacity or DC means the capability of the generating station to deliver ex-bus electricity in MW declared by such generating station in relation to any period of the day or whole of the day, duly taking into account the availability of fuel;

Delivery of Bill: Shall have the meaning as defined in clause 10 of this agreement.

Designated Officer means an officer designated by UPPCL/STU for matters relating to meter reading, billing and payment.

Dispute means any material dispute or material difference of any kind between Seller and Purchaser in connection with or arising out of this Agreement.

Due Date of Payment or Due Date means, in relation to any Bill, the date on which the amount referred to in such Bill becomes due for payment which shall be 30 days from the Billing Date to the Authorized Representative of Purchaser. If the due date is not a business day, the next business day will be the due date.

Energy Charges shall cover fuel costs and shall be worked out as specified in Tariff order.

Energy Account shall mean periodic energy account including amendments thereof, if any.

Energy Unit means one-kilowatt hour of electrical energy.

Fixed Charges or Capacity Charge amount means the recoverable fixed charge for a Tariff period determined in accordance with the Tariff Order.

Force Majeure shall have the meaning set forth in clause 16 of this Agreement.

Force Outage means an interruption of generating capacity that is not the result of:

- (i) A Scheduled Outage;
- (ii) A Force Majeure event;
- (iii) Any event or condition caused by Purchaser or attributable to an event or condition on Purchaser Facility; or
- (iv) Any Emergency or other curtailment or reduction pursuant to clause 16 in this Agreement.

Generating Unit means Plant, consisting of boiler, turbo generator, and other auxiliaries, which is capable of generating the specified power, independently.

GOI means the Government of India.

GOUP means the Government of Uttar Pradesh and its successors.

Government Agency means the GOI, GOUP, UPERC, or any ministry, department, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with Seller) or commission under the direct or indirect control of the GOI or the GOUP or any political subdivision of either of them owned or controlled by GOI or GOUP or any of their subdivisions, or any court, tribunal or judicial body within India.

Grid means the total system of electrical generation using any means other than Seller's Generating Unit, evacuation and transmission circuits, transformers, switchgear and other equipment (including the interconnection Facility) on Purchaser's side of the Interconnection Point.

'Gross Calorific Value' or GCV in relation to a thermal power generating station means the heat produced in kCal by complete combustion of one kilogram of solid fuel or one litre of liquid fuel, as the case may be;

Interconnection Point means the point or points at which interconnection is made between the Unit and the Transmission Utility System and unless otherwise mutually decided, shall be at the outgoing sides of circuit breakers connecting the EHT/HT lines.

Installed Capacity or IC means the summation of the name plate capacities of all the units of the generating station or the capacity of the generating station reckoned at the generator terminals as approved by the Commission from time to time;

KW means kilowatt.

kWH means kilowatt hour.

Law means the Constitution of India and any Act, rule, regulation, notification, directive, ordinance, order or any interpretation thereof or instruction having the force of law enacted or issued by any Government Agency.

Main Import Meter shall mean meter for measurement of active energy import at TPS Busbar for energy accounting.

Main Export Meter shall mean meter for measurement of active energy export at TPS Busbar for energy accounting.

Metering Date shall mean mid-day (12:00 hrs) of the last day of each calendar month.

Monthly Fixed Charge amount means the prescribed recoverable fixed charges as per Tariff Order.

MU shall mean one million Units.

MW means Megawatts.

Net Electrical Energy is the energy, supplied by Parichha Extn. Stage II TPS of UPRVUNL and measured in kWh, at the point of interconnection in accordance with the provisions of Clause 5.

O & M shall mean operation and maintenance.

Permit or Permits means any consent, license, approval, permit, no objection certificate or other authorization of any nature whatsoever, which is required to be granted to Purchaser or Seller, as the case may be, by any Government Agency for the purpose of owning, developing, designing, financing, insuring, constructing, operating or maintaining the Project as contemplated under this Agreement.

Plant Load Factor or PLF for a given period, means the total sent out energy corresponding to scheduled generation during the period, expressed as a percentage of sent out energy corresponding to installed capacity in that period and shall be computed in accordance with the following formula;

$$PLF (\%) = 10000 \times \frac{\sum_{i=1}^N SG_i}{N \times IC \times (100 - AUX_n)} \%$$

where,

IC = Installed Capacity of the generating station in MW.

