

दिल्ली DELHI

R 722816

POWER PURCHASE AGREEMENT FOR

INDIRA GANDHI SUPER THERMAL POWER STATION (3X500 MW)

BETWEEN

ARAVALI POWER COMPANY PRIVATE LIMITED

AND

UTTAR PRADESH POWER CORPORATION LIMITED

THIS POWER PURCHASE AGREEMENT hereinafter called the "Agreement" entered into at.....
Lucknow.....on the *Seventh*...day of *December*...Two Thousand Eleven
(*07*.../*12*.../2011) between ARAVALI POWER COMPANY PRIVATE LIMITED, (hereinafter
called 'APCPL' or 'the Seller') a company incorporated under the Companies Act, 1956, having
its Registered Office at NTPC Bhawan, Core-7, Scope Complex, Institutional Area, Lodi Road,
New Delhi, which expression shall unless repugnant to the context or meaning thereof include its
successors and assigns as party of the first part,

And

UTTAR PRADESH POWER CORPORATION LIMITED, having its Registered/Head Office at
Shakti Bhawan, 14, Ashok Marg, Lucknow-226001 (hereinafter referred to as 'UPPCL' or 'the

Procurer) which expression shall unless repugnant to the context or meaning thereof include its successors and Permitted Assigns as party of the second part. Each of the parties of the first and second above is individually referred to as a **"Party"** and collectively as the **"Parties"**.

WHEREAS APCPL or "the Seller" is a Generating Company as defined under Section 2(28) of the Electricity Act, 2003 and is a Joint Venture Company set up between NTPC Limited (NTPC), Indraprastha Power Generation Company Ltd (IPGCL) and Haryana Power Generation Corporation Ltd. (HPGCL).

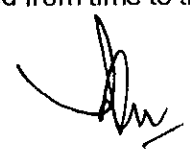
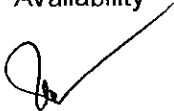
AND WHEREAS APCPL is setting up a coal-fired power station named as **Indira Gandhi Super Thermal Power Station (3X500MW)**, at village Jharli in Jhajjar district of Haryana State hereinafter specifically referred to as "IGSTPS" and generally be referred to as "Station", to be owned and operated by APCPL.

AND WHEREAS **UPPCL** or 'the Procurer' is desirous of purchasing electricity from IGSTPS and the Seller is willing to sell electricity from IGSTPS to the Procurer from the date of commissioning of Unit -I of IGSTPS on mutually agreed terms and conditions mentioned hereunder.

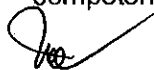
Now, therefore, in consideration of the premises and mutual agreements, covenants and conditions set forth herein, it is hereby agreed by and between the Parties as follows: -

1.0 DEFINITIONS


- (a) The words or expressions used in this Agreement but not defined hereunder shall have the same meaning assigned to them by the Electricity Act, 2003 as amended from time to time, the Rules framed there under and Regulations issued by CERC from time to time.
- (b) The words or expressions mentioned below shall have the meanings respectively as assigned hereunder:
 - i) Act 2003 The Electricity Act, 2003 as amended or modified from time to time, including any re-enactment thereof.
 - ii) Availability As defined in the CERC (Terms and Conditions of Tariff) Regulations, 2009 as amended or replaced from time to time



