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**POWER PURCHASE AGREEMENT  
BETWEEN  
NTPC LIMITED  
AND  
UTTAR PRADESH POWER CORPORATION LIMITED  
FOR  
SUPPLY OF UNALLOCATED POWER FROM NTPC STATIONS**

THIS POWER PURCHASE AGREEMENT hereinafter called the "Agreement" entered into at Lucknow on the 16<sup>th</sup> day of January Two Thousand Nineteen (16/1/2019) between NTPC Limited, a Company incorporated under the Companies Act, 1956 having its registered office at NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi – 110003 (hereinafter called 'NTPC') 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 Ltd having its Registered/Head Office at Shakti Bhawan, 14, Ashok Marg, Lucknow-226001 (hereinafter referred to as **UPPCL**) which expression shall unless repugnant to the context or meaning thereof include its successors and Permitted Assigns as party of the second part.

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Each of the parties of the first and second above is individually referred to as a "Party" and collectively as the "Parties".

WHEREAS NTPC is a Generating Company as defined under Section 2(28) of the Electricity Act, 2003 and is a Govt. of India Enterprise. NTPC owns and operates various generating stations. Allocation of Power from NTPC generating stations to various beneficiaries is done by Government of India (GOI).

AND WHEREAS GOI allocates 85% of the Installed Capacity of Generating station(s) as firm power to various beneficiaries. The balance 15% power of the generating station is retained by GOI as unallocated quota. The power from unallocated quota is allocated by GOI to various beneficiaries from time to time based on their needs.

AND WHEREAS UPPCL [erstwhile Uttar Pradesh State Electricity Board (UPSEB)] (herein after referred as "Procurer" has already entered into Power Purchase Agreements for supply of electricity from various Generating Stations of NTPC from which firm power has been allocated by GOI.

AND WHEREAS Ministry of Power vide order no. 5/3/2018-OM, dated 28-05-2018 has allocated 40 MW of unallocated Power from unallocated power pool of Western Region to Uttar Pradesh and in compliance thereof Central Electricity Authority, Govt. of India vide letter no. WRPC/COMML-1/6/Alloc/2018/5107, dated 5-06-2018 has allocated 40 MW of unallocated Power from unallocated power pool of Western Region to Uttar Pradesh (Project Name and allocations as detailed at Annexure-1), this agreement shall apply to supply of power allocated to Procurer from unallocated quota of GOI from the NTPC project(s) as modified from time to time.

AND WHEREAS the Procurer is desirous of purchasing electricity from the Station(s) and NTPC is willing to sell electricity from such Station(s) to UPPCL (Procurer) on mutually agreed terms and conditions mentioned here under which shall be applicable for all such Station(s) from which unallocated power is given by GOI to the Procurer.

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

- 1.1 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.
- 1.2 The words or expressions mentioned below shall have the meanings respectively as assigned hereunder:

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Act; 2003	The Electricity Act, 2003 as amended or modified from time to time, including any re-enactment thereof.
Agreement to Hypothecate cum Deed of Hypothecation	Shall have the meaning as ascribed under article 6.2.6 of this PPA
Availability	'Availability' as defined in the CERC (Terms and Conditions of Tariff) Regulations, 2014 as amended or replaced from time to time
Billing Centre	The office / RHQ as intimated by NTPC to the Procurer from where the bills will be raised on them.
Bulk Power Customer(s)	Bulk Power Customer(s) in relation to the Station shall mean the person(s) including UPPCL to whom capacity is contracted from the station.
Busbars/Ex Bus	Busbars of the Station(s) to which outgoing feeders are connected.
CEA	Central Electricity Authority as defined under Section 2(6) of the Electricity Act, 2003
CERC	Central Electricity Regulatory Commission
CTU	Central Transmission Utility as defined under Section 2(10) of the Electricity Act, 2003.
Capacity Charges	Capacity Charges are Fixed Charges as determined by CERC and shall be paid in proportion to the Contracted Capacity from time to time.
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(s) in accordance with the provisions of this Agreement.
Commercial Operation Date	'Date of Commercial Operation' or 'COD' in relation to a unit means, the date declared by NTPC 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, or the date as already approved by CERC in various orders

