



उत्तर प्रदेश UTTAR PRADESH



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**POWER PURCHASE AGREEMENT BETWEEN
M/s Upper Ganges Sugar & Industries Ltd.
AND
Paschimanchal Vidyut Vitran Nigam Limited**

THIS DEED OF AGREEMENT is made this 30th day of Jan., 2006 (hereinafter called the "Effective Date") by and between M/s Upper Ganges Sugar & Industries Ltd. registered under the Companies Act 1956 and having its registered office at P.O., Sephara, Distt. Bijnore, U.P. hereinafter called the "Mill", which expression shall, unless repugnant to the context or meaning thereof, include its successor and assignees as party of the first part and the Paschimanchal Vidyut Vitran Nigam Limited, a Company registered under the Company's Act, 1956, having its Registered Office at Victoria Park, Meerut hereinafter called "PVVNL", which expression shall, unless repugnant to the context or meaning thereof, include its successor and assignees as party of the second part.

PER. *[Signature]* UPPER GANGES SUGAR & IND. LTD.

(PRAVEEN GUPTA)
JT. EXECUTIVE PRESIDENT


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U. P. C. L.
Shakti Bhawan Extn
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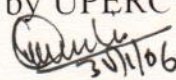
- 1.1 ALDS; means Area Load Dispatch Centre.
- 1.2 Bill Meter; means Import and Export Meter on the basis of which energy purchase Bills shall be raised by the Mill/UPPCL.
- 1.3 Co-Generation; is defined as a process which simultaneously produces two or more forms of useful energy (e.g. electric power and steam, electric power and shaft (mechanical) power etc.). The qualifying requirements for a process to be termed as co-generation shall be determined in accordance with the Ministry of Power resolution No. A-40/95-IPC-1 dt. 6.11.96.
- 1.4 Check Meter; means a Meter for performing a check on the accuracy of the Bill Import/Export Meter.
- 1.5 Date of Commercial Operation; means the date on which supply of Energy is commercially commenced by the Mill to UPPCL.
- 1.6 Export Meter; means Special Energy Meter for measurement of Active Energy, Maximum demand and Power factor for Energy exported to the Mill from UPPCL's Grid Sub-Station.
- 1.7 Energy Account Month; means "Period from date of Meter reading in previous month to date of Meter reading in following month" not exceeding 35 days.
- 1.8 Grid Sub Station means UPPCL Sub Station of 132 KV or higher voltage connected to the grid.
- 1.9 Import Meter; means Special Energy Meter for Measurement of Active Energy, Maximum demand and Power factor for Energy Imported into UPPCL's Grid from the Mill.
- 1.10 L.C.; means " revolving and self - replenishing Letter of Credit".
- 1.11 Purchase Bill; means a bill raised, that includes all charges to be paid by UPPCL with respect to sale of Power by the Mill to UPPCL.
- 1.12 S.T.U.; means State Transmission Utility as notified by the UP Government.
- 1.13 TOD; means "Time of day", for the purpose of Metering.
- 1.14 UPERC; means the U.P. Electricity Regulatory Commission.

2.0.0 EVACUATION OF SURPLUS POWER

Power Purchase and Sale

2.1.1 UPPCL on behalf of PVVNL shall accept and purchase all power made available directly to UPPCL's system from the Mill's facility in accordance with the terms and conditions of this agreement, which will be revised/superseded by the terms and conditions as declared by UPERC under

FOR MGR. UPPER GANGES SUGAR & IND. LTD.

 (JITENDRA KUMAR GUPTA)
 JT. EXECUTIVE PRESIDENT


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 G.M. (P.P.A.)
 U. P. P. C. L.
 Shakti Bhawan Extp.
 Lucknow,

new policy. In the case of inconsistency between provision of this agreement and UPERC's declared policy, the provisions of UPERC's policy would apply. The purchase rates (Rs./Unit) for power mentioned below would be applicable under this agreement :-

Tariff Year

Year of Commissioning	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
FY 2006 or any earlier	2.86	2.89	2.93	2.97	3.02
FY 2007		2.98	3.02	3.06	3.10
FY 2008			3.11	3.15	3.20
FY 2009				3.25	3.29
FY 2010					3.38

The above purchase rates are applicable for sale of electricity during crushing season, which will be normally for a span of continuous six (6) months in a year commencing from October or so. However, during off season, an incentive of 3 paise per unit would be admissible subject to the following conditions :-

- a) The plant has achieved the target PLF of above 60% for the respective financial year.
- b) Units supplied in excess of the target PLF of 60% during the off season period shall be eligible for the incentive.
- c) The payment of incentive shall be made alongwith the settlement of the bill for the units supplied in the month of March.

All taxes, duties and other levies imposed by the Central and/or State Government or other local authorities directly relating to generation shall be borne and payable by the Mill, while those relating to sale of electricity, shall be borne and payable by UPPCL.

2.1.2 The price as per Clause 2.1.1 shall apply even in the event of any other fuel or fuels being used to supplement Bagasse.

2.1.3 The rate applicable to any supply of electricity by UPPCL to the Mill shall be as per the existing tariff agreement for supply of power executed between UPPCL and the Mill. The payment to UPPCL under the agreement shall remain unaffected and shall not be linked to obligations of the parties under

PER PRO, UPPER GANGES SUGAR & IND. LTD.

(PRAVEEN GUPTA)
IT MANAGER & PRESIDENT

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G.M. (P.P.A.)
U. P. P. C. L.
Shakti Bhawan Extn.
Lucknow.

this Agreement. If the Mill is not a consumer of UPPCL it shall pay UPPCL for the power exported by at a rate which shall be double the normal high tension industrial (Presently classified as HV2 category) tariff for the actual units consumed along with demand charges etc. Minimum consumption guarantee charge provisions shall not apply.

2.1.4 UPPCL shall not make any payment for the Energy received in excess of 110% of the contracted Capacity at any point of time.

2.1.5 Sale of and accounting for Power shall be governed by the provisions set out in Annexure-II.

3.0.0 MAINTENANCE REQUIREMENT OF THE MILL

The Mill's annual Maintenance schedule shall normally be from July. to October. The Mill shall inform UPPCL and the STU regarding the Maintenance schedule in accordance with provisions of the UP Electricity Grid Code-2000.