- iii) Billing Centre The office / RHQ as intimated by the Seller to the Procurer from where the bills will be raised on them.
- iv) Bulk Power Customer(s) Bulk Power Customer(s) in relation to the Station shall mean the person(s) including the Procurer to whom capacity is contracted from the station.
- v) Busbars/Ex Bus Busbars of the Station to which outgoing feeders are connected.
- vi) CEA Central Electricity Authority
- vii) CERC Central Electricity Regulatory Commission
- viii) CTU Central Transmission Utility.
- ix) Capacity Charges Capacity Charges are Fixed Charges as determined by CERC or any other competent authority and shall be paid in proportion to the Contracted Capacity from time to time.
- x) Charges for Supply of Electricity Mean and include all charges including the Tariff to be paid by the Procurer /Bulk Power Customer(s) in respect of supply of electricity to them from the Station in accordance with the provisions of this Agreement.
- xi) Commercial Operation Date 'Date of Commercial Operation' or 'COD' in relation to a unit means the date declared by the Seller after demonstrating the Maximum Continuous Rating (MCR) or Installed Capacity (IC) through a successful trial run after notice to the Bulk Power Customer(s) and in relation to the generating station the date of commercial operation means the date of commercial operation of the last unit or block of the Station
- xii) Contracted Capacity Capacity contracted under this agreement by the Procurer /Bulk Power Customer(s) under Article 2.2
- xiii) Due Date 30 days from the date of presentation of bill(s)
- xiv) Effective Date means the date of signing of this Agreement or the Commercial Operation Date (COD), whichever is earlier
- xv) GOI Government of India
- xvi) IEGC Indian Electricity Grid Code, as notified by CERC or any other competent authority and as amended from time to time.




xvii)	Incremental Receivables	The amount of the Receivables in excess of the amounts which have been charged or agreed to be charged in favour of the Procurer's Financing Parties by way of a legally binding agreement, executed prior to the 'Effective Date', provided such charge of the Procurer's Financing Parties shall be limited to the extent of their outstanding exposure (including commitments for exposure) as on the 'Effective Date'.
xviii)	Infirm Electricity	means electricity generated prior to commercial operation of the Unit (s) /Block(s) of the Station
xix)	LC	Irrevocable Revolving Letter(s) of Credit.
xx)	Main and Check Meter	Meter for measurement and checking of import/export of energy on the outgoing feeders of the Station Busbars for Energy Accounting.
xxi)	Monthly Bill	Monthly Bill as raised by the Seller as per REA in line with the CERC Regulation as amended from time to time. Provided that periodicity of billing may change as per CERC regulation from time to time.
xxii)	Party/Parties	Shall have the meaning ascribed thereto in the recital to this Agreement
xxiii)	Permitted Assigns	Have the meaning as per Article 12 of this agreement
xxiv)	Powergrid	Power Grid Corporation of India Ltd.
xxv)	NRLDC	Northern Regional Load Despatch Centre.
xxvi)	NRPC	Northern Regional Power Committee established under Section 2(55) of the Electricity Act, 2003.
xxvii)	Regional Energy Account (REA)	Periodic Energy Account issued by NRPC/ NRLDC including amendments thereof.
xxviii)	Scheduled Generation	Scheduled Generation as defined in the CERC (Terms and Conditions of Tariff) Regulations, 2009 as amended or replaced from time to time
xxix)	SLDC	State Load Despatch Centre
xxx)	Station	Have the meaning as given in the recital
xxxi)	STU	State Transmission Utility
xxxii)	Supplementary Bill	Have the meaning under the Article 6.1.3
xxxiii)	Target Availability	Availability of the Station for recovery of full Capacity (Fixed) Charges on annual basis

 Charges on annual basis



xxxiv)	Transmission Licensee	Having the meaning as per Electricity Act 2003
xxxv)	Tariff	Tariff shall constitute Capacity Charges, Energy Charges, Incentive and other charges viz taxes/cess etc for supply of electricity from the Station as determined by CERC or any other Competent Authority
xxxvi)	Third Party(ies)	Any person other than the person to whom electricity is contracted under this Agreement
xxxvii)	Unit	Each Unit of the Station
xxxviii)	UI	Unscheduled Interchange as defined in the CERC (Unscheduled Interchange charges and related matters) Regulations, 2009 as amended or replaced from time to time

2.0 GENERAL

2.1 Installed Capacity:

2.1.1 The capacity of IGSTPS is proposed to be 1500 MW.

2.1.2 The Station is being developed as Mega Power project under Mega Power Policy of Govt. of India. One of the conditions of such Mega Power Policy is that the electricity be supplied only to the Bulk Power Customer(s) which agree to comply with the terms and conditions of the Mega Power Policy. In line with the Mega Power Policy, Govt. of UP undertakes to ensure compliance with the provisions of Mega Power Policy.