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Contracted Capacity	Capacity contracted by the UPPCL/ Bulk Power Customer(s) under this Agreement under Article 2.1
Deviation/DSM /UI	Deviation as defined in Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) Regulations, 2014 as amended or replaced from time to time
Default Escrow Agreement	Shall have the meaning as ascribed under article 6.2.6 of this PPA
Default Escrow Account	Shall have the meaning as ascribed under article 6.2.6 of this PPA
Effective Date	means the date of signing of this Agreement
Energy Charges	As defined in the CERC (Terms and Conditions of Tariff) Regulations, 2014 as amended or replaced from time to time.
ERLDC	Eastern Regional Load Despatch Centre.
ERPC	Eastern Regional Power Committee established under Section 2(55) of the Electricity Act, 2003.
Ex-bus	Ex- Busbar
GOI	Government of India
IEGC	Indian Electricity Grid Code, as notified by CERC or any other Competent Authority and as amended from time to time.
Incremental Receivables	The amount of the Receivables in excess of the amounts which have been charged in favour of the Procurer's Financing Parties by way of a legally binding agreement, executed prior to the 'Effective Date', i.e. the date of signing this PPA, 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'.
Infirm Electricity	means electricity generated prior to commercial operation of a Unit (s) /Block(s) of the Station(s)
LC	Irrevocable Revolving Letter(s) of Credit.

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Main and Check Meter	Meter for measurement and checking of import/export of energy on the outgoing feeders of the Station(s) Busbars for Energy Accounting.
Mega Power Policy	Mega Power Policy issued by GOI and amended from time to time.
Monthly Bill	Monthly Bill as raised by NTPC as per REA in line with the CERC Regulations as amended from time to time. Provided that periodicity of billing may change as per CERC regulation from time to time.
MW	Mega Watt
NRLDC	Northern Regional Load Despatch Centre.
NRPC	Northern Regional Power Committee established under Section 2(55) of the Electricity Act, 2003.
Party/Parties	Shall have the meaning ascribed thereto in the recital to this Agreement
Permitted Assigns	Have the meaning as per Article 12 of this Agreement
Powergrid	Power Grid Corporation of India Ltd.
PPA	This Power Purchase Agreement.
Receivables	Shall mean all of the present and future receipts, obligations, monies, claims, bills and any other property whatsoever which may from time to time be derived from accrue or be offered or due to the UPPCL
Regional Energy Account (REA)	Periodic Energy Account issued by NRPC/WRPC/SRPC/ERPC/NRLDC/WRLDC/SRLDC/ERLDC including amendments thereof.
RLDC	Regional Load Despatch Centre.
RPC	Regional Power Committee established under Section 2(55) of the Electricity Act, 2003.
Scheduled Generation	Scheduled Generation as defined in the CERC (Terms and Conditions of Tariff) Regulations, 2014 as amended or replaced from time to time
Station(s)	Have the meaning as given in the recital

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Supplementary Bill	Have the meaning under the Article 6.1.3
SRLDC	Southern Regional Load Despatch Centre.
SRPC	Southern Regional Power Committee established under Section 2(55) of the Electricity Act, 2003.
Target Availability	Availability of the Station for recovery of full Capacity (Fixed) Charges on annual basis
Transmission Licensee	Have the meaning as defined at 2(73) of Electricity Act 2003
Tariff	Tariff shall constitute all charges including Capacity Charges, Energy Charges, UI taxes, cess, duties etc for supply of electricity from the Station(s) as determined by CERC or any other Competent Authority
Third Party(ies)	Any person other than the person to whom electricity is contracted under this Agreement
Tripartite Agreement (TPA)	The Tripartite Agreement dated 20.3.2003 including any agreement for extension of its validity signed by Govt of Uttar Pradesh, GOI and Reserve Bank of India as per the provisions of the GOI Scheme
Unit	Each Unit of the Station(s)
WRLDC	Western Regional Load Despatch Centre.
WRPC	Western Regional Power Committee established under Section 2(55) of the Electricity Act, 2003.