4.0.0 SUPPLY PLAN

The Mill shall furnish to UPPCL and the State Transmission Utility a Supply Plan and other information, as required in the UP Electricity Grid Code-2000 or as desired otherwise.

5.0.0 BILLING PROCEDURE AND PAYMENTS

5.1.0 The Mill shall raise monthly purchase Bills based on the monthly joint meter reading in the Bill Meter at the UPPCL end

5.2.0 The Monthly Purchase Bill shall be delivered to the Nodal Officer of UPPCL at its designated office on or before the fifth (5th) working day of the following month hereinafter called the Monthly Purchase Bill date. UPPCL shall make full payment against such Monthly Purchase Bills to the Mill within thirty (30) working days of the receipt of the Monthly Purchase Bill. In case of any dispute regarding the bill, UPPCL shall inform the Mill about the same within fifteen days of receipt of the bill. Rebate @ 2.5% would be admissible if payment is made within thirty (30) working days through cheque/Draft/L.C. or any other mode agreed upon. Format of the Monthly Purchase Bill is given in Annexure III attached hereto and made a part hereof..

5.3.0 The Mill may exercise the option of receiving payment through a revolving,

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 (PRESIDENT)
 17, BANGALORE AVENUE PRESIDENT

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 G.M. (P.P.A.)
 U. P. P. C. L.
 Shakti Bhawan Extn.
 Lucknow.

self-replenishing, letter of credit of a value equal to the billable amount corresponding to the maximum amount of energy envisaged to be supplied in any one month, opened in the favour of the Mill. In this event, the L.C. opening and maintenance charges shall be borne by the Mill.

6.0.0 PARALLEL OPERATIONS

UPPCL shall allow the Mill to interconnect and operate in parallel with UPPCL's system, subject to the provisions of this Agreement and the UP Electricity Grid Code -2000.

7.0.0 CO-GENERATION FACILITIES OWNED AND OPERATED BY THE MILL

The Mill shall furnish, install, own, operate, and maintain the equipment described, at greater length, in Annexure I. The Mill shall follow such operating procedures on its side of the electric interconnection with UPPCL's system, as are consistent with applicable laws, rules and regulations, the terms and conditions of this Agreement, STU practices, provisions of the UP Electricity Grid Code-2000, and other related guidelines, if any, issued by UPERC, UPPCL, STU and the concerned Transmission licensee.

In the event any fuel or fuels are used to supplement bagasse, the fuel linkage shall be the responsibility of the Mill. The usage shall not be in excess of the limit set by the Ministry of Power to qualify under the renewable category. No pass through of cost on account of this shall be permitted on either side.

All electrical equipments shall be furnished and installed to be in compliance with the requirements of the Director of Electrical Safety, Government of Uttar Pradesh.

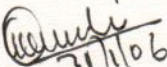
The Mill further agrees to make no material changes or additions to its facility, which may have an adverse effect on UPPCL's system, or amend the single-line diagram, relay list and/or trip scheme given in Annexure I, without UPPCL's prior written consent. UPPCL agrees that such consent shall not be unreasonably withheld.

Without prejudice to the foregoing, the Mill shall install, operate, and maintain its facility in accordance with accepted good engineering practices in the electric industry. The Mill's operation and Maintenance schedules and staffing shall be adequate to meet this standard at all times.

PER. PRO. UPPER GANGES SUGAR & IND. LTD.

(PRAVEEN GUPTA)

JT. EXECUTIVE PRESIDENT


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G.M. (P.P.A.)
U. P. P. C. L.

Shakti Bhawan Extn
Lucknow.

It shall be the responsibility of the Mill to install equipment to eliminate feeding of reverse power from the Grid to the Mill's system.

10.0.0 TECHNICAL ASSISTANCE BY UPPCL & MILL'S RESPONSIBILITY

On request, UPPCL shall provide reasonable technical assistance to the Mill in preparing the design and specifications of the required facilities and for laying down the standard operating and maintenance procedures. The Mill, however, shall be responsible for procurement, installation, testing, maintenance and operation of the electrical system installed in the Mill's premises. Notwithstanding the above, UPPCL shall not be responsible for any damage caused to the electrical system/generating set of the Mill, on account of errors or defects in the design, procurement, installation, testing, maintenance and operation of the system.

11.0.0 ARRANGEMENTS AT THE POINT OF SUPPLY

The Mill shall make all arrangements for paralleling the set/s with UPPCL's grid in consultation with and to the satisfaction of UPPCL, subject to the approval of the Director of Electrical Safety, Government of Uttar Pradesh.

12.0.0 SYNCHRONISATION

The Mill shall synchronise its power generating set in consultation with the Executive Engineer, Transmission, in-charge of the 132KV Tajpur Sub-Station of UPPCL/STU and as per provisions of the UP Electricity Grid Code-2000. The Mill shall give seven (7) days prior intimation of the synchronisation programme to the Nodal Officer:

- (i) when commissioning the plant for the first-time,
- (ii) when commissioning after completion of the annual Maintenance programme.

UPPCL shall not be responsible for the damage, if any, caused to the plant and equipment of the Mill due to failure of the synchronising or the protective system provided by the Mill.

13.0.0 LIAISON WITH & ASSISTANCE FROM UPPCL

The Mill shall closely liaise with the Nodal Officer of UPPCL and the STU during the period of Co-generation. During the period this Agreement is in force, the Mill shall inform the date of commencement of delivery of power to the designated officials of UPPCL and STU one month in advance and also arrange for testing

PER *[Signature]* UPPER GANGES SUGAR & IND. LTD.
 (PRADEEN GUPTA)
 JT. EXECUTIVE PRESIDENT

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 20/10/06
 G.M. (P.P.A.)
 U. P. P. C. L.
 Shakti Bhawan Extn
 Lucknow.

and commissioning of the protection system at least 15 days in advance. If requested by the Mill, UPPCL shall extend assistance for testing, subject to the condition that the Mill shall pay the charges for such assistance to UPPCL, if so indicated by the concerned Test Division of UPPCL. This charge shall be reasonable and be based on the man-hours devoted by UPPCL staff and their usual levels of remuneration, and UPPCL equipment used.