2.2 Allocation of Capacity

2.2.1 Firm Allocation of capacity from the station shall be allocated by Ministry of Power/ GOI among the JV partners of APCPL, viz., Delhi and Haryana, who are the long term beneficiaries of the station.

2.2.2 Subject to approval of Ministry of Power/GOI, the allocation of power to UPPCL shall be from the unallocated quota of the Station. This allocation would be governed in accordance with the decisions taken by the Ministry of Power/ GOI from time to time.

2.2.3 The right of UPPCL to draw power against the above allocation shall be limited to the amount of LC opened and maintained by them.

2.2.4 Notwithstanding the obligations of UPPCL to pay all the dues as per this Agreement, in the event of default in opening of LC of adequate amount in favour of APCPL or payment of bills beyond a period of 60 days of billing, APCPL shall be entitled to

regulate/divert the share of UPPCL to any other Bulk Power Customer(s) as per the provisions of generic procedure for regulation of power supply issued by CERC or any other competent authority from time to time, till the time default is set right.

- 2.2.5 In case of default in payment of bills beyond a period of 90 days of billing, APCPL shall have the right to re-allocate power to other Bulk Power Customer(s).
- 2.2.6 In case of default, UPPCL shall continue to be liable to pay the Capacity Charges in proportion to its allocation during the period of regulation / diversion of power till the power is reallocated to other Bulk Power Customer(s).

3 TRANSMISSION / WHEELING OF ELECTRICITY

- 3.1 Sale of electricity shall be at the busbars of the Station. It shall be the obligation and responsibility of the Procurer to make the required arrangement for evacuation of electricity from such delivery points of the Seller.
- 3.2 Charges for utilisation of transmission system(s) including dedicated transmission line upto Mundka substation of Delhi owned by the Powergrid/other Transmission Licensee/ APCPL, wherever applicable for wheeling of the electricity beyond busbar of the Station, shall be paid directly by the Procurer to the Powergrid or the Transmission Licensee, or APCPL as the case may be. The Seller shall not be responsible for payment of such charges.

4.0 SCHEDULING, METERING AND ENERGY ACCOUNTING

4.1 Scheduling

It is understood and agreed by and between the parties that the Seller shall operate the Station as a base load station as per the manufacturers' guidelines, applicable grid operating standards, directions of the CERC and relevant statutory provisions, as applicable from time to time. Methodology of generation scheduling shall be as per IEGC and the decisions taken at NRPC forums.

All charges/fees related to scheduling and despatch of electricity shall be borne by the Procurer(s). The Seller shall make declaration of the capacity at the busbars of the Station after taking into account the capability of the Station to deliver Ex-Bus which shall be considered while calculating Declared Capability (DC).

4.2 Declared Capability

Declared Capability or 'DC' means the capability of the Station to deliver Ex-Bus electricity in MW declared by the Station in relation to any period of the day or whole of the day, duly taking into account the availability of coal as per the procedure laid down in IEGC.

Notwithstanding the following, Station shall be deemed as available to the extent of DC declared by the Station for any time period:

- a. Failure on account of Bulk Power Customer(s) to transmit and wheel electricity from the Station ex-Bus.
- b. Any other reason not attributable to the Seller restricting scheduling and despatch of capacity at the Station ex-Bus.

4.3 Metering

4.3.1 A set of Main and Check Meters of 0.2S accuracy class, as per CEA (Installation & operation of meters) Regulations 2006/IEGC as applicable, shall be installed by CTU/STU on all outgoing feeders of the Station. The Procurer shall make all necessary arrangements for installation of meters of required accuracy and specifications, at all its drawal points.

4.3.2 The Main and Check Meters shall be checked jointly at the time of installation as per the CEA (Installation & Operation of Meters) Regulations 2006.

4.3.3 Data shall be downloaded from the meters at regular intervals as decided by NRPC/NRLDC for preparation of the REA/UI Account.

4.3.4 Regular cross checking and analysis of meter readings and meter failure or discrepancies shall be reckoned as per CEA (Installation & Operation of Meters) Regulations 2006. If the Main Meter is found to be not working at the time of meter readings or at any other time, the Seller shall inform the CTU/NRLDC of the same.