## 2.0 GENERAL

### 2.1 ALLOCATION OF CAPACITY:

2.1.1 15% capacity of NTPC Station(s) is kept as unallocated quota of GOI. GOI allocates this 15% of the Installed capacity of various stations to the various states from time to time based on their needs.

2.1.2 The allocation made in favour of the UPPCL vide MOP letter No 5/3/2018- OM dt 28.05.2018 & CEA,WRPC letter no. /Comml-1/6/Alloc/2018/5107 dt 5-06-2018 or by Gol from time to time from the unallocated quota of NTPC Station(s) for which there is no firm allocation shall be contracted capacity for the purpose

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of this agreement. The Procurer shall draw electricity against the above Contracted Capacity limited to the amount of LC opened and maintained by it. NTPC shall intimate RLDC from time to time regarding the quantum of capacity Procurer is eligible to draw.

### **3.0 TRANSMISSION / WHEELING OF ELECTRICITY**

- 3.1 Sale of electricity shall be at the ex busbar of the Station(s) and it shall be the obligation and responsibility of UPPCL to make the required arrangement for evacuation of electricity from such delivery points of the Station(s).
- 3.2 Charges for utilisation of transmission system(s) owned by the Powergrid/ other Transmission Licensee for wheeling of the electricity beyond busbar of the Station(s) shall be paid directly by UPPCL to the Powergrid or the Transmission Licensee as the case may be. NTPC shall not be responsible for payment of such charges.

### **4.0 SCHEDULING, METERING AND ENERGY ACCOUNTING**

#### **4.1 SCHEDULING**

- 4.1.1 It is understood and agreed by and between the parties that NTPC shall operate the Station(s) 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 respective RPC forums.
- 4.1.2 All charges/fees related to scheduling and despatch of electricity shall be borne by UPPCL.
- 4.1.3 NTPC shall make declaration of the capacity at the busbars of Stations(s) after taking into account the capability of the Stations(s) to deliver Ex-Bus which shall be considered while calculating Declared Capacity (DC). UPPCL shall have the right to schedule this DC in proportion to its allocation from Station(s).

#### **4.2 DECLARED CAPACITY**

- 4.2.1 Declared Capacity or 'DC' means the capability of the Station(s) to deliver Ex-Bus electricity in MW declared by the Station(s) in relation to any period of the day or whole of the day, duly taking into account the availability of fuel as per the procedure laid down in IEGC/CERC Regulation applicable from time to time.
- 4.2.2 Notwithstanding the following, Station(s) shall be deemed as available to the extent of DC declared by the Station(s) for any time period:
- 4.2.2.1 Failure on account of Bulk Power Customer(s) to transmit and wheel electricity from the Ex-Bus of the Station(s).
- 4.2.2.2 Any other reason not attributable to NTPC restricting scheduling and despatch of capacity at the Ex-Bus of the Station(s).

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### 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 on all outgoing feeders of the Station(s). Procurer shall make all necessary arrangements for installation of meters of required accuracy and specifications, at all its drawl 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 as amended from time to time.
- 4.3.3 Data shall be downloaded from the meters at regular intervals as decided by respective RPC/ RLDC for preparation of the REA/ DSM/ 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 as amended from time to time. If the Main Meter or Check Meter is found to be not working at the time of meter readings or at any other time, NTPC shall inform the CTU/ respective RLDC 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 respective RPC. 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 standby meters. In case of dispute, the decision of Member Secretary of the respective RPC 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 NTPC and Procurer or any of the Bulk Power Customer(s) as per procedure laid out in CEA (Installation & Operation of Meters) Regulations, 2006. For any testing and/ or replacement, notice of seven days will be given.