14.0.0 METERING

The Mill shall supply, two identical sets of frequency sensitive, ABT Compatible special energy meters, complete with Meter Reading Instrument (MRI) and Modem Facility with the facility for downloading data to measure the quantity and time details of the Power exported from and imported into the Mill, conforming to the specifications approved by UPPCL, along with all necessary associated equipment. These meters shall be installed and maintained by UPPCL. These meters shall be installed at the grid substation of UPPCL at the interconnection point. One set of export/import meters shall be termed the "Bill Meter" and other set will serve as the "Check Meter". The complete metering system consisting of meters, Current Transformers & Potential Transformers shall conform to the 0.2 accuracy class, individually and collectively, and shall comply with the technical standards, accuracy and calibration requirements of the Indian Electricity Rules and the specifications of the Bureau of Indian Standard.

The meter readings shall be recorded in the format given in Annexure V & VI. The Meter/Metering system shall be properly sealed and made pilfer proof, to the satisfaction of both parties.

UPPCL shall test all the metering equipment for accuracy, in the presence of a representative of the Mill, if the Mill elects to have a representative present, at least once every year while the agreement is in force. Either party may, however, elect to get the meters tested at any time they so desire, at their own cost, in the presence of the other party.

The meter test results shall be jointly certified by UPPCL's designated representative and the representative of the Mill. After every testing all metering equipment and the Metering system shall be securely sealed jointly by the representatives of UPPCL and the Mill.

The reading and testing of meters and associated equipment shall be in accordance with accepted good engineering practices in the electricity industry.

Calibration, inspection and testing of meters and the associated equipment shall be

PER *[Signature]* UPPER GANGES SUGAR & IND. LTD.

[Signature]
(PRADEEN GUPTA)
JT. EXECUTIVE PRESIDENT

[Signature]
G.M. (P.P.A.)
U. P. P. C. L.
Shakti Bhawan Extn.
Lucknow.

the responsibility of UPPCL, who shall bear the related costs.

Meter Readings: - Meter readings shall be taken jointly by parties as indicated below :-


- (i) UPPCL side - The Executive Engineer, Electricity Transmission Division, Bijnore and Executive Engineer, Electricity Test & Commissioning Division jointly, with the proviso that one of the two may depute one of their Assistant Engineers if he is unable to be present due to an emergent situation.
- (ii) Mill side - Authorised representative of the Mill.

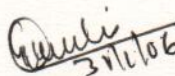
The reading of the Bill Meter shall form the basis for the energy account, provided that the magnitude (i.e. absolute value) of the difference between the Check and Bill Meter reading is within one percent of the Bill Meter reading.

If in any month the readings of the Bill Meter and Check Meter are found to be doubtful or beyond the permissible 1% deviation indicated above, both sets of meters shall be checked and calibrated in the presence of authorised representatives of both the parties. Corrections shall be made, if required, on the basis of the error detected during this process, in the Power Purchase Bill for the period between the previous meter readings and the date and time from which accurate readings become available through replacement or re-calibration. These corrections shall be full and final for the Power Purchase Bill of that month.

During the period of checking and calibration of both meters simultaneously another export and import meter duly calibrated would be installed by UPPCL. For this purpose, one spare set of meters would be required to be available with the Mill at all times.

If the Bill Meter is found to be defective, and the Check meter is found to be accurate then the reading from the latter shall be used for billing purpose and the Bill meters would be re-calibrated and re-installed or replaced by duly tested and calibrated meters, as necessary. Where error in the Check Meter is indicated beyond permissible limit but there is no error in the Bill Meter, monthly energy account would be prepared on the basis of the Bill Meter reading and the Check Meter shall be immediately re-calibrated and re-installed or replaced as necessary. If both meters are found to be defective, then the Bill will be revised on the basis of the in-accuracy discovered in the testing. The M.R.I. output from the meters shall be considered an authentic document for verification.

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 (PRAVEEN GUPTA)
 Jt. EXECUTIVE PRESIDENT


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 G.M. (P.P.A.)
 U. P. C. L.
 Shakti Bhawan Extn.
 Lucknow.

In the event there is a failure of metering that prevents the availability of readings that are usable for billing purposes then Power consumption shall be computed on the basis of data available with the Energy Audit cell of UPPCL and subject to approval of UPERC.

15.0.0 ACCEPTANCE AND APPROVAL OF UPPCL

UPPCL's acceptance or approval for equipment, additions or changes to equipment, and their operational setting etc., would be required. Such acceptance/approval shall not be unreasonably withheld and shall be based on UPPCL's existing policies and practices.

16.0.0 COMMISSIONING OF CO-GENERATION FACILITIES

The Mill shall commission the co-generation facility and synchronise it with UPPCL's grid by Feb.07.

In exceptional circumstances, UPERC may agree to extend the commissioning date at the request of the Mill or UPPCL.

17.0.0 CONTINUITY OF SERVICE

Normally, supply of generated electricity from the Mill shall be governed by instructions from the concerned area load dispatch centre, as per the provisions of the UP Electricity Grid Code-2000. However, UPPCL may require the Mill to temporarily curtail or interrupt deliveries of power only when necessary in the following circumstances: -

17.1.0 Repair and/or Replacement and/or Removal of UPPCL'S equipment or any part of its system that is associated with the Mill's facility; and/or

17.2.0 Endangerment of Safety: If UPPCL determines that the continued operation of the facility may endanger the safety of UPPCL's personnel or integrity of UPPCL's electric system, or have an adverse effect on the provision of electricity to UPPCL's other consumers/customers; and/or

17.3.0 Force Majeure Conditions: (defined in 27.0.0 below)

Note: Any necessary inspection, investigation or maintenance of UPPCL's equipment or any part of its system that is associated with the Mill's facility shall

Before disconnecting the Mill from UPPCL's system, UPPCL shall, except in the case of an emergent situation, give advance intimation to the Mill through telephone/wireless or through other means of communication along with reasons for disconnection, and the likely period of the disconnection. However, subsequent to disconnection, UPPCL shall immediately notify the mill by telephone and confirm in writing the reasons for, and the likely period of, disconnection. During the period so notified UPPCL shall not be obligated to accept or pay for any power from the Mill.

In any such event as described above, UPPCL shall take all reasonable steps to minimise the frequency and duration of such interruptions, curtailments, or reductions.