4.3.5 In case of failure of meters, energy/UI accounting for the period shall be as per procedure laid down by CERC or as per the mutually agreed procedure in NRPC. In case of absence of any such procedure, the following procedure shall be followed:

In case of failure of Main Meter, readings of Check Meter for the corresponding period shall be considered for energy/UI accounting. If both the Main and Check Meter(s) fail to record or if any of the PT fuses is blown out, energy shall be computed based on

stand-by meters. In case of dispute, the decision of Member Secretary of the NRPC would be final and binding.

4.3.6 Periodic testing of both Main and Check Meters shall be carried out in the presence of representatives of the Seller and the Procurer as per procedure laid out in CEA (Installation & Operation of Meters) Regulations, 2006. For any testing and/ or replacement, notice of seven (07) days will be given

4.4 Energy Accounting

4.4.1 Both the Parties agree to facilitate issue of Regional Energy Accounts by 1st day of every month.

4.4.2 Regional Energy Account issued by NRPC /NRLDC or any other Competent Authority shall be binding on all the parties for billing and payment purposes.

4.4.3 Any change in the methodology of Regional Energy Account shall be done only as per the decisions taken in the NRPC forums and both the Parties agree to abide by the methodology so finalised.

5.0 TARIFF

5.1 Terms And Conditions:

5.1.1 The Tariff for the electricity supplied from the Station would be as determined by CERC or any other Competent Authority from time to time.

5.1.2 Tariff for sale of electricity from the Station shall comprise of Capacity Charge, Energy Charge, Incentive, and all other taxes/charges.

5.1.3 Adhoc Tariff

The Seller shall approach CERC or any other Competent Authority for determination of Provisional Tariff before Commercial Operation Date of any unit of the station. In case this Tariff is not determined for any reason by CERC or such other competent authority prior to commencement of commercial operation of such unit of the Station, billing shall be done on adhoc basis as per the proposal of the Seller submitted to CERC for Provisional Tariff, in line with applicable CERC Regulations. In the absence of any such CERC Regulations, the Parties agree that the Buyer shall duly make 95% of such tariff as per the proposal of the Seller submitted to CERC, pending determination of

such Tariff by CERC or any other competent authority, subject to adjustment based on applicable rate as per CERC Regulations as and when such Tariff is determined by CERC or any other competent authority.

5.2 Sale of Infirm Electricity:

Infirm electricity, i.e., sale of electricity prior to commercial operation of the unit, will be treated by the Seller based on methodology as notified by CERC or any other competent authority from time to time.

5.3 Taxes, Levies, Duties, Royalty, Cess Etc.:

5.3.1 Tax on Income:

Tax on the income derived from generation of electricity shall be treated as per regulations of CERC or any other competent authority as applicable from time to time.

5.3.2 Other Taxes, Levies, Duties, Royalty, Cess Etc.:

Statutory taxes, levies, duties, royalty, cess or any other kind of levies imposed/charged by any Government (Central/State) and/or any other local bodies/authorities on generation of electricity including auxiliary consumption or any other type of consumption including water, environment protection, sale of electricity and/or in respect of any of its installations associated with the Station payable by the Seller to the authorities concerned shall be governed by the Regulations/ Orders of CERC/ Appropriate Govt./ Local Bodies from time-to-time.

6.0 BILLING AND PAYMENT

6.1 Billing:

The Charges for Supply of Electricity under this Agreement shall be billed by the Seller as determined from time to time by Central Electricity Regulatory Commission and/or any other Competent Authority and the same shall be paid by the Procurer in accordance with the following provisions:

6.1.1 The Seller shall present the bills for electricity supplied to the Procurer from the Station for the previous month based on Regional Energy Account issued by NRPC/ NRLDC or any other Competent Authority.

6.1.2 Billing Centre of the Seller shall carry out billing and associated functions. The Seller would submit the bills to the Officer nominated by the Procurer.