SG_i = Scheduled Generation in MW for the ith time block of the period,

N = Number of time blocks during the period, and

AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Power Grid means Power Grid Corporation Ltd.

Power Purchase Agreement means the Agreement for selling of power by UPRVUNL and purchase by UPPCL.

Primary Fuel shall mean coal as supplied by the collieries.

Pool Account means Regional account for payments regarding Unschedule Interchanges

Scheduled Bank means any bank at Lucknow indicated by Purchaser and acceptable to Seller.

Secondary Fuel shall mean the heavy furnace oil (HFO) and/or light diesel oil (LDO) and or Low Sulphur High Speed (LSHS)

SLDC or State Load Dispatch Centre means the centre established under subsection (1) of section 31 by GoUP

Schedule Generation: At any time or for any period or time block means Schedule of Generation in Mw or Mwh ex-bus given by the concerned Load Dispatch centre.

Target Availability or TA means availability as set by the Commission in its Tariff Order

Tariff means the amounts to be paid by Purchaser to the Seller under this Agreement and as determined by UPERC or any competent authority authorized from time to time.

Tariff Order means the Tariff Order passed by UPERC on 20.01.11 for MYT period FY 2009-10 to 2013-2014 (Ref No UPERC/ Secy/D(G)/2011-1545 dated 20.01.11) and hosted on website: www.uperc.org

Tariff Regulation means the regulations notified in exercise of powers conferred under Section 181 read with Section 61 of the Electricity Act, 2003 by the Uttar Pradesh Electricity Regulatory Commission [vide Notification No. UPERC/Secy/ Generation Regulation/4100, Lucknow dated 31 March 2009, titled as the Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 and as amended from time to time.

Tax means tax, cess, levy, toll, impost, excise, duty, fee or charge of any nature whatsoever levied by or payable to any Government Agency including but not limited to any withholding tax, income tax, corporate tax, VAT, excise tax, works contract tax, stamp duty, customs and import duties, octroi.

Thermal Power Station (TPS) means a thermal generating station having an installation of one or more thermal generating units and covered under this Agreement.

Transfer Scheme shall mean UP Electricity Reforms Transfer Scheme, 2000.

Unit means one kilowatt-hour.

UPERC or Commission means UP Electricity Regulatory Commission.

1.2 INTERPRETATION AND GENERAL

1.2.1 Interpretation Any reference in this Agreement to:

this Agreement shall be construed as references to this Agreement together with all recitals and Schedules hereto;

Clause shall, subject to any contrary indication, be construed as a reference to a clause of this Agreement;

Encumbrance shall be construed as a reference to a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;

Paragraph shall, subject to any contrary indication, be construed as a reference to a paragraph in the Clause or Schedule in which such reference appears;

Person shall be construed as a reference to any person, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing,

1.2.2 General

Save where the contrary is indicated, any reference in this Agreement to:

- (i) **Rupee and Rs.** denote Indian Currency;
- (ii) words importing the singular shall include the plural and vice versa, any person shall be construed so as to include its and any subsequent successors, transferees and assigns in accordance with their respective interests;
- (iii) this Agreement or any other agreement or document shall be construed as a reference to each such agreement or, as the case may be, such other agreement or document as the same may have been, or may, from time to time, be amended, varied, novated, replaced or supplemented;
- (iv) a statute or enactment shall be construed as a reference to such statute as the same may have been, or may from time to time be, amended or re-enacted;
- (v) All orders so issued by UPERC shall be binding on both the parties from the date the same become applicable.
- (vi) In case either party goes in for any Review Petition/Appeal against the order of the UPERC before the competent authority, the order of the competent authority in that regard shall be applicable and binding on both the parties from the date the said order become applicable.
- (vii) a time of day shall, save as otherwise provided in any agreement or document, be construed as a reference to Indian Standard Time; and

Any word or expression used in this Agreement shall, unless otherwise defined or construed herein, bear its ordinary English meaning and, for these purposes, the General Clauses Act, 1897 shall not apply.