UPPCL shall avoid scheduling any event described in 17.1.0 above, to the extent reasonably practical, during the Mill's operations. Where the scheduling of such an event during the Mill's operations cannot be avoided, UPPCL shall provide the Mill with fifteen days advance notice in writing to enable the Mill to cease delivery of Power to UPPCL at the scheduled time.

In order to allow the Mill's facility to remain on-line and to minimise interruptions to Mill operations, the Mill may provide automatic equipment that will isolate the Mill's facility from UPPCL's system during major system disturbances.

18.0.0 DAILY/MONTHLY/ANNUAL REPORT


The Mill shall submit daily/monthly/annual and other reports on the format, and as per the procedure, specified in the UP Electricity Grid Code-2000 or desired by the STU/UPPCL.

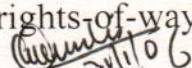
19.0.0 INSPECTION

Inspection of premises of the Mill by UPPCL officials without prior permission or intimation to the Mill shall be permissible during normal office working hours of the Mill.

20.0.0 CLEARANCES, PERMITS AND LICENSES

The Mill shall obtain, at their expense, all authorisations, permits, and licences required for the construction, installation and operation of the Mill's facilities and any interconnection facilities, including but not limited to, rights-of-way or

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 G.M. (P.P.A.)
 U. P. P. C. L.
 Shakti Shawan Extn
 Lucknow.

easements. UPPCL shall provide reasonable assistance to the Mill to obtain the same if so requested by the Mill. Cost incurred for these clearances shall be borne by the Mill.

21.0.0 DURATION

Except where terminated by default, this agreement shall be valid for ten (10) years from the effective date of the agreement.


22.0.0 EVENTS OF DEFAULT AND TERMINATION

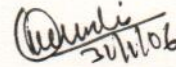
The occurrence of any of the following events at any time during the term of this agreement shall constitute a default by the Mill:

- Failure on the part of the Mill to use reasonable diligence in operating, maintaining, or repairing the Mill's facility, such that the safety of persons and property, UPPCL's equipment, or UPPCL's service to others is adversely affected; or
- Failure or refusal by the Mill to perform its material obligations under this agreement; or
- Abandonment of its interconnection facilities by the Mill or the discontinuance by the Mill of services covered under this agreement, unless such discontinuance is caused by force majeure, or an event of default by UPPCL, or
- Failure by the Mill to abide by all statutory provisions, rules, regulations, directions and conditions for installation, operation, and supply of power and maintenance of co-generation units etc., enforced from time to time by the Union/State Government, UPERC or other empowered authorities, including compliance with the UP Electricity Grid Code-2000, or
- Failure by the Mill to pay UPPCL any amount payable and due under this agreement within sixty (60) working days of the demand being raised.

The occurrence of any of the following at any time during the term of this agreement shall constitute a default by UPPCL: -

- Failure to pay to the Mill any amount payable and due under this agreement within sixty (60) working days of the receipt of the bill/monthly purchase bill; or

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 (PRAVERM GUPTA)
 JT. EXECUTIVE PRESIDENT


 G.M. (P.P.A.)
 U. P. P. C. L.
 Shakti Bhawan Extn
 Lucknow.

- Failure to use reasonable diligence in operating, maintaining, or repairing UPPCL's interconnecting facilities, such that the safety of persons or property in general, or the Mills equipment or personnel are adversely affected; or
- Failure or refusal by UPPCL to perform its material obligations under this agreement; or
- Abandonment of its interconnection facilities by UPPCL or the discontinuance by UPPCL of services covered under this agreement, unless such discontinuance is caused by force majeure or an event of default by the Mill.

Except for failure to make any payment due, within sixty(60) working days of receipt of the monthly purchase bill, if an event of default by either party extends beyond a period of sixty (60) working days after receipt of written notice of such event of default from the non-defaulting party, then the non-defaulting party may, at its option, terminate this agreement by delivering written notice of such termination to the party in default.

Failure by either UPPCL or the Mill to exercise any of its rights under this agreement shall not constitute a waiver of such rights. Neither party shall be deemed to have waived the performance of any obligation by the other party under this agreement, unless such a waiver has specifically been made in writing and approved by the UPERC.

UPPCL reserves the right to terminate this agreement upon one months notice to the Mill, if the Mill's facility fails to commence production of electric power within three months from the planned commercial operation date shown in Annexure 1 and UPERC has rejected the application of the Mill for extension of date.

23.0.0 COMMUNICATION


In order to have effective co-ordination between UPPCL and the Mill, a designated official shall be kept on duty round the clock by the Mill and UPPCL in their respective premises, with information to each other about the name, location, telephone number etc., of the official. Without prejudice to discharge of their duties, this duty official shall take necessary action on receiving

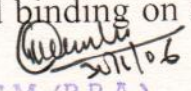
Mill & the interconnecting sub-station of UPPCL and between the Mill and the ALDS. The Mill shall make provision for an RTU for remote monitoring of voltage, current and other related electrical parameters, as may be required by the STU.

24.0.0 DISPUTES AND ARBITRATION

In the event of any dispute or difference between the parties concerning performance of this agreement and/or the rights and liabilities of the parties in respect of which a procedure for the resolution is not otherwise provided for in this agreement the following provisions shall apply:

- a) Ex. Engineer, Electricity Transmission Division Bijnore on behalf of UPPCL, and the authorised representative of the Mill would be empowered to delineate the nature and material particulars of the dispute/dissatisfaction and the relief sought, and serve notice thereof on the other, with copy to the UPPCL Deputy General Manager of the Transmission Circle under whose jurisdiction the Mill's plant is located.
- b) On receiving such information, the Dy. General Manager of the Transmission Circle of UPPCL in which the Mill is located, shall be required to personally meet the authorised representative of the Mill and the Executive Engineer of the concerned Transmission Division, at his own office, separately and/or together, within 15 (Fifteen) days of the date of receipt of such notice, and attempt in good faith to resolve the dispute to the mutual satisfaction of the two parties, within the stipulations dictated by the letter and spirit of the agreement.
- c) If the dispute is not resolved by way of a settlement being arrived at and duly signed by each of the above officers within (30) thirty days of the date of receipt of the notice described in clause (a) above, the matter may be referred by either or both the above designated officers of the two parties to the UPPCL General Manager, Transmission, who has direct supervisory jurisdiction over the Dy. General Manager referred to above, with information to the Chief Executive of the Mill. Within 15 days of receipt of such notice, the General Manager and the Chief Executive of the Mill would be required to meet at the formers office and endeavour to settle the dispute within a further period of (30) thirty days. i.e. within a total period of 45 (forty Five) days from the initial date of receipt of the notice by the General Manager.
- d) If the said dispute/dissatisfaction remains unresolved, either party can file a petition before UPERC, whose decision will be final and binding on both the


 (J.P. MAN GUPTA)
 J.P. MAN GUPTA PRESIDENT


 G.M. (P.P.A.)
 U. P. C. L.
 Shakti Shawan Extn.
 Lucknow.

parties. UPERC shall be empowered to determine the exact nature and modalities of the procedure to be adopted in resolving the matter.