### 4.4 ENERGY ACCOUNTING

- 4.4.1 Both the Parties agree to facilitate issue of Regional Energy Accounts by 1<sup>st</sup> day of every month. Regional Energy Account issued by RPC/ RLDC or any other Competent Authority shall be binding on all the parties for billing and payment purposes.
- 4.4.2 Any change in the methodology of Regional Energy Account shall be done only as per the decisions taken in the respective RPC forums and both the Parties agree to abide by the methodology so finalised.

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## **5.0 TARIFF**

- 5.1.1 The Tariff and other terms & conditions for the electricity supplied from the Station (s) would be as determined by CERC from time to time. Tariff for sale of electricity from the Station shall comprise of Capacity Charge, Energy Charge, Incentive, Deviation Charges and all other taxes/ charges as per CERC Regulations or any other guidelines as may be applicable from time to time).

## **5.2 ADHOC TARIFF**

NTPC shall approach CERC for determination of Tariff before Commercial Operation Date of any unit of the Station(s). In case this Tariff is not determined for any reason by CERC prior to commencement of commercial operation of such unit of the Station(s), the Parties agree that billing and payment shall be done on adhoc basis as per the proposal of NTPC submitted to CERC for Tariff determination and the parties agree that UPPCL shall duly make 95% of such tariff pending determination of such Tariff by CERC, subject to adjustment along with applicable interest rate as per CERC Regulations as and when such Tariff is determined by CERC.

## **5.3 SALE OF INFIRM ELECTRICITY:**

Infir electricity, i.e., sale of electricity prior to commercial operation of the unit, will be billed by NTPC based on methodology as notified by CERC from time to time.

## **5.4 TAXES, LEVIES, DUTIES, ROYALTY, CESS ETC.:**

### **5.4.1 TAX ON INCOME**

Income Tax applicable for the sale of power under this Agreement shall be governed by the applicable CERC Regulations and the parties agree to abide by and comply with such Regulations.

- 5.4.2 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(s) payable by NTPC to the authorities concerned shall be governed by Regulations/ Orders of CERC/ Appropriate Govt/ local bodies from time to time and shall be borne and additionally paid by the UPPCL to NTPC.

## **6.0 BILLING AND PAYMENT**

### **6.1 BILLING:**

The Charges for Supply of Electricity under this Agreement shall be billed by NTPC as determined from time to time by the Central Electricity Regulatory Commission and the same shall be paid by the Procurer in accordance with the

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following provisions:

- 6.1.1 NTPC shall present the bills for electricity supplied to Procurer from the Station(s) for the previous month based on Regional Energy Account issued by NRPC/WRPC/SRPC/ERPC/NRLDC/WRLDC/SRLDC/ERLDC or any other Competent Authority.
- 6.1.2 Billing Centre of NTPC shall carry out billing and associated functions. NTPC would submit the bills to the Officer nominated by UPPCL.
- 6.1.3 The Monthly Bill for the Station(s) shall include the Charges for Supply of Electricity under this Agreement, 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 reason some of the charges which otherwise are in accordance with this Agreement, could not be included in the main Monthly Bills, such charges shall be billed as soon as possible through Supplementary Bill(s).
- 6.1.4 UPPCL shall arrange payment of such Monthly Bill(s)/Supplementary Bill(s) promptly through Real Time Gross Settlement (RTGS)/ irrevocable Letter of Credit at the designated account of NTPC. The date of credit of payment to NTPC account shall be considered as the date of payment for computation of rebate or late payment of surcharge in respect of such payment. The bill(s) of NTPC shall be paid in full subject to the condition that-
- 6.1.4.1 there is no apparent arithmetical error in the bill(s)
- 6.1.4.2 the bill(s) is/are claimed as per the notified/agreed tariff
- 6.1.4.3 they are in accordance with the Regional Energy Accounts issued by respective RPC/ RLDC or any other Competent Authority
- 6.1.5 All the payments shall be adjusted in the following order of priority :
- i. Oldest bill shall be paid first in order of their billing date including its Energy Bill, Late Payment Surcharge, Statutory dues and any other charges.
- ii. Subsequently, the bills raised in next month shall be paid as per para (1)
- 6.1.6 In case UPPCL disputes any amount, even then, it shall pay at least 95% of disputed amount forthwith and file a written objection with NTPC with within 30 days of presentation of the bill, giving following particulars:
- 6.1.6.1 Item disputed, with full details/data and reasons of dispute
- 6.1.6.2 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.
- 6.1.7 Disputed bills without the requisite 95% payment of the bill shall amount to payment default and shall qualify for actions in accordance with Article 6.3 and 6.4.