6.1.3 The Monthly Bill for the Station shall include the Charges for Supply of Electricity under this Agreement, income tax, other taxes, duties, cess etc., including additional bill (s) for the past period(s) on account of orders of CERC/Appellate Tribunal for Electricity/Other Courts/other Competent Authority(ies).) If for any reasons some of the charges which otherwise are in accordance with this Agreement, cannot be included in the main Monthly Bills, such charges shall be billed as soon as possible through Supplementary Bill(s).

6.1.4 The Procurer shall arrange payment of such Monthly Bill(s)/Supplementary Bill(s) raised as per orders / regulations of CERC or such other competent authority, promptly on presentation through electronic fund transfer or other mutually acceptable instrument(s) at the designated account of the Seller. The date of transfer of fund to the Seller account shall be considered as the date of payment for computation of rebate or late payment surcharge in respect of such payment. The bill(s) of the Seller shall be paid in full subject to the condition that—

- i) there is no apparent arithmetical error in the bill(s)
- ii) the bill(s) is/are claimed as per the notified/agreed tariff
- iii) they are in accordance with the Regional Energy Accounts issued by NRPC/NRLDC or any other Competent Authority.

6.1.5 In case the Procurer disputes any amount even then, it shall pay 95% of the disputed amount forthwith and file a written objection with the Seller within 30 days of presentation of the bill, giving following particulars:

- i) Item disputed, with full details/data and reasons of dispute
- ii) Amount disputed against each item.

Provided that non-acceptance of tariffs determined/approved by CERC or any other Competent Authority shall not be a valid ground for dispute.

6.1.6 The amount of excess/shortfall with respect to the said 95% payment based on finally determined amount in line with Article 7 shall be paid/ adjusted with the applicable interest from the date on which the amount in dispute was payable/refundable.

6.1.7 Rebate And Late Payment Surcharge

Rebate and Late Payment Surcharge shall be as per Terms and Conditions of Tariff issued by CERC or any other competent authority as applicable from time to time. No rebate shall be payable on the bills raised on account of taxes, duties, royalty / cess etc., but subject to orders of the Competent Authorities.

6.2 Establishment Of Letter Of Credit(LC) And Payment Security Mechanism:

- 6.2.1 The Procurer shall establish an irrevocable revolving Letter of Credit (LC) in favour of the Seller with a public sector / scheduled commercial bank [as per list supplied by the Seller] at least one month prior to the commencement of electricity supply from the Station.
- 6.2.2 The LC shall cover 105% of one month's estimated billing in respect of electricity supplied from the Station to the Procurer. This shall be in addition to the obligation of the UPPCL to establish similar letters of credit for supply of electricity to the Procurer from all other generating Stations of the Seller, if any.
- 6.2.3 The amount of LC shall be reviewed every half-year commencing April and October in each financial year on the basis of the average of billing of previous 12 months and the LC amount shall be enhanced/reduced accordingly not later than 1st July and 1st January. However, initially, the amount of LC shall be computed based on the estimated monthly billing at the applicable Normative Annual Plant Availability Factor (NAPF) as per CERC.
- 6.2.4 The LC shall be established for a minimum period of one year. The Procurer shall ensure that LC remains valid at all times during the entire/extended validity of this Agreement. LC shall be renewed not later than 30 days prior to expiry.
- 6.2.5 LC shall specify the manner and dates when Monthly and Supplementary Bill(s) can be presented to Bank by the Seller. The bills raised as per orders/ regulations of CERC or such other competent authorities, so presented by the Seller to the Bank shall be promptly paid on their presentation through Electronic Fund Transfer or other mutually acceptable instrument(s). In case of non-receipt of any part of Monthly and/or Supplementary Bill(s) on Due Date, LC shall be operated on the same day for unpaid portion of Monthly and/or Supplementary Bill(s).
- 6.2.6 All costs relating to LC including opening, maintenance and negotiation charges, shall be borne by the Procurer.
- 6.2.7 In case of drawal of the LC amount by the Seller in accordance with the terms of this Article, the LC shall be reinstated before next Due Date.