25.0.0 INDEMNIFICATION

The Mill shall indemnify, defend, and render harm free, UPPCL, its members, directors, officers, employees and agents, and their respective heirs, successors, legal representatives and assignees, from and against any and all liabilities, damages, costs, expenses (including attorneys fees), losses, claims, demands, action, causes of action, suits, and proceedings of every kind, including those for damage to property of any person or entity (including the Mill) and/or for injury to or death of any person (including the Mill's employees and agents), which directly or indirectly result from or arise out of or in connection with negligence or wilful misconduct of the Mill.

UPPCL shall indemnify and render harm free the Mill, its directors, officers, employees and agents, and their respective heirs, successors, legal representatives and assignees, from and against any and all liabilities, damages, costs, expenses (including outside attorneys fees), losses, claims, demands, actions, causes of action, suits and proceedings of every kind, including those for damage to the property of any person or entity (including UPPCL) and/or injury to or death of any person (including UPPCL's employees and agents), which directly or indirectly result from or arise out of or in connection with negligence or wilful misconduct by UPPCL.

26.0.0 ASSIGNMENT

This Agreement may not be assigned by either UPPCL or the Mill without the consent in writing of the other party, except that either party may assign its rights under this Agreement, or transfer such rights by operation of law, to any corporation with which or into which such party shall merge or consolidate or to which such party shall transfer all or substantially all of its assets; provided that such assignee or transferee shall expressly assume, in writing, delivered to the other party to this Agreement, all the obligations of the assigning or transferring party under this Agreement. Any assignment by either party will require prior approval of UPERC.

27.0.0 FORCE MAJEURE

If any party hereto is wholly or partially prevented from performing any of its obligations under this agreement by reason of or due to lightning, earthquake,

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(SRI. SUN SUPTA)
 J.T. MANAGER PRESIDENT

G.M. (P.P.A.)
 U. P. P. C. L.
 Shakti Bhawan Extn.
 Lucknow.

riots, fire, floods, invasion, insurrection, rebellion, mutiny, tidal wave, civil unrest, epidemics, explosion, the order of any court, judge or civil authority, change in State or National law, war, any act of God or a public enemy, or any other similar or dissimilar cause reasonably beyond its exclusive control and not attributable to its neglect, then in any such event, such party shall be excused from whatever performance is prevented by such event, to the extent so prevented, and such party shall not be liable for any damage, sanction or loss resulting therefrom.

The party invoking this clause shall satisfy the other party of the occurrence of such an event and give written notice explaining the circumstances, within seven days to the other party and take all possible steps to revert to normal conditions at the earliest.

Any payments that become/have become due under this agreement shall not be withheld, on grounds of force majeure conditions developing.

28.0.0 AUTHORITY TO EXECUTE

Each respective party represents and warrants as follows: -

Each party has all necessary rights, powers and authority to execute, deliver and perform this agreement.


The execution, delivery and performance of this agreement by each respective party shall not result in a violation of any law or result in a breach of any government authority, or conflict with, or result in a breach of, or cause a default under, any agreement or instrument to which either respective party is a party or by which it is bound. No consent of any person or entity not a party to this agreement, including any governmental authority, is required for such execution, delivery and performance by each respective party. All necessary consents have been obtained, and shall be obtained in the future as and when they become due.

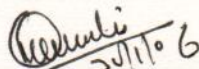
29.0.0 LIABILITY AND DEDICATION

Nothing in this agreement shall create any duty, standard of care, or liability to be discharged by any person not a party to it.

No undertaking by one party to the other under any provision of this Agreement shall constitute the dedication of that party's system or any portion thereof to the other party or to the public; or affect the status of UPPCL as a public utility or constitute the Mill or the Mill's facility as a public utility.

PER. PRO. UPPER GANGES SUGAR & IND. LTD.


(BRAJENDRA GUPTA)
MANAGING DIRECTOR


G.M. (P.P.A.)
U. P. P. C. L.

Shakti Bhawan Extn.
Lucknow,

30.0.0 NODAL AGENCY OF UPPCL

The Executive Engineer, Transmission Division, Bijnore of the 132 KV Tajpur sub-station of UPPCL shall act as a nodal agency for implementing this Agreement.

31.0.0 AMENDMENTS

Any waiver, alteration, amendment or modification of this Agreement or any part hereof shall not be valid unless it is in writing, signed by both the parties and approved by UPERC.

32.0.0 BINDING EFFECT

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, legal representatives, and permitted assignees.


33.0.0 NOTICES

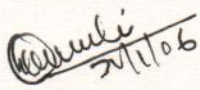
Any written notice provided hereunder shall be delivered personally or sent by registered post, acknowledgement due, or by courier for delivery on written receipt, with pre-paid postage or courier charges, to the other party, at the following address:

THE EXECUTIVE ENGINEER,
Electricity Transmission Division, UPPCL:
Bijnore
MILL:
M/s Upper Ganges Sugar & Industries Ltd..
P.O. Seohara
Distt.Bijnore (U.P.)

Notice delivered personally shall be deemed to have been given when it is delivered at the office of the M/s Upper Ganges Sugar & Industries Ltd. Seohara or to the office of the Executive Engineer (Transmission) of UPPCL, as the case may be, at address set forth above and actually delivered to such person or left with and received by a responsible person in that office. Notice sent by post or courier shall be deemed to have been given on the date of actual delivery as evidenced by the date appearing on the acknowledgement of delivery.

Any party hereto may change its address for serving a written notice, by giving written notice of such change to the other party hereto.