2.0 TERM OF AGREEMENT

The term of this Agreement shall be for a period of five years starting from 1st April, 2009 and ending on 31st March, 2014 extendable/renewable by **mutual** consent between UPPCL and UPRVUNL. In case UPPCL continue to get power from the Parichha Extn. Stage II Thermal Power Station even after expiry of this agreement without further renewal or formal extension thereof, then all the provisions of this agreement shall continue to operate till this Agreement is formally renewed, extended or replaced except the Tariff, which will be applicable as per order of the UPERC and as per provision of clause 6.3 of this agreement. This agreement shall be terminable even from any earlier date from which the PPA with different DisComs has been made effective.

3.0 INSTALLED CAPACITY

- 3.1 The installed capacity of Parichha Extn. Stage II Thermal Power Station will be 500 MW. The installed capacity is, however, subject to de-rating/re-rating of the generating units as determined from time to time after following the prescribed procedure as laid down by CEA.

- 3.2 Allocation of Power**
Full capacity of Parichha Extn. Stage II TPS shall be allocated to UPPCL unless reallocated by GOUP.
- 3.3 Drawal of Power**
The power from Parichha Extn. Stage II TPS shall be drawn by UPPCL directly through its own or through the transmission system of other agencies on the basis of availability of capacity of the TPS.
- 3.4 Generation Schedule**
UPRVUNL shall submit daily generation schedule of Parichha Extn. Stage II TPS to UPPCL or SLDC, as per UPERC Generation Regulations
- 3.5 Daily Declared Capacity Notice**
UPRVUNL shall deliver to UPPCL or SLDC, as applicable, at each day a notice indicating daily declared capacity of of Parichha Extn. Stage II TPS as per regulation for next 24 hours. Any change in daily declared capacity notice due to minor or major breakdown in station shall be intimated to UPPCL or SLDC, as applicable as per regulation.
- 4.0 TRANSMISSION/WHEELING OF POWER**
- 4.1** Power shall be made available by UPRVUNL at the busbars of the Station and it shall be the obligation and responsibility of UPPCL to make the required arrangement for evacuation of power from such delivery points of UPRVUNL.
- 4.2** UPPCL shall coordinate with the appropriate authorities/agencies including UPPTCL/STU or any other Licensees for power evacuation from the above delivery point.
- 4.3** UPPCL shall be responsible to coordinate with the UPPTCL/STU or any licensee or other agencies for implementation of the transmission system for evacuation of power from the station matching with the commissioning schedule of the station.
- 4.4** For wheeling of the power beyond busbars of the Station, charges for utilization of transmission system(s) owned by UPPTCL/STU/other agencies shall be paid directly by UPPCL to the UPPTCL or other agencies. UPRVUNL shall not be responsible for payment of such charges.
- 5.0 SUPPLY OF POWER**
- 5.1** Power as generated by Parichha Extn. Stage II TPS will be supplied to UPPCL only unless mutually agreed otherwise. Terms and conditions as mutually agreed and approved/determined by UPERC from time to time would be applicable.
- 6.0 TARIFF AND TERMS & CONDITIONS**
- 6.1** The cost of infirm power shall be the energy charge calculated on the basis of cost of fuel and the norms of gross station heat rate, secondary fuel oil consumption and auxiliary energy consumption specified for calculation of variable charge during stabilization period as specified in Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009
- 6.2** The tariff chargeable to UPPCL shall be as per the Tariff Order dated 20.01.11 or any amendment thereof issued by the UPERC.
- 6.3** The bill for the energy so supplied would be based on energy accounts as given under Clause 7 of this Agreement.
- 6.4** If Tariff for the period extending beyond 31.03.2014 is not approved by the U.P. Electricity Regulatory Commission the tariff order dated 20.01.11 approved by the Commission will be provisionally applicable till Tariff Order for the concerning period is approved by the UPERC.
- 7.0 SCHEDULING AND ENERGY ACCOUNTING**
- 7.1 Scheduling**
Consequent to the implementation of ABT the methodology of generation schedule shall be as per Indian Electricity Grid Code/UP Electricity Grid Code (as revised from time to time) and UPERC orders.