6.2.8 Within 60 days of the Effective Date, the Procurer and the Seller shall execute separate **'Default Escrow Agreement'** (referred as "Escrow Agreement") for the establishment and operation of an Escrow Account in favour of the Seller, through which the revenues of the Procurer shall be routed and used as per the terms of the Escrow Agreement. The Procurer and the Seller shall contemporaneous with the execution of the Escrow Agreement enter into a separate **'Agreement to Hypothecate Cum Deed of Hypothecation'**, whereby the Procurer shall agree to hypothecate to the Seller, effective from the scheduled date of commercial operation of the first Unit, or the date of signing of the PPA, which ever is earlier, the Incremental Receivables to the extent as required for the Letter of Credit as per Article 6.2.2 and 6.2.3 routed through the Escrow Account in accordance with the terms of the Agreement to Hypothecate Cum Deed of Hypothecation.

Provided that the Procurer shall ensure that the Seller has first ranking floating charge with superior charge for the banker issuing LC in favour of the Seller on the revenues routed through the Escrow Account on the 'Incremental Receivables' in accordance with the terms of the Agreement to Hypothecate Cum Deed of Hypothecation.

If the LC is insufficient to pay for the due payments to the Seller or is not replenished as per the Clause No. 6.2.7 then from the date such shortfall in the Letter of Credit occurs, the Letter of Credit shall be replenished in the manner specified in the Escrow Agreement.

6.2.9 Third Party Sales

In case of a default in payment and or establishment of LC as required under this Agreement or non-restoration of Escrow arrangement for the requisite amount for whatsoever reason as per Article 6.2.8, the Seller shall be entitled to, without prejudice to its other rights, exercise the option to sell whole or any part of the capacity allocated to the Procurer to Third Party/Parties at the risk and cost of the Procurer immediately thereafter in the manner herein below;

In case payment is not made by 30 days after the Due Date either directly or through LC, the Seller shall have the right to regulate the power supply with effect from the date worked out as per prevailing order of CERC on Generic Procedure for Regulation of Power Supply and sell up to 25% of the allocated capacity to third party/parties, and

increase the same by 25% for each week of default thereafter.

Sale to Third Party/Parties would be subject to the following conditions:

The surplus revenue recovered over Energy Charge,, Incentive, Taxes, Duties and other administrative charges attributable to such electricity sold shall be adjusted as under:

- a) The surplus upto the Capacity Charges for the corresponding period shall be used towards extinguishment of the subsisting outstanding capacity charge payment liability of the Procurer towards the Seller; and
- b) The surplus, if any, above the Capacity Charges for the corresponding period shall be retained and appropriated by the Seller.

Provided that supply to the procurer will be restored within fifteen (15) Days from setting right the default.

It is clarified that the above arrangement shall not be construed as relieving the Procurer of any of its obligations to the Seller including obligation of payment of Capacity Charges to the extent not covered under above mentioned Article 6.2.8 and arrears, if any.

For the removal of any doubt it is clarified that in case of default, the Procurer shall continue to be liable to pay the Capacity Charges in proportion to its Contracted Capacity during the period of regulation / diversion of capacity or till the capacity is re-allocated to other Bulk Power Customer(s)/ Third Party(ies), subject to the adjustment as per Clause No. 6.2.9(a) and (b).

7.0 SETTLEMENT OF DISPUTES

7.1 All differences or disputes between the parties arising out of or in connection with this Agreement shall be mutually discussed and resolved within 90 (ninety) days.

7.2 Arbitration

7.2.1 In the event that the parties are unable to resolve any dispute, controversy or claim relating to or arising under this Agreement, as stated above, the same shall be dealt as per the provisions of the Electricity Act, 2003.

8.0 FORCE MAJEURE

Neither 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, strike, lock-out, forces of nature, accident, act of God or any other such reason beyond the control of concerned party. 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 a reasonable time 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.

9.0 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 authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post. Any other nomination of authorised representative(s) shall be informed likewise in writing to/by the Procurer within one month of signing of the Agreement. Notwithstanding any nomination, the **'Chief Executive Officer, Aravali Power Company Private Limited, NTPC Bhawan, Core-7, Scope Complex, Institutional Area, Lodi Road, New Delhi – 110003'** or their authorised representatives shall be authorised to act severally for and on behalf of the Seller.