ANAND
M/S. UPPER GANGES SUGAR & IND. LTD.
SEOHARA
DIST. BIJNORE
UPPCL
Jt. Executive President


G.M. (P.P.A.)
U. P. P. C. L.
Shakti Bhawan Extn
Lucknow.

34.0.0 EFFECT OF SECTION AND ANNEXURE HEADINGS

The headings or titles of the various sections and annexures hereof are for convenient reference and shall not affect the construction or interpretation of any provision of this Agreement.

35.0.0 NON-WAIVER

No delay or forbearance by either party in the exercise of any remedy or right will constitute a waiver thereof, and the exercise or partial exercise of a remedy or right shall not preclude further exercise of the same or any other remedy or rights.

36.0.0 RELATIONSHIP OF THE PARTIES

Nothing in this Agreement shall be deemed to constitute either party hereto as partner, agent or representative of the other party or create any fiduciary relationship between the parties.

37.00 ENTIRE AGREEMENT

This agreement constitutes the entire understanding and agreement between the parties.

38.0.0 GOVERNING LAW

This agreement shall be governed by and construed in accordance with the laws applicable in the State of Uttar Pradesh

39.0.0 NO PARTY DEEMED DRAFTER

The parties agree that no party shall be deemed to be the drafter of this Agreement and that in the event this Agreement is ever construed by arbitrators, or by a court of law, no inference shall be drawn against either party on account of this Agreement or any provision hereof being drafted by them. UPPCL and the Mill acknowledge that both parties have contributed substantially and materially to the preparation of this Agreement.

41.0.0 ANNEXURES

ANNEXURES 1, II, III, IV, V, VI, VII, VIII & IX ARE MADE A PART OF THIS AGREEMENT.

42.0.0 STANDARD FOR DECISION MAKING

All operational decisions or approvals that are to be made at the discretion of either UPPCL or the Mill, pursuant to the terms of this agreement, including specifications and design criteria etc., shall be made or performed according to good engineering practices prevailing in the electricity industry.


Professional decisions or activities undertaken by either party for the purpose of constructing, installing, removing, maintaining or operating any facility, which may affect the operations of the other party's facility or facilities, shall be made or performed according to good engineering practices prevailing in the electricity industry.

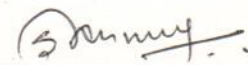
This Agreement is subject to the approval of UPERC.

IN WITNESS:

WHEREOF, UPPCL and the Mill have executed this agreement as of the 30th Day of January in the year 2006..

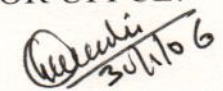
FOR THE MILL:


NAME (Praveen Gupta)
DESIGN. Joint Executive President
ADD. M/s Upper Ganges Sugar & Ind.Ltd..

WITNESSED BY: 

NAME: Sunil Kumar
DESIGNATION: Executive Vice President
ADDRESS: Upper Ganges Sugar & Ind. Ltd.


FOR UPPCL:


NAME: (O.P. MALHOTRA)
DESIGN. GENERAL MANAGER (PPA)
ADDRESS Shakti Bhawan Extension
14th Floor, 14, Ashok Marg
Lucknow

WITNESSED BY: 

NAME S.P. PANDEY
DESIGNATION Executive Genl
ADDRESS PPA

PER, PRO. UPPER GANGES SUGAR & IND. LTD.


(PRAVEEN GUPTA)
JT. EXECUTIVE PRESIDENT

G.M. (P.P.A)
U. P. C. L.
Shakti Bhawan Extn
Lucknow.

ANNEXURE- I

THE MILL'S CO-GENERATION FACILITIES

1. THE MILL:

NAME: M/s Upper Ganges Sugar & Industries Ltd.

LOCATION: Seohara Distt. Bijnore (U.P.)

CHIEF EXECUTIVE: Mr B.K. Malpani
 CONTACT PERSON: Mr. Parveen Gupta
 MAILING ADDRESS: M/s Upper Ganges Sugar & Industries Ltd.
 P.O. Seohara,
 Distt. Bijnore (U.P.)

TELEPHONE NUMBER: 01344-252321/252303/252401

FAX NUMBER: 01344-252321

EMERGENCY TELEPHONE
 NUMBER: 9412218090
 PERMANENT MAILING
 ADDRESS: Seohara – 246746, Distt. Bijnore

2. GENERATING EQUIPMENT:

BOILERS: : 120 TPH, 86 Kg./Cm²
 TURBO-GENERATOR SETS: 24 MW, 1 No.

CO-GENERATION VOLTAGE: 11 KV/132 KV
 SPEED: 5500rpm

TYPE OF GOVERNOR: Wood Ward Electric Digital

TRANSFORMER: 25 MVA, 11KV/132 KV

FIRST SYNCHRONISATION WITH 132 KV LINE

(INITIAL OPERATION DATE): Feb. 2007
 COMMERCIAL OPERATION March, 2007

MR. PARVEEN GUPTA, UPPER GANGES SUGAR & IND. LTD.

(PARVEEN GUPTA)

IT EXECUTIVE PRESIDENT

G.M. (P.P.A.)
 U. P. P. C. L.

Shakti Shawan Extn
 Lucknow.

3.0 STIPULATIONS RELATING TO THE FACILITIES:

- 3.1 For the purpose of this agreement the Mill's facility includes all real estate, fixtures, and property owned, controlled, operated or managed by the Mill in connection with or to facilitate the production, co-generation, transmission, delivery, or furnishing of electricity or required to interconnect and deliver the electric Power to UPPCL's system. A single-line diagram relay list and trip scheme of the Mill's facility, reviewed and accepted by UPPCL at the time the Agreement is signed, shall be attached to this agreement and made part hereof. The single-line diagram, relay list, and trip scheme shall expressly identify the point of electrical interconnection of the Mill's facility to UPPCL's system. Material changes or additions to the Mill's generating and interconnection facilities reflected in the single-line diagram, relay list, and trip scheme shall be approved by UPPCL.
- 3.2 The Mill shall furnish, install, operate and maintain facilities such as breakers, relays, switches, synchronising equipment, monitoring equipment, and control and protective devices as suitable for parallel operation with UPPCL's system and acceptable to UPPCL. Such facilities shall be accessible to authorised UPPCL personnel for inspection, with prior intimation to the Mill
- 3.3 The Mill shall furnish, in accordance with UPPCL's requirements, all conductors, service switches, fuses, meter sockets, meter and instrument transformer housings and mountings, switches, meter buses, meter panels, and similar devices required for the service connection and meter installation at UPPCL's premises. This equipment shall be installed and Commissioned by UPPCL.
- 3.4 UPPCL shall review and approve the design drawings and Bill of Material for the Mill's electrical equipment, required to interconnect with UPPCL's system. The type of electrical equipment, the type of protective relaying equipment and the settings affecting the reliability and safety of operation of UPPCL's and the Mill's interconnected system shall be approved by UPPCL. UPPCL, at its option, may request witnessing operation of the control, synchronising, and protection schemes.
- 3.5 The Mill shall provide a manual disconnect device, which provides a visible break to separate the Mill's facilities from UPPCL's system. Such a disconnect device shall be lockable in the OPEN position and be readily accessible to UPPCL personnel at all times.