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6.1.8 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 as per CERC applicable interest rate on arrears from the date on which the amount in dispute was payable/refundable.

**6.1.9 QUARTERLY AND ANNUAL RECONCILIATION**

The Parties acknowledge that all payments made against Monthly bills and Supplementary bills shall be subject to quarterly reconciliation at the beginning of the following quarter and annual reconciliation at the end of each Financial Year to take into account – REA, Tariff Adjustment, Payments, Late Payment Surcharge or any other reasonable circumstances provided under this Agreement. The Parties, therefore, agree that as soon as all such data in respect of any quarter or a full Financial Year as the case may be has been finally verified and adjusted, NTPC and UPPCL shall jointly sign such reconciliation statement. On the basis of the statement suitable adjustment (if any) in payments shall be done.

**6.1.10 REBATE AND LATE PAYMENT SURCHARGE**

Rebate and Late Payment Surcharge shall be as per Terms and Conditions of Tariff issued by CERC as applicable from time to time. No rebate shall be payable on the bills raised on account of taxes, duties, royalty / cess etc.

**6.2 ESTABLISHMENT OF LETTER OF CREDIT(LC) AND PAYMENT SECURITY MECHANISM:**

6.2.1 DISCOM has already opened LC for payment of bills for supply of power from Generating stations of NTPC. This LC will be enhanced for payment of bills from Station(s). The LC shall initially have a value of 105% of the one month's estimated billing in respect of electricity supplied from NTPC to DISCOM. The amount of LC shall be reviewed each half-year commencing April and October in a 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 1<sup>st</sup> July and 1<sup>st</sup> January respectively of the same financial year.

6.2.2 The LC shall be established for a minimum period of one year. UPPCL shall ensure that a valid LC is made available at all times during the entire/extended validity of this Agreement. New LCs shall be furnished/existing LCs reinstated not later than 30 days prior of expiry of existing LCs.

6.2.3 LC shall specify the manner and dates when bill(s) can be presented to Bank by NTPC. The bills so presented by NTPC to the Bank shall be promptly paid on their presentation. The LC charges shall be borne by the Procurer.

6.2.4 All costs relating to opening, maintenance, negotiation and reinstatement of LC shall be borne by the Procurer

6.2.5 In case of drawl of the LC amount by NTPC in accordance with the terms of this

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Article, the amount of the LC shall be reinstated automatically not later than 7 days from such drawl. Procurer shall arrange to furnish to NTPC a certificate to this effect from Bank(s) providing LC. In the event LC is not reinstated within 7 days, regulation of power supply shall be as per provision 6.3.

- 6.2.6 Provisions of Tripartite Agreement signed on 20.03.2003 between Govt of Uttar Pradesh, Govt of India and Reserve Bank of India as per provisions of GOI scheme, including any Agreement for extension of its validity, shall be applicable for supply of electricity from NTPC station(s) and for safeguarding payments for the same. UPPCL hereby agree to provide an alternative payment security arrangement before expiry of the TPA either by efflux of time or in the form of Tripartite Default Escrow Agreement between NTPC, the Escrow Agent cum LC Banker and UPPCL as a back up to the LC. Under this arrangement UPPCL shall establish an Escrow Agent in favour of NTPC through which the Incremental Receivables of UPPCL shall be routed as per the terms of Tripartite Default Escrow Agreement.