10.0 NOTICE

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein above, 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 with an acknowledgement due to the other parties in terms of **IMPLEMENTATION OF THE AGREEMENT** at Article 9 above.

11.0 EFFECTIVE DATE AND DURATION OF AGREEMENT

11.1 The agreement shall come into effect for all purposes and intent from the date of signing of the Agreement. Subject to the establishment and continuation of Payment Security as envisaged under Article 6.2, this Agreement shall remain operative upto completion of twenty five (25) years from the date of commercial operation of last unit of the station, unless it is specifically extended on mutually agreed terms.

11.2 Notwithstanding anything contained in this agreement upon occurrence of the following events as enumerated below, the Seller shall have the right to terminate this agreement with immediate effect by delivering a notice of Termination, if:

- (a) any petition for winding up of the Procurer has been admitted and ordered to be published in accordance with Company Court Rules or a resolution is passed for the winding up of the Procurer; OR
- b) a receiver is appointed or attachment is levied on the whole or a material part of the assets of the Procurer and the same is not removed within a period of ninety (90) days from the date of the order appointing such receiver, or the date attachment is levied, as the case may be.

11.3 In the event of Termination of the Agreement under 11.2, the liability of the Procurer to make payment for capacity charges shall cease forthwith except for the liabilities accrued up to the effective date of such termination.

12.0 SUCCESSORS AND PERMITTED ASSIGNS

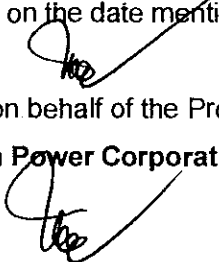
In case the functions of the Procurer are reorganised and/or this Agreement is assigned to other organisation(s)/agency(ies), partly or wholly, the Agreement shall be binding mutatis mutandis upon the successor Distribution/Trading organisation(s)/agency(ies)/entities and shall continue to remain valid with respect to the obligations of the successor organisation(s)/ agency(ies)/entities.

UPPCL shall ensure that the agreements namely 'Default Escrow Agreement' and 'Agreement to Hypothecate Cum Deed of Hypothecation' as mentioned at Article under **6.2 Establishment Of Letter Of Credit(LC) And Payment Security Mechanism** are signed by the assignee before assignment of this Agreement failing which the Seller


shall have the right to terminate this Agreement. In the event of termination of this Agreement the Procurer shall be liable and continue to pay the Capacity Charges each month till firm arrangement for sale of the Procurer's share with alternate customers substituting the Procurer is tied up.

IN WITNESS WHEREOF the parties have executed these presents through their Authorised Representatives on the date mentioned above.

For and on behalf of the Procurer,
Uttar Pradesh Power Corporation Limited

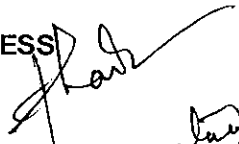

(A.P. MISHRA)
DIRECTOR (COMMERCIAL)
U.P. POWER CORPORATION Ltd.
SHAKTI BHAWAN, 14- ASHOK MARG
LUCKNOW -226001

For and on behalf of the Seller,
Aravali Power Company Private Limited


N. N. SADASIVAN
Deputy General Manager
Commercial - Head Quarter
NTPC LIMITED
Aravali Power Company Pvt. Ltd.

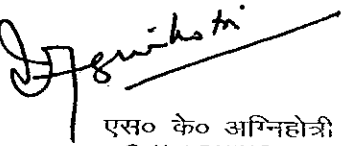
WITNESS

1.


(A.C. Srivastava)
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UP PEL
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WITNESS

2.


एस० के० अग्निहोत्री
S. K. AGNIHOTRI
अपर मसप्रबन्धक (वाणिज्यिक)
Addl. General Manager (Comm.)
एन टी पी सी लिमिटेड, उत्तरी क्षेत्र मुख्यालय, लखनऊ
NTPC Limited, Northern Region Headquarters, Lucknow