7.2 Unschedule Interchange

- 7.2.1 UI for generating station shall be equal to its actual generation minus schedule generation. UI should be worked out for each 15 min blocks. Charges for all UI transactions shall be based on average frequency of the time block and rates as specified in notifications issued by UPERC from time to time.
- 7.2.2 In case of zero generation (tripping / shut down of all units) of a Thermal Power Station, the negative DC / negative Revision Schedule (drawl of power from grid) declared by TPS will be accepted by SLDC and the energy supplied from UPPCL system to the TPS during such period shall be charged at the same tariff or as mutually agreed.
- 7.2.3 **Effective date of implementation of ABT:** The effective date of implementation of ABT for Parichha Extn. Stage II of UPRVUNL will be as per UPERC guide lines.

7.3 Energy Accounting :

- 7.3.1 Energy drawal by UPPCL will be metered at the Parichha Extn. Stage II TPS. The energy account shall be prepared by UPRVUNL based on the monthly joint meter reading taken by the representatives of UPRVUNL and UPPCL/STU. The methodology for energy account would be on mutually agreed basis. The export and import of energy at the metering points shall be computed on net basis. i.e. by difference between export and import meter readings.

Provided that if and when provisions of ABT are implemented the Energy Accounts shall be governed by clause 29 of Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2009 reproduced as under:

"Metering and Accounting - Metering arrangements, including installation, testing and operation and maintenance of meters and collection, transportation and processing of data required for accounting of energy exchanges and average frequency on 15 minute time block basis shall be organized by the State Transmission Utility in consultation with State Load Despatch Centre. All concerned entities (in whose premises the special energy meters are installed), shall fully cooperate with the State Transmission Utility/State Load Despatch Centre and extend the necessary assistance by taking weekly meter readings and transmitting them to the State Load Despatch Centre. The State Load Despatch Centre, on the basis of processed data of meters along with data relating to declared capability and schedules etc., shall issue the State Accounts for energy on monthly basis as well as UI charges on weekly basis. UI accounting procedures shall be governed by the orders of Central Commission.

Note: This provision shall be applicable with effect from the date these Regulations coming into force except for UI that shall come into force from such date specified by the Commission for implementation of ABT in the State".

- 7.3.2 On implementation of ABT the Regional Energy Account issued by STU/SLDC or any competent authority shall be binding on all the parties for billing and payment purposes.
- 7.3.3 Such consumers other than establishment of Parichha Extn. Stage II TPS getting supply directly from Parichha Extn. Stage II TPS of UPRVUNL would be UPPCL consumers. The billing shall be done by UPPCL on the basis of joint meter reading taken by representative of UPRVUNL & representative of UPPCL/ STU concerned Division of DisComs. Such energy shall be treated as energy exported to UPPCL and accounted for accordingly



8 POINTS OF METERING

The main and check meters at the 400 KV/220 KV/132 KV or other KV bus bars of generating transformers of the Parichha Extn. Stage II TPS to be installed by UPRVUNL shall be maintained by UPRVUNL. Installation and maintenance of main and check meters at locations other than the meters installed and maintained by UPRVUNL shall be the responsibility of UPPCL/STU. The meters shall be sealed after calibration by the concerned parties jointly. The points of metering for Parichha Extn. Stage II TPS are as under:

Export Points:-

1. Generator Transformer-5
2. Generator Transformer-6

Import Points:-

1. Station Transformer No.5
2. Station Transformer No. 6

Note: - The above points are subject to addition/alteration, if found necessary

9.0 METERING SYSTEM

- 9.1 A set of CT/PT/Meters (Main and check) of 0.2 accuracy class, as per IEGC/CEA (Installation & Operation of Meters) Regulations – 2006 as applicable, shall be installed on all outgoing feeders of the station. UPPCL/STU shall make all necessary arrangements for installation of CT/PT/Meters, at all its drawal points. So long as existing CT/PT/Meters of any other class are replaced by 0.2 class, the existing CT/PT/Meters will be used for energy accounting.
- 9.2 All the meters shall be jointly calibrated, inspected and sealed on behalf of the parties and shall not be interfered with except in the presence of other party or for joint testing and calibration and/or replacement and/or any other purposes for which due notice of 7 (Seven) days will be given by UPRVUNL/STU/UPPCL so that this is done in the presence of the authorized representatives of the STU/UPPCL/UPRVUNL.
- 9.3 Joint meter readings of the main as well as check meters at various energy accounting points as identified shall be taken by the parties as mentioned above at 1200 hrs (noon) on the last day of each calendar month. In case any of the concerned parties is not available for joint meter readings at the specified time, the meter reading taken by the other party shall be binding on both the parties and shall be taken into account for preparation of Energy Accounts. UPPCL shall designate an officer for joint meter reading. On implementation of ABT the data shall be downloaded from the meters at regular interval as decided by STU/SLDC for preparation of REA/UI account.
- 9.4 If the main meter is found to be not working at the time of meter readings or any other time, UPRVUNL shall inform the STU/SLDC for the same and the data from check meters shall be considered by SLDC/STU for energy accounting for the period.
- 9.5 If in any month the readings of the main energy meter(s) differ from the readings of corresponding check energy meter(s) by more than 0.4% (zero point four percent) the main and check energy meter(s) shall be tested in turn and the errors at various levels as per standard procedures would be determined. If on such testing main energy/check meter error is found to exceed $\pm 0.2\%$ (plus/minus zero point two percent) the energy figures recorded by the main energy/check meter(s) for the above month concerned shall be revised accordingly and the main energy/check meter(s) shall be recalibrated jointly or replaced by the correct energy meter(s). Pending the results of such testing, billing and payment shall continue to be based on the energy recorded by the check meter(s), provided its error is within the prescribed limit.

- 9.6 If both the main and check meter(s) fail to record or if any of the PT fuses are blown out, then the energy will be computed on a mutually agreeable basis between UPRVUNL and UPPCL/STU for the period of defect. In case there is no mutual agreement, the computation of energy shall be on the basis of average of the billing of last three months.
- 9.7 Corrections in billing whenever necessary, shall be applicable for the period between the previous meter reading and the date and time of the replacement or recalibrated correct meter and this correction shall be for the full value of the absolute error. For the purpose of the correction to be applied, the meter shall be tested as per Indian Standard (British Standard where Indian Standard is not existing) The error at the load and power factor nearest to the average monthly load served at the point during the period shall be taken as the error to be applied for correction.
- 9.8 All the meters shall be checked for accuracy on quarterly basis by comparison of the readings of main and check meters by UPRVUNL and UPPCL/STU and shall be treated as working satisfactorily so long as the errors are within the limits prescribed in relevant Indian Standard (or British Standard where Indian Standard is not existing) for meters of the said class. The meter readings of main meters shall form the basis of the Energy Accounts so long as the quarterly check results thereof are within prescribed limits. If the check meters are found to be defective during the quarterly checks, these shall be immediately calibrated jointly/ replaced. Where the quarterly checks indicate errors in the main meter(s) beyond limit but no error is noticed in check meter(s) during quarterly checking computation of total net energy sent out at 400 KV bus bars and/or 220 KV / 132 KV and/or other KV bus bars, as applicable, of the Parichha Extn. Stage II TPS for the month shall be done on the basis of check meter(s) and main meter(s) shall be calibrated jointly immediately. If during the quarterly test check, the difference in the main meter(s) and the corresponding check meters readings are found to be beyond the permissible limits of error, i.e. more than 0.40% both the meter(s) shall be immediately calibrated and the correction applicable to main meter shall be applied to the consumption registered by the main meter(s) to arrive at the correct consumption of energy for the purpose of Energy Accounts for the month from the date of last meter reading upto the time of replacement of correct main meter. Billing for the period thereafter, till the next monthly meter reading, shall be as per calibrated main meter. During this period of calibration of main and check meter(s) another set of main and check meters duly calibrated and sealed will be installed by UPRVUNL/STU/UPPCL at the TPS in the presence of UPPCL/STU/UPRVUNL and jointly sealed. The energy accounting during the period of calibration of original meters shall be as per the readings of the substituted main meter. In case spare meters are not available with UPRVUNL/STU/UPPCL the main/check meter shall be calibrated by rotation. During the period of removal of main meter, the energy accounting will be done based on check meter readings applied with correction factor of the check meter obtained during testing/calibration of check meter.
- 9.9 For the purpose of test and calibration, the standard meter calibrated and sealed by GOUP/GOI Authorized Meter Testing House/Laboratory shall be utilized. This standard meter shall be got calibrated once in every six months at the GOUP/GOI Authorized Meter Testing House/Laboratory.
- 9.10 If at any time any party to the Agreement feels that a meter is not recording correctly it shall give notice to the other party. UPRVUNL/STU/UPPCL shall then undertake testing and calibration of the meters owned by UPRVUNL/STU/UPPCL. If errors on such testing is found to exceed the error limits specified in the relevant Indian Standard (British Standard where Indian Standard is not existing) for this class of meters necessary adjustment in the bills shall be made from the date of notice or from such other date as can be satisfactorily established to be proper for such adjustment.
- 9.11 Once in every five years, both main and check meters shall be tested for accuracy by a substandard meter either at the station or at any approved testing laboratory. During testing in case of error is found to be more than the permissible limits, then the meter shall be replaced by a correct meter.