The Escrow Agent cum LC Banker means the Bank(s) identified to act as the Escrow Agent which provides LC for payment to NTPC, on behalf of UPPCL and made a party to the Tripartite Default Escrow Agreement.

UPPCL shall hypothecate Incremental Receivables to the extent required for Payment of dues of NTPC by UPPCL under this Agreement by creation of first charge in favour of NTPC. These Incremental Receivables shall be routed through Escrow Account for payment to NTPC in case of default in payments. Notwithstanding the above, the LC Banker would have a superior charge, to the extent of LC provided, to NTPC for supply under this Agreement.

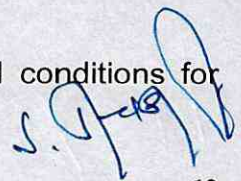
The Tripartite Default Escrow Agreement and Agreement to Hypothecate Cum Deed of Hypothecation shall be established by UPPCL to the satisfaction of NTPC at least one year before the completion of the validity period of the TPA.

In the event before expiry of TPA, UPPCL does not sign the 'Tripartite Default Escrow Agreement' and 'Agreement to Hypothecate Cum Deed of Hypothecation' at least 3 months before the expiry of TPA or UPPCL creating any superior charge in favour of any other party on its Incremental Receivables, or monthly Incremental Receivables being less than the required LC amount, NTPC shall have the right to reallocate power to other customers. In case of termination of this Agreement or reallocation of power due to reasons stated above, UPPCL shall be liable to pay capacity charges till the power is reallocated.

- 6.2.7 Since the payments from UPPCL are currently secured as per the provisions of the TPA, establishing of Default Escrow Arrangement is not being insisted upon by NTPC presently. UPPCL and NTPC agree that this Agreement shall not create any encumbrance, charge, and lien or otherwise execute any instrument which in any way affects the first charge of NTPC over the Incremental Receivables.

Except for the provisions of this Agreement, other terms and conditions for





operation of "Default Escrow Agreement" and "Agreement to Hypothecate Cum Deed of Hypothecation" shall be in the latest issued format as prescribed by Government of India in the "Standard Bidding Document (Case II)" as used for competitively bid Ultra Mega Power Projects.

UPPCL agree to ensure that the successor entities of UPPCL are duly notified of the above arrangement with NTPC and shall be bound by the terms of this Agreement as if they are parties to this Agreement.

- 6.2.8 Notwithstanding the obligations of UPPCL to pay all the dues as per this Agreement, in the event of default in opening of LC of requisite amount in favour of NTPC or non-payment of bills within a period of 60 days of billing, NTPC shall be entitled to regulate/ divert the contracted capacity of the UPPCL to any other Bulk Power Customer(s)/ Third Party(ies) as per the provisions of generic procedure for regulation of power supply issued by CERC from time to time read with the provisions of TPA (during the validity of TPA) till the time default is set right.

In case of default in payment of bills beyond a period of 90 days of billing, NTPC shall have the right to re-allocate power to other Bulk Power Customer(s).

It is clarified that the above arrangement shall not be construed as relieving UPPCL of any of its obligations to NTPC including obligation of payment of Capacity Charges.

For the removal of any doubt it is clarified that in case of default, UPPCL 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).

## **7.0 SETTLEMENT OF DISPUTES**

- 7.1 All differences and admitted disputes between the parties arising out of or in connection with this Agreement shall be mutually discussed and amicably resolved within 90 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. The place of Arbitration shall be at New Delhi.
- 7.2.2 Notwithstanding the existence of a question, disputes and or differences referred to Arbitration, the parties here to shall continue to perform their respective obligations under this Agreement.