PER. PRO. UPPER GANGES SUGAR & IND. LTD.


(SARVJIT GUPTA)
EXECUTIVE PRESIDENT

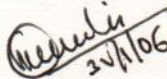
G.M. (P.P.A.)
U. P. P. C. L.

Shakti Bhawan Extn.
Lucknow.

4.0 Operating Procedures:

- 4.1 The Mill shall operate its plant when interconnected with the grid as per the procedure given in the UP Electricity Grid Code 2000. The overall responsibility of operation and implementation of the UP Electricity Grid Code-2000 rests with the State Transmission Utility notified by the State Government.
- 4.2 The Mill's normal annual Maintenance shall be carried out from July to October.
- 4.3 The Mill shall notify UPPCL's interconnecting sub station and ALDS prior to synchronising a generator on to or taking a generator off of the system. Such notification should be as far in advance as reasonably possible under the circumstances causing the action.
- 5.0 Single Line Diagram (Annexure IX) Attached.



PRASHANT GUPTA
EXECUTIVE PRESIDENT



G.M. (P.P.A.)
U. P. P. C. L.
Shakti Bhawan Extn
Lucknow.

Annexure-II

1.0 Sale of and Accounting for Power

1. In case the Mill is not a consumer of UPPCL, protective gear at UPPCL's Substation would be designed to ensure that reverse flow of power from UPPCL's system to the Mill is totally blocked out and the circuit breaker at the Substation gets opened automatically when required. However, notwithstanding this provision, if any export to the Mill takes place, it would be paid for by the Mill in accordance with the terms of clause 2 of this agreement.
2. On the first day of the Energy Account Month the Mill shall provide information in writing to UPPCL about the quantity of Power to be sold to UPPCL during the month.
3. UPPCL will purchase Electricity based on the principle of merit order dispatch and in accordance with provisions of the, Supply Licence Regulations & Directions of UPERC and other statutory authorities, and requirements of the area load dispatch centre.
4. Power accounting and Billing would be done on the basis of the section titled "Metering" in the main agreement (Clause No. 14.0)

UPPER GANGES SUGAR & IND. LTD.

 (PRAVEEN GUPTA)
 JT. EXECUTIVE PRESIDENT


 20/11/06
 G.M. (P.P.A.)
 U.P.P.C.L.
 Shakti Bhawan Extn.
 Lucknow,

SAMPLE MONTHLY PURCHASE BILL

INVOICE

For the Month of,

Monthly Purchase Bill No.

Date

Name of Buyer: UPPCL

Name of the Mill:

Address:

Address:

Town:

Town: District:

PIN Code:

PIN Code:

Tel. No.: Fax:

Tel. No.: Fax:

DESCRIPTION	QUANTITY	UNIT PRICE	AMOUNT
-------------	----------	------------	--------

- ENERGY SUPPLIED (KWh)
- ENERGY FOR PAYMENT (KWh)

OTHER CHARGES

Less:

Add:

SUBTOTAL

TOTAL DUE

For Mill Ltd.

Verified by

Authorised Signator

Executive Engineer,
Transmission, UPPCL

PER. PRO. UPPER GANGES SUGAR & IND. LTD.


 J.P. SHARAN (GUPTA)

J.T. EXECUTIVE PRESIDENT


 3/4/06
G.M. (P.P.A.)
U. P. P. C. L.
Shakti Bhawan Extn.
Lucknow,

ANNEXURE IV

INTERCONNECTION FACILITIES PROVIDED BY THE MILL

ITEMS	PROVIDED	NOT PROVIDED
-------	----------	--------------

LINE BAY/S

STRUCTURES	-do-	
BUS BARS, CLAMPS AND CONNECTORS	-do-	
GROUNDING GRID	-do-	
ISOLATORS	-do-	
CURRENT TRANSFORMERS	-do-	
CIRCUIT BREAKERS	-do-	
CONTROL CUBICLES	-do-	
CONTROL CABLING	-do-	
AC / DC POWER SUPPLY	-do-	
COMMUNICATION EQUIPMENT	-do-	

SYNCHRONISATION & PROTECTION FACILITIES

AUTOMATIC VOLTAGE REGULATOR	-	
AUTO SYNCHRONISATION UNIT	-do-	
CHECK SYNCHRONISATION RELAY	-do-	

PROTECTION FOR INTERNAL FAULTS:

DIFFERENTIAL GENERATOR	-do-	
DIFFERENTIAL UNIT TRANSFORMER	-do-	
RESTRICTED EARTH FAULT	-do-	
STATOR EARTH FAULT	-do-	
ROTOR EARTH FAULT	-do-	
INTER-TURN FAULT	--	Not Provided
OVER VOLTAGE	-do-	
LOSS OF EXCITATION	-do-	
UNDER VOLTAGE	-do-	
REVERSE POWER	-do-	
LOW FORWARD POWER RELAY	-do-	

PER PRO. UPPER GANGHRI SUGAR & LIND. LTD.

[Signature]
 (SHEKHAR GUPTA)
 JT. EXECUTIVE PRESIDENT

[Signature]
 20/10/06
 G.M. (P.P.A.)
 U. P. P. C. L.

Shakti Bhawan Extn
 Lucknow.