10 BILLING AND PAYMENT

10.1 All charges under this Agreement shall be billed by UPRVUNL as per Clause 6 and shall be paid by UPPCL in accordance with the following provisions:

- (i) UPRVUNL shall deliver bills to the UPPCL generally within 10 days of the billing date for energy supplied for each month to UPPCL from Parichha Extn. Stage II TPS. The payments will be made by UPPCL within due date by cheque payable at Lucknow.
- (ii) UPRVUNL shall carry out billing and associated functions. The authority of UPPCL to whom the bills have to be submitted would be informed by UPPCL to UPRVUNL within a month of signing of the Agreement failing which UPRVUNL would submit the bills to the Director (Finance) of UPPCL.
- (iii) UPPCL shall make adequate provisions in their approved budget for respective years during which this PPA continues to ensure regular payment of power purchased by UPPCL from UPRVUNL and shall also furnish a copy of the approved budget to UPRVUNL.
- (iv) PFC conditions applicable for the agreement period are:-
 - (a) UPRVUNL can undertake third party sale of energy within the state or outside the state if the procurer of energy does not clear the dues as per schedule.
 - (b) Provided that revenue of the procurer shall be escrowed in favour of UPRVUNL and in turn in favour of lenders to UPRVUNL.
 - (c) In case of default to PFC by UPRVUNL, the PFC shall have right to transfer the project to themselves or their agents, operate the project and sell energy to third party.

10.2 Schedule of payment of UI Charges

10.2.1 **UI Charges Accounting:** All payments on account of UI charges including the additional UI charges levied under the regulations and interest received on late payment thereof shall be credited to a fund called UI pool account fund which shall be maintained and operated in accordance with provisions of UPERC regulation / grid code or as mutually agreed.

10.2.2 Payment of UI charges shall have a high priority and the concerned constituent shall pay the indicated amount within 10 days of the issue of statement of UI charges including additional UI charges into the UI pool account fund or as mutually agreed.

10.2.3 If payment against UI charges including additional UI charges are delayed by more than two days i.e beyond 12 days from the date of issue of statement by SLDC, the defaulting constituent shall have to pay simple interest @ .04% for each day of delay applicable as per UPERC order / any amendment time to time or as mutually agreed.



11 DISPUTES

In the event of any dispute as to all or any portion of an Invoice, Purchaser shall nevertheless pay the full amount of the undisputed charges plus minimum 50% of the disputed amount of the invoice within due date and shall serve notice on the Seller that the amount of an Invoice is in dispute in which event the provisions of Clause 14 hereof shall be applicable.

12 REGULATION OF SUPPLY

In the event any bill(s) remain unpaid for a period exceeding sixty (60) days, UPRVUNL shall serve a notice on UPPCL, giving fifteen (15) days period for affecting regulation of supply from its Parichha Extn. Stage II Thermal Power Station with consent of GOUP, unless UPPCL makes full direct payment of the outstanding amount within the notice period. In case regulation of supply is affected, for resumption UPPCL shall pay all the outstanding dues.