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## **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/drawl 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 Procurer within one month of signing of the Agreement. Notwithstanding any nomination, the Regional Executive Director (North), NTPC Ltd., NRHQ, Lucknow as well as Executive Director (Commercial), NTPC Ltd., NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi-110 003 or their authorised representative(s) at its Registered Office first above mentioned shall be authorised to act severally for and on behalf of NTPC.

## **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**

11.1 The agreement shall come into effect for all purposes and intent from the date of signing of the Agreement or supply of electricity from NTPC Stations, whichever is earlier and shall remain operative till the existence of the policy of allocation of unallocated power by GOI or till the power remains allocated to UPPCL from the station(s) by GOI.

## **12.0 SUCCESSORS AND PERMITTED ASSIGNS**

12.1 In case the functions of Procurer are reorganised and/or this Agreement is

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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 provided that the successor organisation(s)/agency(ies) is/are owned or controlled by the Government of Uttar Pradesh.

- 12.2 In the event the functions of Procurer are reorganised and/or privatised or this Agreement is assigned to Private organisation(s)/agency (ies), partly or wholly, Procurer shall ensure that alternate payment security arrangements in the form of 'Default Escrow Agreement' and 'Agreement to Hypothecate Cum Deed of Hypothecation' are signed by the assignee before assignment of this Agreement.
- 12.3 Only such of the successor entities who fulfil the above requirements at 12.1 or 12.2 and execute the requisite documents as above shall be termed as the permitted assigns.
- 12.4 While assigning this Agreement to successor/ other organisation(s) Procurer shall ensure that all liabilities pertaining to the period prior to assignment are also assigned to the successor/ other organisation(s).
- 12.5 In other cases NTPC shall have the right to terminate this Agreement. In the event of termination of this Agreement, Procurer shall be liable and continue to pay the Capacity Charges each month till arrangement for sale of Procurer's entire 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.

WITNESS


1.

  
राजीव रंजन  
RAJEEV RANJAN  
वरिष्ठ प्रबन्धक (वाणिज्यिक)  
Sr. Manager (Commercial)  
एन टी पी सी लिमिटेड, उत्तरी क्षेत्र मुख्यालय, लखनऊ  
NTPC Limited, Northern Region Headquarters, Lucknow

  
हिरानन्द सिंह  
Hiranand Singh  
बहा प्रबन्धक (वाणिज्यिक)  
General Manager (Commercial)  
एन.टी.पी.सी. लिमिटेड, उत्तरी क्षेत्र मुख्यालय  
टीसी-33-बी/1, विनोदि बाग, गोकुली नगर, लखनऊ-226001

2.

  
DEEPAK RAIZADA  
Superintending Engineer  
SPAT Circle  
P.P.A. Directorate, U.P.P.C.L.  
10<sup>th</sup> Floor Shakti Bhawan Extension Lucknow-226001

  
For and on behalf of  
Uttar Pradesh Power Corporation Limited

Chief Engineer (P.P.A.)  
U.P. Power Corporation Limited  
Shakti Bhawan Extension  
14, Ashok Marg, Lucknow

**Annexure-1**

S.No	Name of Project	Share of UP in %	Share of UP in MW
1	KSTPS	0.1521	3.19
2	VSTPS-I	0.2308	2.91
3	VSTPS-II	0.2194	2.19
4	VSTPS-III	0.2194	2.19
5	KGPP	0.0042	0.03
6	GGPP	0.0049	0.03
7	SIPAT-II	0.2080	2.08
8	KSTPS-7	0.3112	1.56
9	SIPAT-I	0.3112	6.16
10	VSTPS-IV	0.3112	3.11
11	MSTPS-I	0.3112	3.11
12	VSTPS-V	0.3112	1.56
13	MSTPS-II	0.3112	4.11
14	SSTPP	0.3112	2.05

*Asst. S. G. 7/7*