PROTECTION AGAINST GRID FAULTS

	Provided	Not Provided
MINIMUM IMPEDANCE (DISTANCE PROTECTION RELAY)	-do-	
UNBALANCE (NEGATIVE PHASE SEQUENCE)	-do-	
O/C & E/F (UNIT TRANSFORMER)-LT & HT	-do-	
OVERLOAD ALARM	-do-	
OVERFLUXING RELAY	-do-	

PROTECTION AGAINST GRID DISTURBANCES:

	Provided	Not Provided
UNDER FREQUENCY	-do-	
OVER FREQUENCY	-do-	
POLE SLIP	-do-	-

[Signature]
 UPPER GANGES SUGAR & IND. LTD.
 (PRAVESH GUPTA)
 JT. EXECUTIVE PRESIDENT

[Signature]
 20/10/06
 G.M. (P.P.A.)
 U.P.P.C.L.
 Shakti Bhawan Extn
 Lucknow.

ANNEXURE V

BILL METER READINGS OF GENERATING MILL

READING SHOULD BE TAKEN ON FIRST DAY OF EVERY MONTH, AT 12.00 NOON.

NAME OF THE MILL:

PLACE: TALUKA: DISTRICT: STATE:

C.T. RATIO AVAILABLE/CONNECTED:

P.T. RATIO AVAILABLE/CONNECTED:

SCALE FACTOR (IF ANY):

MULTIPLYING FACTOR (MF):

BILLING METER MAKE / NUMBER:

METER READINGS:

EXPORT METER READING IMPORT METER READING

KWH

PREVIOUS READING

CURRENT READING

DIFFERENCE

DIFFERENCE X MULTIPLYING FACTOR

EXECUTIVE ENGINEER EXECUTIVE ENGINEER AUTHORISED

TRANSMISSION, UPPCL

T&C, UPPCL

REPRESENTATIVE.

MILL

DATE

NOTES:

1. UPPCL shall maintain a daily logbook to record hourly readings of the Bill Meter/ HT Meter.
2. The Mill shall maintain a daily log to record the hourly Co-generation and supply in KWh, along with the schedule given by UPPCL's Dispatcher.
3. If the meter is changed, the reason/s, date, time of meter change and new meter make and number must be recorded by both parties.

PER *[Signature]* UPPER GANGES SUGAR & IND. LTD.

[Signature]
MANAGER
SUGAR & IND. DIVISION

[Signature]
21/10/06

G.M. (P.P.A.)
U. P. P. C. L.
Shakti Bhawan Extn.
Lucknow.

ANNEXURE VI

CHECK METER READINGS OF GENERATING MILL

READING SHOULD BE TAKEN ON FIRST DAY OF EVERY MONTH, AT 12.00 NOON.

NAME OF THE MILL:

PLACE: TALUKA: DISTRICT: STATE:

C.T. RATIO AVAILABLE/CONNECTED:

P.T. RATIO AVAILABLE/CONNECTED:

SCALE FACTOR (IF ANY):

MULTIPLYING FACTOR (MF):

BILLING METER MAKE / NUMBER:

METER READINGS:

EXPORT METER READING
READING

IMPORT METER

KWH

PREVIOUS READING

CURRENT READING

DIFFERENCE

DIFFERENCE X MULTIPLYING FACTOR

EXECUTIVE ENGINEER TRANSMISSION, UPPCL
EXECUTIVE ENGINEER T&C, UPPCL
AUTHORISED REPRESENTATIVE.
MILL

DATE

NOTES:

1. UPPCL shall maintain a daily logbook to record hourly readings of the Check Meter/ HT Meter.
2. The Mill shall maintain a daily log to record the hourly Co-generation and supply in KWh, along with the schedule given by UPPCL's Dispatcher.
3. If the meter is changed, the reason/s, date, time of meter change and new meter make and number must be recorded by both parties.

PER. P.O. UPPER GANGES SUGAR & IND. LTD.

(BRAJESH GUPTA)
J.T. EXECUTIVE PRESIDENT

G.M. (P.P.A.)
U. P. P. C. L.
Shakti Bhawan Extn.
Lucknow,

ANNEXURE VII

DAILY CO-GENERATION REPORT

Name and Address of Mill:

Date:

Installed Co-generation Capacity:

MW

Active Power, KWh

Time	Scheduled	Meter Reading	Difference x M.F.
00			
01			
02			
03			
04			
05			
06			
07			
08			
09			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			

Total (for each column)


Summary:

Time	Scheduled	Active Power, KWh Meter Reading	Difference x M.F.
Daily			
0600 - 2200			
2200 - 0600			
Cumulative for Month			
0600 - 2200			
2200 - 0600			

AUTHORISED REPRESENTATIVE OF THE MILL

To:

1. Concerned ALDS, UPPCL
2. Executive Engineer, Transmission, UPPCL

PER  UPPER GANGES SUGAR & LHM, LTD.(PRAVEEN GUPTA)
JT. EXECUTIVE PRESIDENT

 30/11/06
 G.M. (P.P.A.)
 U. P. C. L.
 Shakti Bhawan Extn.
 Lucknow,

**MONTHLY TRIPPING REPORT
(CO-GENERATION)**

Name and Address of the Mill:

Installed Co-generation Capacity: MW

Date of First Commissioning (Synchronising):

Date of Commercial Operation:

Date of Synchronising

Progressive Days (Co-generation):

Days

TRIPPING ON FAULT:

S N	Tripping		RELAY OPERATE D	REASON FOR TRIPPING			SYNCHRONIZATI ON		Total Time Lost		RE MA RK S
	Date	Time		Mech.	Electrical	Other	Date	Time	Hr	Min	
		Hr. Min						Hr Min			

PLANNED & FORCED OUTAGE:

S N	OUTAGE		REASON FOR TRIPPING				SYNCHRONISI		TOTAL TIME LOST		REMA RKS
	Date	Time	No. Fuel	Mech.	Electrical	Other	Date	Time	Hr	Min	
		Hr Min						Hr Min			

Progressive Days:

Time Lost:

During

Month


Year

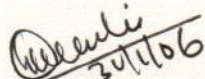
Since First Commissioning

AUTHORISED REPRESENTATIVE OF THE MILL

To:

1. Concerned ALDS, UPPCL
2. Executive Engineer, Transmission, UPPCL

UPPER GANGES SUGAR & IND. LTD.

 PRAYOON GUPTA
 JT. EXECUTIVE PRESIDENT


 30/1/06
 G.M. (P.P.A.)
 U. P. C. L.
 Shakti Bhawan Extn.
 Lucknow,