13.0 LEVIES, TAXES, DUTIES, CESS, ETC.:

The amount of all lawful taxes/duties/cess, etc. payable by UPRVUNL to GOUP/GOI and/or any other local bodies/authorities on generation of electricity including auxiliary consumption, or any other types of consumption including water, transmission, environment protection, sale or on supply of electricity and/or in respect of any of its installation associated with the TPS and/or Transmission system shall be billed on to UPPCL in the shape of supplementary bill raised by UPRVUNL and UPPCL will make payment accordingly at actuals.

13.1 **Income Tax** – Income tax on core activity to be charged separately through Tax Escrow Account.

14.0 INFORMAL DISPUTE RESOLUTION

14.1 The Authorized Representative appointed by the Parties in pursuance be authorized to resolve any dispute, controversy or claim arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination (a "Dispute") in an equitable manner.

14.2 Following notice by one Party to the other setting out the particulars of the Dispute, if the Authorized Representatives are unable to resolve the Dispute under this Agreement within 15 days, such Dispute shall be referred by such Authorized Representatives to a senior officer designated by Seller and a senior officer designated by Purchaser, respectively, who shall attempt to resolve the Dispute within a further period of 15 days.

14.3 The Parties hereto agree to use their best efforts to attempt for resolving all Disputes arising hereunder promptly, equitably and in good faith, and further agree to provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any such Dispute.

15.0 ARBITRATION

15.1 All differences or disputes between the parties arising out of or in connection with this Agreement remained unresolved as per clause 14 above shall be settled through arbitration as provided herein after.

15.2 In the event of such difference or disputes between the parties the matter shall be referred to UPERC for arbitration as per Section 158 of The Electricity Act, 2003 and Section 34 of the U.P. Electricity Reforms Act, 1999.

15.3 Notwithstanding the existence of any question, disputes and differences referred to arbitration, the parties hereto shall continue to perform their respective obligations under this Agreement.

16 FORCE MAJEURE

The parties shall ensure due compliance with the terms of this Agreement. However no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God, strike, lock-out or any other reason beyond the reasonable control of concerned party. But any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within 24 hours thereof to the other party to this effect. Generation /drawal of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

17.0 SYSTEM OPERATION

All instructions from SLDC / STU will be followed strictly regarding scheduling and operation of the Parichha Extn. Stage II TPS.

18.0 IMPLEMENTATION OF THE AGREEMENT

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorized representative(s) that each party may nominate in this behalf and notify in writing to the other party by registered post/courier. Any other nomination of authorized representative(s) shall be informed likewise in writing to/by UPPCL within one month of signing of the Agreement. Notwithstanding any nomination, the Chairman and Managing Director UPRVUNL, Shakti Bhawan, 14, Ashok Marg, Lucknow /CE(L-1/II) of Parichha Extn. Stage II TPS or their authorized representatives shall be authorized to act for and on behalf of UPRVUNL.

19.0 NOTICE

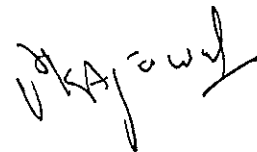
19.1 All notices required or referred to under this Agreement shall be in writing and signed by the respective authorized signatories of the parties mentioned herein unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts/by Courier Service with an acknowledgement due to the other parties in terms of this Agreement.

19.2 All notices or communications given by telefax or telegram/FAX shall be confirmed by deposition of a copy of the same in the post office in an envelope properly addressed to the appropriate party for delivery by registered or certified mail or courier. All notices shall be deemed delivered upon receipt.

20.1 SUCCESSORS AND ASSIGNS

20.1 Neither party shall assign in full or part with any of its rights or obligations under this agreement to any third party without the prior approval in writing of other party.

20.2 In case any of the parties to this Agreement is restructured and/or its generation, transmission and distribution activities are taken over by other organization(s), agency(ies), partly or wholly, the Agreement shall be binding *mutatis mutandis* upon the successor organization(s)/ agency(ies), and shall ensure to the benefits of and shall also be guaranteed by the State Government and shall continue to remain valid with respect to the obligations of the successor organization(s)/agency(ies). In such situation this agreement shall be suitably reviewed and modified as mutually agreed between the parties and shall be binding on all concerned.



21.0 JURISDICTION

All disputes arising out of or relating to this agreement shall be subject to the jurisdiction of High Court of Judicature of Allahabad at Lucknow Bench.

22.0 MISCELLANEOUS

22.1 Writing

No variation, waiver, amendment or modification of any of the terms of the Agreement shall be valid unless approved by UPERC and communicated in writing and signed by or on behalf of the Parties.

22.2 Severability

The invalidity or enforceability, for any reason, of any part of this Agreement shall not prejudice or affect the validity or enforceability of the remainder.

22.3 No Waiver

The failure of any Party to insist in one or more instances upon the strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as waiver of any such provisions or relinquishment of any such rights but the same shall continue in full force and effect.

22.4 Language

The language of this agreement shall be in English and all documents, notices, waivers and any other written communication or otherwise between the parties, in connection with the agreement, shall be in English/Hindi.

22.5 Entirety

This Agreement is intended by the parties as the final expression of their agreement and are intended also as a complete and exclusive statement of the terms of their agreement.

All prior written or oral understanding, offers or communications of every kind pertaining to this agreement or the sale or purchase of electrical output and contracted capacity under this agreement to Purchaser by Seller are abrogated and withdrawn.

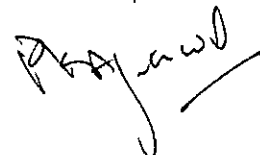
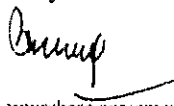
22.6 Survival

Notwithstanding anything contained in this Agreement, clause 18 read with clause 2 shall survive this Agreement.

22.7 Waiver of Immunity

Purchaser and Seller are subject to Civil and Commercial Law with respect to their obligations under this Agreement, and the execution, delivery and performance hereof by them constitutes (for the purposes of applicable Indian Law and otherwise) private and commercial acts rather than government and public acts.

To the extent that Purchaser or Seller may in any jurisdiction claim for itself or any of its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgement or otherwise) or other legal process, or to the extent that in any jurisdiction there may be attributed to Purchaser or its assets or revenues any such immunity (whether or not claimed), Purchaser and Seller hereby agree not to claim and irrevocably waive any such immunity.



22.8 Breach of Obligations

The parties acknowledge that a breach of any of the obligations contained herein would result in injuries. The parties acknowledge the damages alone shall not be adequate remedy for such breach. Accordingly each party agrees that in addition to any other rights or remedy which the other party may have at Law or in equity, the non breaching party shall be entitled to specific performance and injunctive relief in any court of competent jurisdiction for any breach or threatened breach by the other party.

22.9 Inconsistency between the Provisions of PPA and Tariff Regulations/Tariff Order:

In the event of any inconsistency between the provisions of this PPA and the UPERC (Terms and Conditions of Generation Tariff) Regulations, 2009 read with the UPERC Tariff Order dated 20.01.11 or any amendment thereof, the later shall prevail.

22.10 This PPA is subject to approval by UPERC.

IN WITNESS WHEREOF the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names as on the date first above written.

SIGNED AND DELIVERED BY UPVUNL (Seller)

by the hand of its authorized official.

Name: (P. K. AGARWAL)

Title: Advisor (Tech.)

U.P.R.V.U.N.L.

Shakti Bhawan Extn.

14, Ashok Marg, Lucknow

In the presence of:

1. Witness Name

2. Witness Name

अधिसायी अभियन्ता (वाणिज्यिक)
14वाँ तल, शक्ति भवन विस्तार
उ.प्र. राज्य विद्युत उत्पादन निगम लि.

SIGNED AND DELIVERED by UPPCL (Purchaser)

by the hand of its authorized official.

Name: (विश्व लाल)

Title: निदेशक (वाणिज्य)

In the presence of:

1. Witness Name

2. Witness Name

अधिसायी अभियन्ता
उत्पी नव नव निदेशालय
उत्पी नव नव निदेशालय
14वाँ तल, शक्ति भवन विस्तार, लखनऊ

(Jagat Kumar) EE (PPA), UPPCL